

Mr. President, in that event we may be the only democracy in the world. We may have to battle this totalitarian power. So long as England holds out in this war, there cannot be any question that she is helping America.

If we abandon Great Britain to her fate, what real chance have we to escape being dragged into a war with both Hitler and Japan, fighting on two fronts, vastly outnumbered, laboring under awful handicaps? Today there are only two great powers on earth that are peace-minded—the United States and Great Britain. By supporting Great Britain—with tools, not men—we can eventually compel the warmongers to keep the peace. This is our chance to save democracy over the civilized—if I may use that archaic term—over the civilized world.

If Great Britain falls, Japan will carve up the Orient while Hitler enslaves Europe and Africa. Then the victors will partition South America, and will build air bases on the very edge of the Panama Canal. To deny this prospect is to live in a fool's paradise. To refuse the one way of national security now remaining open to us is to disregard the grim truth and to wander, wool-gathering, with our heads in the clouds.

We who support this bill are the real guardians of the peace. We are the realistic, hard-bolled avoiders of war. We advocate the only practical method of making America first in naval power, first in national power, first in power of the ideals which guarantee life, liberty, and the pursuit of happiness.

Mr. President, it was Emerson who said:

For what avail the plough or sail,
Or land or life, if freedom fail?

CONTRACTS UNDER THE NATIONAL-DEFENSE PROGRAM

Mr. BYRNES. Mr. President, from the Committee to Audit and Control the Contingent Expenses of the Senate, I report back with an additional amendment the resolution (S. Res. 71) for the appointment of a special committee to investigate the national-defense program and the handling of contracts, and I ask unanimous consent for its present consideration.

The PRESIDING OFFICER (Mr. BROWN in the chair). Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution which had been submitted by Mr. TRUMAN on the 13th ultimo.

The PRESIDING OFFICER. The clerk will state the amendments.

The amendment of the Committee on Military Affairs was, on page 1, line 1, before the word "Senators", to strike out "five" and insert "seven"; and the amendment of the Committee to Audit and Control the Contingent Expenses of the Senate was, on page 3, line 1, after the word "exceed", to strike out "\$25,000" and insert "\$15,000."

The amendments were agreed to.

The resolution as amended was agreed to, as follows:

Resolved, That a special committee of seven Senators, to be appointed by the President

of the Senate, is authorized and directed to make a full and complete study and investigation of the operation of the program for the procurement and construction of supplies, materials, munitions, vehicles, aircraft, vessels, plants, camps, and other articles and facilities in connection with the national defense, including (1) the types and terms of contracts awarded on behalf of the United States; (2) the methods by which such contracts are awarded and contractors selected; (3) the utilization of the facilities of small business concerns, through subcontracts or otherwise; (4) the geographic distribution of contracts and location of plants and facilities; (5) the effect of such program with respect to labor and the migration of labor; (6) the performance of contracts and the accountings required of contractors; (7) benefits accruing to contractors with respect to amortization for the purposes of taxation or otherwise; (8) practices of management or labor, and prices, fees, and charges, which interfere with such program or unduly increase its cost; and (9) such other matters as the committee deems appropriate. The committee shall report to the Senate, as soon as practicable, the results of its study and investigation, together with its recommendations.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Seventy-seventh and succeeding Congresses, to employ such clerical and other assistance, to require by subpoena, or otherwise, the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to make such investigations, to administer such oaths, to take such testimony, and to incur such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed \$15,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER, as in executive session, laid before the Senate a message from the President of the United States nominating Ben Moore, of West Virginia, to be district judge for the southern district of West Virginia, vice George W. McClintic which was referred to the Committee on the Judiciary.

PROMOTION OF NATIONAL DEFENSE

The Senate resumed the consideration of the bill (H. R. 1776) further to promote the defense of the United States, and for other purposes.

Mr. TUNNELL obtained the floor.

Mr. BARKLEY. Mr. President, will the Senator from Delaware yield?

Mr. TUNNELL. I yield.

RECESS

Mr. BARKLEY. There is no executive calendar, and I therefore move that the Senate take a recess until Monday next at 11 o'clock a. m.

The motion was agreed to; and (at 5 o'clock and 53 minutes p. m.) the Senate took a recess until Monday, March 3, 1941, at 11 o'clock a. m.

NOMINATION

Executive nomination received by the Senate March 1 (legislative day of February 13), 1941:

UNITED STATES DISTRICT JUDGE

Ben Moore, of West Virginia, to be United States district judge for the southern district of West Virginia, vice Hon. George W. McClintic, whose retirement will become effective March 1, 1941.

SENATE

MONDAY, MARCH 3, 1941

(Legislative day of Thursday, February 13, 1941)

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

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

O Thou in whom we live, having our life hid in Thee, as the life of the flower hides in the stem that bears it who art the eternal reality out of which we appear and pass: We thank Thee for the moments when we have seen, as in a sudden flash of light, the veiled face behind the veil, the truth which we must carry from the surface to the depths of thought and meditation before we adequately give it utterance through lips into which special grace is poured. Let the mystery of this inspiration govern us in all our deliberations here; help us to recognize the opportunities of our lot, to labor not for the getting, but for the joy of the deed. Thou who dwellest in the darkness as well as in the light, whom the thick cloud enfolds and the sunny sky reveals, help us to see Thee in the cloud, to realize the goodness of the severity, the mercy of the judgment through which we are passing, that the sins which now defile may at length become the purifying agents of our world.

We ask it in the name of Him who knew no sin whom Thou hast made "to be sin for us," that we might be made the righteousness of God in Him, even 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 of Saturday, March 1, 1941, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. HILL. 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	Byrd	Gurney
Aiken	Byrnes	Harrison
Andrews	Capper	Hatch
Austin	Caraway	Hayden
Bailey	Chandler	Herring
Ball	Chavez	Hill
Bankhead	Clark, Idaho	Holman
Barbour	Clark, Mo.	Hughes
Barkley	Connally	Johnson, Calif.
Bilbo	Danaher	Johnson, Colo.
Bone	Davis	Kilgore
Brewster	Downey	La Follette
Bridges	Ellender	Langer
Brooks	George	Lee
Brown	Gerry	Lodge
Bulow	Gillette	Lucas
Bunker	Glass	McCarran
Burton	Green	McFarland
Butler	Guffey	McKellar

McNary	Reed	Tobey
Maloney	Reynolds	Truman
Mead	Russell	Tunnell
Miller	Schwartz	Tydings
Murdock	Sheppard	Vandenberg
Murray	Shipstead	Van Nuys
Norris	Smathers	Wallgren
Nye	Smith	Walsh
O'Mahoney	Stewart	Wheeler
Overton	Taft	White
Pepper	Thomas, Idaho	Wiley
Radcliffe	Thomas, Utah	Willis

Mr. HILL. I announce that the Senator from Oklahoma [Mr. THOMAS] and the Senator from New York [Mr. WAGNER] are unavoidably detained from the Senate.

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

EXECUTIVE COMMUNICATION

The VICE PRESIDENT laid before the Senate the following letter, which was referred as indicated:

SCHOOL FACILITIES AT ARMY AND NAVY RESERVATIONS

A joint letter from the Secretary of War and the Acting Secretary of the Navy, with reference to Senate Resolution 324, Seventy-sixth Congress, requesting the Secretary of the Navy and the Secretary of War to make an investigation as to school facilities at navy yards and Army and Navy reservations, and submitting a further report and recommendations thereon (with accompanying papers); to the Committee on Naval Affairs, and ordered to be printed (S. Doc. No. 20).

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate by the Vice President, or presented by Senators, and referred as indicated:

By the VICE PRESIDENT:

Joint memorials of the Legislature of the Territory of Alaska; to the Committee on Territories and Insular Affairs:

"House Joint Memorial No. 2

"To the Honorable the Congress of the United States:

"Your memorialist, the Legislature of the Territory of Alaska, in Fifteenth Regular Session assembled, respectfully submits that:

"Whereas the Honorable ANTHONY J. DIMOND, Delegate to Congress from Alaska, has introduced in the Congress a bill known as H. R. No. 94, the same being entitled 'An act to forbid the appointment of any person but a resident of the Territory of Alaska to the office of Governor of said Territory'; and

"Whereas said bill is in the interest of and supported by the people of this Territory: Now, therefore

"Your memorialist respectfully urges Congress to pass and the President to sign said H. R. No. 94 introduced in the Seventy-seventh Congress by the Honorable ANTHONY J. DIMOND, Delegate to Congress from Alaska,

"And your memorialist will ever pray.

"Passed by the House, February 3, 1941."

"House Joint Memorial No. 4

"To the Honorable the Congress of the United States:

"Your memorialist, the Legislature of the Territory of Alaska, in the fifteenth regular session assembled, does most respectfully represent that:

"Whereas the Organic Act of the Territory of Alaska provides as follows: 'No divorce shall be granted by the legislature nor shall any divorce be granted by the courts of the Territory unless the applicant therefor shall have resided in the Territory for 2 years next preceding the application * * *'; and

"Whereas the requirement of 2 years' residence now imposed upon the Territory by the Organic Act we believe burdensome and unreasonable; and

"Whereas all States in the continental United States, excepting Indiana, Maryland, New Jersey, Tennessee, Rhode Island, Vermont, Wisconsin, Connecticut, and Massachusetts, are permitted to grant divorces after a residence of 1 year, or even shorter period: Now, therefore

"Your memorialist, the Legislature of the Territory of Alaska, most respectfully petitions the Congress of the United States to so amend the Organic Act of Congress that applicants may be granted a divorce after a residence of 1 year in the Territory of Alaska.

"And your memorialist will ever pray."

A resolution of the Chinese American Citizens Alliance, San Francisco, Calif., favoring amendment of the Immigration Act of 1924, for the relief of a certain alleged hardship imposed by that act upon citizens of the United States of the Chinese race; to the Committee on Immigration.

A letter in the nature of a petition from John H. Gilbert, of Waterbury, Conn., praying for the enactment of House bill 1776, the lease-lend bill; to the table.

A telegram in the nature of a petition from sundry citizens of San Benito, Tex., praying for the prompt enactment of House bill 1776, the lease-lend bill, and also full aid for Great Britain, Greece, and China; to the table.

A letter in the nature of a memorial from L. M. Williams, of Papillion, Nebr., remonstrating against involvement in war; to the table.

A letter in the nature of a memorial from Mr. and Mrs. C. L. Barton, of Alhambra, Calif., remonstrating against the enactment of House bill 1776, the lease-lend bill; to the table.

By Mr. VANDENBERG:

Memorials, numerous signed, of sundry citizens of the State of Michigan, remonstrating against involvement in war, and also the enactment of House bill 1776, the lease-lend bill; to the table.

By Mr. TYDINGS:

A resolution of the Anne Arundel County (Md.) Sanitary Commission, favoring inclusion of employees of Federal, State, and local governments and their instrumentalities within the scope of the Social Securities Act; to the Committee on Finance.

By Mr. MALONEY:

A joint resolution of the Legislature of the State of Connecticut; to the table:

"Resolved by this assembly:

"Whereas a great emergency threatens all of the free governments of the world, including our own: Therefore, be it

"Resolved, That we respectfully urge our Senators and Representatives in Congress to assist in the passage of the lend-lease bill now pending therein, as speedily as possible, with such amendments and reservations as may be deemed necessary; and be it further

"Resolved, That the clerk of the senate and clerk of the house of Representatives be directed to forward a copy of this resolution to each of the Connecticut Senators and Representatives in Congress."

By Mr. THOMAS of Utah:

A resolution of the Legislature of the State of Utah; to the table:

"House Concurrent Resolution No. 1

"Resolution approving the foreign policy of the President of the United States, the lease-and-lend proposal, adequate aid to Great Britain, and other Axis-opposed democracies

"Be it resolved by the Legislature of the State of Utah, the Governor concurring herein:

"Whereas the President of the United States enunciated the policy of adhering to the principles of democracy of the world as against those of tyrannical and dictatorial governments; and

"Whereas it is necessary for the safety of the United States and its inhabitants not only to rearm for their own defense but to give aid to those democracies which are now engaged in a struggle for existence against the Axis Powers; and

"Whereas the President has enunciated the policy of aiding Great Britain by leasing and lending to them the necessary implements of war and supplies so necessary to successfully repel the advances of the Axis Powers: Now, therefore, be it

"Resolved that the Legislature of the State of Utah, the Governor concurring herein, Declares itself in favor of the proposal of the President of the United States to continue the national-defense program and concurrently lease and lend all war implements and supplies that Great Britain may need to carry on, to a successful conclusion, the war in which she is so heroically engaged and that the President of the United States do everything within his power to make his proposal effective as soon as humanly possible, and in a manner best calculated to achieve the result of giving aid to Great Britain now; be it further

"Resolved, That a copy of this resolution be sent to each of the Representatives in Congress from Utah, to each of the Senators from the State of Utah, the Secretary of State of the United States of America, and to the President of the United States of America."

By Mr. McCARRAN:

A joint resolution of the Legislature of the State of Nevada; to the Committee on Banking and Currency:

"Senate Joint Resolution No. 7

"Senate joint resolution, memorializing Congress to reduce interest charges from 4 percent to 3 percent on loans which the Reconstruction Finance Corporation makes to irrigation districts and others similarly situated

"Whereas Walker River Irrigation District, of Lyon County, Nev., has been refinanced through a loan from the Reconstruction Finance Corporation, which refinancing has greatly aided the district in meeting its financial obligations; and

"Whereas while said members of Walker River Irrigation District are most appreciative of the assistance received through the above-mentioned refinancing, they find that the lower and still lower prices being received by the farmer for his agricultural products is making it extremely difficult for him to pay the expenses of production, meet his taxes, and provide a modest living for himself and family; and

"Whereas while the districts are now paying interest at the rate of 4 percent per annum on their loans, the Federal Government has at the same time through provisions of the Bankhead-Jones Act loaned to farmers some \$35,000,000 for the purchase of land, such loans bearing interest at the rate of 3 percent per annum; and

"Whereas the difference of 1 percent in the annual interest rate will still further aid the distressed farmer and would lessen the discrimination between the two classes of loans, one being to enable the farmer to purchase more land, and the other to prevent the farmer from losing the land he now owns; and

"Whereas the farmers within these districts pay the same interest rate as farmers outside of the districts on any loans they make through and from any governmental agency, in addition to the 4 percent they are now paying on loans from the R. F. C. The interest on first mortgages and 4 percent on loans from the R. F. C. make a total of approximately 9 percent that farmers who have first mortgages on their lands are now paying, which is absolutely prohibitive under the present prevailing low prices for farm products: Now, therefore, be it

"Resolved, That the Congress be memorialized to enact such legislation as will

reduce the interest charges from 4 percent to 3 percent on loans which the Walker River irrigation district of Lyon County, Nev., and other such similar districts have received from the Reconstruction Finance Corporation; and be it further

"Resolved, That our Senators in the United States Senate and our Representatives in Congress be requested to use all honorable means to carry out the intent of this resolution for the benefit of the farmers; and be it further

"Resolved, That the secretary of state be, and he hereby is, authorized and directed to transmit duly certified copies of this resolution to our Senators and Representatives in Washington, D. C., and to the President of the United States Senate and to the Speaker of the House of Representatives.

*"STATE OF NEVADA,
"Executive Department.*

"Approved February 25, 1941, 2:51 p. m.

*"E. P. CARVILLE,
"Governor."*

RIGHTS OF TEACHERS UNDER THE SO-CALLED HATCH ACT

Mr. BROWN. Mr. President, I ask unanimous consent to have printed in the RECORD and appropriately referred a resolution adopted at the twenty-seventh annual meeting of the American Association of University Professors, held at Chicago, Ill., on December 30 and 31, 1940, in which they requested that Congress reexamine the provisions of law under the so-called Hatch Act prohibiting participation by certain teachers and university professors in political activities.

I may say in that connection that two attorneys general—the attorney general of Ohio and the attorney general of Minnesota—have ruled that notwithstanding the fact that we had supposed that we exempted such persons from the provisions of the Hatch Act, nevertheless, under their interpretation, accepted by many others, university professors are prohibited from engaging in any political activity if in any part, no matter how small, their salaries are paid by funds which trickle down from the Government of the United States.

I may say that I offered the amendment which was adopted by the Senate upon that proposition, which clearly exempted them. When the bill got to the House of Representatives, those provisions were changed in such a manner that there is some room for doubt about the matter. In conference the amendment was emasculated. I give notice that it is my intention to reoffer the original amendment which was adopted in the Senate.

The VICE PRESIDENT. Without objection, the resolution will be printed in the RECORD and referred to the Committee on Privileges and Elections.

The resolution is as follows:

The American Association of University Professors at its 1940 annual meeting, wishing to support and perpetuate generally recognized principles of academic freedom and tenure, reiterates its conviction that teachers and other scholars everywhere constitute, and should be recognized as members of, an independent profession whose principal function is to search for and disseminate the truth. In that conviction they insist that, although they may in many instances be paid by the State or Federal Government, they are not employees of the Government in the usual sense. As professional scholars

and as educated citizens, their search for the truth and efforts to express it should not be hampered by laws designed to eliminate improper political pressure from elections. Therefore this association expresses its concern lest generally recognized principles of academic freedom and tenure be violated by enforcement of the act of Congress known as the Hatch Act, and urges Congress to modify the phrasing of this act in order to make it certain that college and university professors in the United States are not to be deprived of the rights that they have always enjoyed to write and speak freely on political subjects and to engage in political activity within the limits of accepted academic tradition.

EXILE AND PERSECUTION OF THE POLES

Mr. MALONEY. Mr. President, I present and ask unanimous consent to have a letter which I have received from Rev. A. J. Fiedorczyk, president of the Polish-American Citizen Committee of New Britain, Conn., inserted in the RECORD and appropriately referred, together with two identical resolutions adopted by Polish citizens and representatives of 24 societies of New Britain, Conn., on February 9, 1941, and February 14, 1941, at meetings held at the Sacred Heart of Jesus Parish Hall in that city.

There being no objection, the letter and resolutions were referred to the Committee on Foreign Relations, and one of the resolutions was ordered to be printed in the RECORD, as follows:

FEBRUARY 21, 1941.

HON. FRANCIS T. MALONEY,
Senator, State of Connecticut,
Washington, D. C.

MY DEAR MR. SENATOR: Enclosed please find copies of resolutions adopted by two different gatherings held at the Sacred Heart of Jesus Parish Hall in our city.

We respectfully request that these formal resolutions be given your attention, and that you take whatever steps you deem necessary to introduce these matters to your respective branch of the Congress.

Respectfully yours,

Rev. A. J. FIEDORCZYK,
President, Polish-American Citizen
Committee of New Britain, Conn.

[Enclosure.]

Whereas a portion of the land of Poland has been invaded and occupied by the armies of the Union of Soviet Socialist Republics; and

Whereas that portion of Poland which was usurped by the Union of Soviet Socialist Republics is peopled by Poles who at the present time are being exiled or in grave danger of being exiled to Siberia by the Union of Soviet Socialist Republics; and

Whereas untold hardships are being suffered by these people in being exiled from their natural habitat to what will be a virtual life imprisonment; and

Whereas this unbearable situation has been brought to the attention of the citizens of the United States of America, and particularly to the attention of the citizens of Polish extraction of the parish of the Sacred Heart of Jesus and the city of New Britain: It is therefore

Resolved by this assembly, That American citizens of Polish descent residing in New Britain, Conn., and more particularly the parishioners of the Sacred Heart of Jesus Church, located in said city, totaling more than 5,000 in number, earnestly request the Congress of the United States of America, which has done so much on behalf of oppressed peoples, to take such action as might be within the power of Congress to make every possible intercession to stop and alleviate the unwarranted and unjustifiable persecution of Polish nationals by exile to Siberia

by the Government of the Union of Soviet Socialist Republics: And it is further

Resolved, That copies of this resolution shall be forwarded to the Members of the Congress of the United States of America from the State of Connecticut and to those Members of the Congress who are of Polish descent.

[The above-noted identical resolutions were signed, respectively, by Rev. C. J. Fiedorczyk, president, Polish-American Citizens Committee of New Britain, Conn.; Genevieve T. Toczko, secretary; and by Rev. L. Bojonowski, Leon Tomi Gorosch, and Marein Roval, resolution committee.]

REPORTS OF COMMITTEES

The following reports from the Committee on the Judiciary were submitted:

By Mr. HATCH:

S. 412. A bill to provide for the appointment of an additional circuit judge for the seventh judicial circuit; without amendment (Rept. No. 77).

By Mr. BURTON:

S. 482. A bill to provide for the appointment of one additional United States district judge for the northern district of Ohio; without amendment (Rept. No. 78).

SENATOR FROM NORTH DAKOTA—EXPENSES OF COMMITTEE ON PRIVILEGES AND ELECTIONS

Mr. CONNALLY, from the Committee on Privileges and Elections, reported a resolution (S. Res. 81), which, under the rule, was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

"Resolved, That the Committee on Privileges and Elections, or any duly authorized subcommittee thereof, is hereby authorized to expend not to exceed \$5,000, and to take such further steps as may be necessary in addition to those heretofore taken (including the impounding of ballots, tally sheets, poll lists, and other election records, and the issuance of subpoenas for the attendance of witnesses, and the production of books, papers, and other documents) in connection with the proceeding now pending before said committee to determine whether William Langer is entitled to retain his seat in the Senate to which he was certified as having been elected on November 5, 1940. The expenses incurred by the committee and its authorized representatives for the purposes of such proceeding shall be paid out of the contingent fund of the Senate upon vouchers approved by the chairman of the committee."

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable committee reports of nominations were submitted:

By Mr. CHANDLER, from the Committee on the Judiciary:

Oscar H. Doyle, of South Carolina, to be United States attorney for the western district of South Carolina.

By Mr. SMATHERS, from the Committee on the Judiciary:

George F. Troy, of Rhode Island, to be United States attorney for the district of Rhode Island, vice J. Howard McGrath, resigned.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

BILLS INTRODUCED

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

By Mr. ANDREWS:

S. 1019. A bill to provide for the holding of terms of the district court of the United States at Fort Myers, Fla.; to the Committee on the Judiciary.

By Mr. GREEN:

S. 1020. A bill granting a pension to Emma S. Boutwell; to the Committee on Pensions.

By Mr. NYE:

S. 1021. A bill for the relief of Richard Barton; to the Committee on Claims.

By Mr. RUSSELL:

S. 1022. A bill for the relief of Richard Gammon; to the Committee on Claims.

By Mr. SHEPPARD:

S. 1023. A bill for the relief of Richard L. Byrd; to the Committee on Claims.

By Mr. CAPPER:

S. 1024. A bill for the relief of John F. Thomas; to the Committee on Civil Service.

By Mr. BROWN:

S. 1025. A bill to amend the act entitled "An act to prevent pernicious political activities," approved August 2, 1939, as amended, with respect to its application to officers and employees of educational, religious, eleemosynary, philanthropic, and cultural institutions, establishments, and agencies; to the Committee on Privileges and Elections.

PROMOTION OF NATIONAL DEFENSE—AMENDMENTS

Mr. REYNOLDS submitted several amendments intended to be proposed by him to the bill (H. R. 1776) further to promote the defense of the United States, and for other purposes, which were ordered to lie on the table and to be printed.

ABANDONMENT OF DENVER & RIO GRANDE WESTERN RAILROAD BETWEEN ANTONITO, COLO., AND SANTA FE, N. MEX.

Mr. JOHNSON of Colorado submitted the following resolution (S. Res. 82), which was referred to the Committee on Interstate Commerce:

Whereas authentic reports indicate that all of the pertinent facts were not disclosed in the hearing before the Interstate Commerce Commission following which an order was entered on January 22, 1941, by a division of the Interstate Commerce Commission ordering the abandonment of the narrow-gauge railroad between Antonito, Colo., and Santa Fe, N. Mex.; and

Whereas national defense with which the American people are vitally concerned demands that this railroad line be not abandoned but that it remain serviceable during the present emergency for the transportation of military supplies.

Resolved, That the Committee on Interstate Commerce or any duly authorized subcommittee thereof is authorized and directed to make, and to report to the Senate the results of, a thorough and complete investigation of the proposed abandonment and all pertinent facts including the practices, the methods, and acts or omissions to act of the Denver & Rio Grande Western Railroad in the operation of the narrow-gauge branch of said Denver & Rio Grande Western Railroad between Antonito, Colo., and Santa Fe, N. Mex.

The Committee on Interstate Commerce, or any duly authorized subcommittee thereof, is authorized and directed to obtain such facts as other Government agencies may have, and to secure the assistance of other Government agencies in the investigation hereby authorized.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places, either in the District of Columbia or elsewhere, during the sessions, recesses, and adjourned periods of the Senate in the Seventy-seventh and subsequent Congresses, to employ such experts, and clerical, stenographic, and other assistants, to require by subpoena or otherwise the attendance of such witnesses and the production and impounding of such books, papers, and documents, to administer such

oaths, and to take such testimony and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed \$5,000 shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

ADDRESS BY SENATOR CHAVEZ ON THE LEND-LEASE BILL

[Mr. REYNOLDS asked and obtained leave to have printed in the Appendix a radio address on the lend-lease bill, delivered by Senator CHAVEZ on Saturday, March 1, 1941, which appears in the Appendix.]

ADDRESS BY STATE SENATOR PAUL F. DOUGLASS BEFORE VERMONT HISTORICAL SOCIETY

[Mr. AIKEN asked and obtained leave to have printed in the Record a speech delivered by State Senator Paul F. Douglass before the Vermont Historical Society on January 14, 1941, which appears in the Appendix.]

STATEMENT ON THE LEASE-LEND BILL BY BOOTH TARKINGTON

[Mr. GUFFEY asked and obtained leave to have printed in the Record a statement on the lease-lend bill prepared by Booth Tarkington, and submitted by the Indiana Committee for National Defense, which appears in the Appendix.]

EDITORIALS FROM ST. LOUIS STAR-TIMES AND ST. LOUIS POST-DISPATCH ON AIRPLANE CRASHES

[Mr. CLARK of Missouri asked and obtained leave to have printed in the Record an editorial from the St. Louis Star-Times of February 28, 1941, entitled "Five Fatal Air Crashes," and an editorial from the St. Louis Post-Dispatch of February 28, 1941, entitled "Another Airplane Tragedy," which appear in the Appendix.]

ARTICLE BY WALTER LIPPMANN ON EDUCATION IN SOCIAL SCIENCES

[Mr. SCHWARTZ asked and obtained leave to have printed in the Record an article by Walter Lippmann, published in the Washington Post of March 1, 1941, entitled "On Being Too Current," which appears in the Appendix.]

BASES ACQUIRED FROM GREAT BRITAIN—ARTICLE BY DREW PEARSON AND ROBERT ALLEN

[Mr. REYNOLDS asked and obtained leave to have printed in the Record excerpts from an article by Drew Pearson and Robert Allen, published in the Washington Times-Herald, relating to the acquisition of bases from Great Britain, which appear in the Appendix.]

LETTER ON ENGLAND'S OPIUM TRADE

[Mr. REYNOLDS asked and obtained leave to have printed in the Record a letter written by Mrs. Anna Johnson to a New England newspaper and published under the heading "Must we fight to save England's opium trade?" which appears in the Appendix.]

YOUTH'S ROLE IN DEFENSE OF DEMOCRACY—DISCUSSION IN TOWN MEETING OF THE AIR

[Mr. PEPPER asked and obtained leave to have printed in the Record a discussion in the Town Meeting of the Air on December 30, 1940, on the subject What Is Youth's Role in Defense of Democracy? which appears in the Appendix.]

ADDRESS BY SENATOR MURRAY ON THE LEND-LEASE BILL

[Mr. BARKLEY asked and obtained leave to have printed in the Record a radio address

delivered by Senator MURRAY on March 2, 1941, on the subject of the lend-lease bill, which appears in the Appendix.]

SENATOR MURRAY CLEARS THE AIR—EDITORIAL FROM BOZEMAN (MONT.) DAILY CHRONICLE

[Mr. BARKLEY asked and obtained leave to have printed in the Record an editorial from the Bozeman (Mont.) Daily Chronicle of February 28, 1941, entitled "Senator MURRAY Clears the Air," which appears in the Appendix.]

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.

PROMOTION OF NATIONAL DEFENSE

The Senate resumed the consideration of the bill (H. R. 1776) further to promote the defense of the United States, and for other purposes.

Mr. TUNNELL obtained the floor.

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

Mr. TUNNELL. I yield to the Senator from Iowa.

Mr. HERRING. I ask unanimous consent to insert in the Record at this point an editorial from the Des Moines Tribune entitled "Time's Up."

The VICE PRESIDENT. Without objection, it is so ordered.

The editorial is as follows:

TIME'S UP

When is a filibuster not a filibuster?

We are seeing in the United States Senate again, in connection with the debate on the lend-lease bill, one of those "delaying actions" that are so familiar in our history but that fall just on the border of being outright and frank stalling.

It is generally understood that if put to a vote the bill would pass, with only minor amendments, on any day the voting was done. Even the minority that opposes it makes no pretense that it is a majority.

Senators have talked and talked. All the arguments have been gone over a dozen times. Since the lower House tackled the bill first, all the arguments, indeed, had been rehearsed repeatedly before the Senate even got started. Senators in favor of the bill are consuming little or no time now.

The opponents have been reduced to making speeches, for the most part, that are just wearying repetitions of slogans and set phrases, largely emotional appeals to prejudice.

But the other Senators are not influenced by this. And the public has quit paying attention.

So what's the sense of it?

When anyone hints publicly that the procedure is "filibustering," those who are uselessly keeping it up put on a show of being furiously angry, cry about free debate being curbed, and say that if they hear any more along this line they'll start reading the Bible or books about astronomy—in other words, that they'll show everybody what a frank filibuster is.

We think they are bluffing about this. For a frank filibuster would smell to Heaven. The public reaction would be sharp and acid. The country wouldn't stand for it.

The Senators know that. If they don't, they'd soon find out.

So we suggest that it is about time to cut out the unfrank tactics of pure delay.

We're as strong for full debate, in the Senate or out of it, as anybody.

But when not a vote is being changed, when there has ceased to be any chance of chang-

ing a vote, when the whole performance takes on the overtones of fiddling while Rome burns, we think it's time to stop.

The issue is decided. Let's vote, and have it announced.

Mr. TUNNELL. Mr. President, I will ask that I be not interrupted until I shall have concluded the prepared portion of the speech which I shall attempt to deliver.

Some days ago, I heard one person say with reference to the speech of another in a public place, in response to the statement that he knew it would change no votes, that that was one thing to which the listener agreed. I propose to leave no opportunity for such a retort. My purpose in trespassing upon the time of the Senate today is that there may be a record of the reasons which have impelled me to vote favorably on the pending bill. Second, it is my desire to show, if possible, that those of us who vote for the measure are not voting for war.

I am not anxious for the passage of the bill entirely because of its aiding Great Britain. I am in favor of the bill because I believe it will aid America in its defense.

The Senator from Montana stated Saturday that those who oppose the bill are not in favor of Hitler's winning his fight. I can say, without fear of successful contradiction, that while we all believe that they are not anxious for Hitler to win his fight, Hitler is most anxious for the ones who are opposing the bill to win their fight in the United States Senate.

My sympathies are entirely with Great Britain in its fight. However, the fight on the floor of this Senate is not a matter of little consequence in the European contest. If aid to Great Britain can be defeated, this will be of tremendous assistance to the Nazi Powers. If the bill cannot be defeated, every day's delay will be of assistance to the Nazi Powers. It is said that Nero fiddled while Rome burned. I can think of nothing which would have done more harm to his memory than fiddling while Rome burned, unless it had been that he had been in position to make a speech and had done so while Rome burned.

Mr. President, at this time I desire to call attention to the language of the two party platforms in the last campaign. I first call attention to the fact that the Nazi powers have so far won in the present contest because they have attacked one nation at a time. First they took Poland, and then various little nations have followed one by one. It is the belief of those who are proponents of the pending bill that if those who are opposed to it succeed, Hitler will be permitted to continue his fight by attacking one nation at a time. If he is able to conquer Great Britain, and if he conquers Great Britain without the interposition of serious aid by the United States, he will then be in position to attack the United States, having carried his program from the beginning of his attempt at world power to its conclusion, or almost to its conclusion, without having to seriously contest with more than one great nation at a time.

In the Democratic platform of 1940 the following language was used:

In self-defense and in good conscience the world's greatest democracy cannot afford heartlessly or in a spirit of appeasement to ignore the peace-loving and liberty-loving peoples wantonly attacked by ruthless aggressors. We pledge to extend to these peoples all the material aid at our command, consistent with law and not inconsistent with the interests of our own national self-defense—all to the end that peace and international good faith may yet emerge triumphant.

In the Republican platform of 1940 the following language was used:

Our national defense must be so strong that no unfriendly power shall ever set foot on American soil.

Our sympathies have been profoundly stirred by invasion of unoffending countries and by disaster to nations whose ideals most closely resemble our own. We favor the extension to all peoples fighting for liberty, or whose liberty is threatened, of such aid as shall not be in violation of international law or inconsistent with the requirements of our national defense.

Almost without exception, those who are opposed to the pending measure have stated that they favor a victory by Great Britain. Undoubtedly, differences of opinion would arise as to how much aid should be given, whether certain aid would be detrimental to the United States because of our needing the particular articles or equipment for our own defense. However, there seems to be general agreement that Great Britain should be aided to the extent of our ability, keeping in mind our own requirements for national defense at home.

The question naturally arises as to why Senators of the United States want a particular belligerent to win. Senators state that they are in favor of loaning to Great Britain \$2,000,000,000. As there would, of course, be no expectation of its repayment, one wonders why those of us who vote for a leasing or a lending of armed equipment to Great Britain should be classed as favoring a war, and those who desire to loan money for the purpose of conducting a war are claiming to be in favor of peace. Certainly Hitler would not look kindly upon either a gift or a loan of \$2,000,000,000 to Great Britain for the purchase of any war equipment.

When we think of the nations which have been overrun at the command of Adolf Hitler, when we consider that those nations have been guilty of no offense against Germany, we wonder by what process of reasoning the conclusion can be reached that aid to Britain in money would be a pardonable proceeding, and the leasing or lending of war materials would be unpardonable. It could hardly be urged that the United States should loan \$2,000,000,000 to Great Britain for the purchase of war materials in the United States. Certainly, so far as Germany is concerned, this would be equally offensive to the furnishing of the materials themselves. Again, the question might be asked where outside the United States Great Britain could go with the \$2,000,000,000 and purchase war materials. But, on what theory do Senators believe that any aid should be given to Great Britain? Do the Senators who favor the gift or loan of \$2,000,000,000 to Great Britain think that this would be aiding the defense of the United

States, or do they believe that we should make a present to Great Britain of this amount of money? In other words, why are we interested at all in any gift or loan to Great Britain, if such gift or loan would not aid our defense? I, for one, should oppose such aid if it is not and cannot be considered a part of our national defense, or beneficial to the United States. However, we are told that Great Britain will probably win in any event, and without the aid proposed by this bill. If Great Britain is to win without the aid of this bill, it certainly would win with the aid suggested here. The best judges of military probabilities do not concede that Great Britain has more than a 50-50 chance to win this war, even with the aid of the United States. If Great Britain's chances of winning are only 50-50 with United States aid, what chance does Great Britain have without that aid? We have been told that if the methods suggested by the opponents of the bill, the advancement of money, should be accepted, that the bill could be passed in anywhere from 1 to 3 days. But, if aid to Great Britain is not a matter of defense for the United States of America, by what right, moral or legal, do we furnish any aid to Great Britain; by what right, moral or legal, do we take money belonging to the United States and put it under the control of the Government of Great Britain for wartime purposes? If the battle of England is not a contest in which America has a direct interest, then let us do nothing. To place money in the control of a belligerent, at a time when we have no direct interest in the outcome of the struggle, would not only be unwise but it would be criminal.

Necessity for this aid was known for months. In the Republican national platform of 1940, this language was used:

The zero hour is here. America must prepare at once to defend our shores, our homes, our lives, and our most cherished ideals.

Why did a great political party, in convention assembled, admit that the zero hour is here? Why did it state that America must prepare at once to defend our shores, our homes, our lives, and our most cherished ideals? Against whom is that necessity to defend? We scarcely have to defend our shores, our homes, and our lives unless they are to be attacked. We are told on the floor of the Senate that there is no danger of foreign attack. We are told, not on the floor of the Senate, but by those on the outside who are opposing the bill, that—

The United States is poised on the brink of war because we are listening to international bankers and their dupes, to British propaganda, and to the emotional drivels of bellicose old men and garrulous women.

Were the writers of the Republican platform listening to garrulous women or bellicose old men when their platform was written? The distinguished leader of the majority in this body believes that there is real danger. I was impressed very much by this language:

A world enslaved to Hitler is worse than war and worse than death.

President Roosevelt does not stand alone in the demand the pending bill be passed. The man who was the candidate of the Republican Party for President in

the last campaign, in speaking at a Republican meeting a few days ago, is quoted as saying:

I am here to challenge you to a higher fate than compromise, negation, or death.

Before the Foreign Relations Committee Mr. Willkie said:

Again I protest. I struggled as hard as I could to beat Franklin Roosevelt, and I tried to keep from pulling any of my punches. He was elected President. He is my President now.

When he was a candidate for the Presidency he never approached the height that he did when he uttered those words.

A few days ago, when the distinguished leader of the majority of the Senate told of the speech of Walther Darré, Reichminister of Agriculture in the Hitler government, in which the reichminister referred to the slaves that Germany was going to have to do its bidding, he was answered that this statement had been denied by the reichminister. Ordinarily when a person connected with the administration of a government makes a mistake in language which that government desires to have corrected, the government itself, or the superior officer of the person making the statement, will have some contradiction made of the statement, or if this cannot be done, the government itself denies the sentiments expressed by the offending member of the administration. This does not seem to have been done. We are asked to accept the denial of the reichminister as to the publication of the statements at all. I did not hear at the time of the denial by the distinguished gentleman in opposition that any denial was made as to the statement by Hitler that:

National socialism alone is destined to liberate the American people from their ruling clique and give them back the means of becoming a great nation.

No doubt a representative of the Nazi government will be the one to teach national socialism to the American people. And whether any such statement was in fact made by Mr. Darré or by Mr. Hitler, I think that in the sentiments therein expressed one recognizes the same tone that has characterized the statements of the Nazi officials for several years. Whether or not the Nazi officials actually expect to make slaves of the rest of the world in the sense in which that slavery was alleged to have been expressed by Mr. Darré is something which we can well leave to conjecture. At any rate, we cannot envision the President of the United States, whoever he may be, or of whatever political party he may be, on bended knees, begging for favors from any monarch, European or otherwise.

I am of the opinion that the distinguished gentlemen who have so eloquently pleaded that there shall be no war might be induced to change their minds on this subject, if and when any President of the United States on bended knees is compelled to ask a favor from European dictators. A few days ago the distinguished Senator from Vermont [Mr. AUSTIN] made the following statement on this floor:

No sneers can shake my belief that the United States is in imminent peril of invasion if Britain falls.

Did the majority members of the House of Representatives of the United States listen to garrulous women or bellicose old men when the House passed the bill substantially in its present form? Did the great array of Americans who have endorsed the bill do so because of British propaganda? Are they all dupes of international bankers?

International bankers have come in for more than the ordinary terms of abuse. We have had very little definition as to who constitute this band, or what their purpose may be. My own impression is that in a war such as is possible in America—even probable, should Great Britain fall—the men who have the money will be the ones who will lose most of the money; and I cannot conceive of this imaginary group of international bankers being responsible for the bill. But if our people, including the National House of Representatives, are not such dupes, or mistaken in judgment, then there is a danger in the minds of the best judges in America that America will be attacked. However, those who are opposed to the bill take the position that those of us who favor it are entirely wrong in our reasoning. With reference to this conclusion, I desire to quote from the record of one of the speakers in the Senate who opposes the passage of this bill, as follows:

Prophecies of wise men as to what the future holds have often failed to come true, and, therefore, are not always a safe guide to be relied upon. Sometimes the prophecy of a layman is better than the prophecy of a priest. One man's judgment in predicting the future is about as good as another's, and there are no infallible men when it comes to predicting or mapping the future.

I have noticed that the opponents of the bill have at times admitted their error in statement of fact as to things which have passed. I have heard an intimation once or twice that they concede that possibly they might be wrong in their reasoning. There has been very little doubt expressed at any time by those gentlemen when it comes to a prophesy as to what will take place in the future. They have arbitrarily set up as one of the alternatives the defeat of the bill, and as the other alternative, war. They have been very doubtful in their reasoning as to why it means war. They start with the presumption that war is the inevitable result of the passage of the bill.

When I was in college I studied what was then known as logic. I think it is still used to a certain extent. One of the thoughts impressed upon me in the study of logic was that a wrong premise almost inevitably leads to a wrong conclusion. At one time in my life I was a surveyor. I surveyed land from given beginning points and I soon learned that if I had the wrong beginning I came to the wrong conclusion. Our friends have started with the premise that war is the inevitable result of passage of the bill. Even in this statement it is conceded that there are no infallible men.

It may be that those who favor the bill are not dupes of anybody. It may be that both great parties in national convention assembled really saw the danger they believed to be imminent. It may be that the eminent gentlemen from all over the United States who sat in the national conventions and who believed that in case of the defeat of Great Britain, America would be invaded, are not entirely dupes. However, those who oppose this bill base their principal argument on two premises. The first of these is that those who are favoring the bill are either knowingly or unwittingly favoring a war policy. Secondly, when they tell us that they are in favor of placing America first by preparing our defenses, they seem to forget that our defenses are being strengthened as rapidly as men, money, organization, and machinery can improve these defenses.

I listened with a great deal of interest to the speech of the distinguished junior Senator from Illinois [Mr. Brooks]. He reminds us that the hopes of President Wilson that the first World War would be the last world war have not been realized. Much could be said as to why the plans of Woodrow Wilson never entirely succeeded, and his hopes and aspirations were not gratified. I do not care to go into a discussion of that question. Is any opponent of the bill ready to state that the efforts of Woodrow Wilson toward democracy were entirely in vain? Would any person care to assert that within the generations to come the philosophy in which he breathed, lived, and died, will fail to impress the people of the world? Personally, I am one of those who believe that millions of Europeans today are waiting for the success of the philosophies preached by Woodrow Wilson, which have been practiced by the Nations of the Western Hemisphere, and of which our President, Franklin Delano Roosevelt, is the most outstanding advocate.

I do not care in any way to intimate that the life or teachings of Woodrow Wilson were a failure. I am one of those who believe, with the poet, that:

Truth forever on the scaffold,
Wrong forever on the throne,
And yet behind the dim unknown,
Standeth God within the shadow,
Keeping watch above his own.

The junior Senator from Illinois further stated that he would aid England—by giving them whatever we could spare out of our present production from now on—short of war—and not dissipate another ounce of the already inadequate defense of America.

I assume that no bill could be written, no enactment could pass the two Houses of Congress, on which the Members of the Senate would agree as to the line between what we could spare and what we could not spare.

The Senator from Illinois [Mr. Brooks] further stated:

I would make this Nation so strong that Hitler would never send a boat headed this way, or I would prepare to sink his ships as fast as they came.

The Senator failed to state how long it would take him to place America in

this impregnable position. He failed to state where the fortifications would be located. One wonders how a man can make such statements in view of the fact that we are told that it would take at least 5 years to place America in such an impregnable position, and we are told that there is danger that Great Britain may fall within 60 days.

Let me say to the Members of the Senate that in listening to those who have participated in this debate, both those who favor the bill and those who oppose it, I have heard no Senator say that it is possible to make America impregnable within the time when it is possible that, without our help, Britain may fall.

The Senator from Illinois also used this language:

Mr. President, this is a war bill, with war powers, with the deliberate intention of becoming involved in other people's wars.

One wonders who has the deliberate intention of involving the United States in war.

The same Senator tells us that he could not believe that Great Britain would surrender her Navy. I agree with the Senator that Great Britain will not willingly surrender her Navy. Great Britain will not willingly be defeated in this war, which will determine whether her sons and daughters will be free men and women, or slaves. However, Britain may be defeated.

We have been told that if the bill shall pass, President Roosevelt will become "World Power Politician No. 1." When I heard the expression "power politician" used, I wondered where it had originated; and when the Senator from Michigan [Mr. VANDENBERG] used that expression, I came to the conclusion that his mind, as mine did, went back to the events at Philadelphia. There is no other explanation. He conceded that in this situation President Roosevelt would be No. 1. I do not think anybody on this side of the Chamber ever thought of placing him anywhere else but No. 1; and when the territory is extended to the world instead of the United States, the Senator still says President Roosevelt will be No. 1. I think he will, if ever it is so extended. I do not think there is any possibility of such an extension. There is no reason for the statement so far as I have been able to comprehend.

We have been told:

We all realize that the powers which are incorporated in the bill to give aid to England will in all probability be used to the nth degree, and used perhaps to an extent which will be definitely injurious to our own national defense.

That statement came from the Senator from North Dakota [Mr. NYE].

Throughout the debate there has been a most generous sprinkling of predictions regarding what the President of the United States will do against the interests of the United States. We have been told that he will give away the Navy. We have been told that he will spend all the money that can be borrowed. When I heard those statements I wondered where those Senators were on November 5, and whether they realized that the American people do not have quite the

same opinion of the man who is in the Presidential chair that they seem to have, or would like the people of the United States to have.

I sympathize with these Senators. They are in a peculiar position. Our friend Willkie has taken a position with President Roosevelt. We can sympathize with these Senators to a certain extent—these Senators who are Republicans—because once we thought we had Wendell Willkie, and we did not have him; and then last year these Senators thought they had him, and they did not have him. I say, oh, how sharper than a serpent's tooth it is to have a thankless child.

However, this is a situation in which more is involved than political priority, political prestige, or political disappointment.

One of the Senators opposing the bill told us:

We all realize that the powers which are incorporated in the bill to give aid to England will in all probability be used to the nth degree, and used perhaps to an extent which will be definitely injurious to our own national defense.

That is a slanderous statement regarding the President of the United States, when we know that he, above all other men, has attempted to place America in a state of defense; that he asked that America be defended; and the ranking Senator on the Republican side of the Foreign Relations Committee, the late Senator Borah, stated that the President's information differed from his own.

President Roosevelt realized the seriousness of the situation when the Congress did not. President Roosevelt told the leadership of both parties of Congress the danger that was coming, and they told him they thought he was wrong. Our opponents did not believe this war was coming, and they said they did not believe the situation would be very serious.

Let me recall the story of the traditional neighbor of Noah who came along while Noah was building the ark. Noah told him what he believed was about to happen; that he believed the deluge was imminent; but his neighbor said he did not think there was going to be much of a shower. That seems to have been the position taken by many of those who are today saying such harsh things with reference to the President of the United States.

We have been told that he should have placed America in the position of defense; in other words, that the President of the United States, without the authority of Congress, should have been a dictator. Then when he comes to Congress and asks Congress to sanction a measure which he says would benefit the American people, they again yell "Dictator," even though he is asking that Congress aid him and give him power to defend the Nation.

When I think of the conflagration which has spread over the greater part of continental Europe, when I read, as we all read last week, while we were here trying to help the defense of the United States, of other countries being added

to the already long list, when I think of the millions of people who have died, the millions of homes that have been destroyed, the millions of persons entirely under the control of the Nazi power who today are starving, I wonder if our friends still think that it is not going to be "much of a shower."

I hope I may never lose confidence in America, American legislators, and American executives to the extent that I should fear both the wisdom and patriotism of our leadership. I have heard much about requiring a two-thirds vote to repeal an act of Congress. I say to the gentlemen of the opposition that, in my opinion, if the power granted to the President of the United States by this proposer' act should be abused, those who are opposed to this bill and those who favor it would unite on a bill for its repeal, and that it would not be necessary to worry about whether it took a majority or two-thirds vote to repeal this measure, if it shall be enacted into law. But the same lack of confidence which cause the expressions of distrust, the designation of the President as "world power politician No. 1," the expression "a power-hungry Executive," would cause suspicion of the American people themselves. I believe that the Senators and Representatives of the Congress are responsive to the will of the people of the Nation, and I believe that the people of the Nation would not hesitate to take from the President the power they had given him if they believed that power was being abused. I hope I may never lose confidence in America to the extent that I should suspect either the integrity or the ability of the President of the United States, the Congress of the United States, or the people of the United States.

The charge that Congress is attempting to pass an act to change the Government of the United States from a democracy to a dictatorship does not appeal to me, and, in my opinion, it does not appeal to the people of the United States. It is not necessary for gentlemen to change the speeches they made last October and November when they made charges of dictatorship. We heard all of them; the American people heard all of them, and as a jury they gave their verdict that they did not fear Franklin Delano Roosevelt and they did not believe he wanted to be a dictator or would be one.

I have too much faith in the efficacy of democracy itself, I have, as the senior Senator from Vermont (Mr. AUSTIN) said a few days ago, too much faith "in the sovereignty of our form of government," to believe such a thing possible. If gentlemen are right in their judgment of the President, if they are right in their judgment of the Congress of the United States, if they are right in their judgment of the people of the United States, then, we are not as a nation now ready for democracy.

I desire to call attention to the fact that, while there has been much criticism in the United States during some administrations as to the use made of the Army and Navy, such criticism has never been leveled at the man who is now occupying the Presidential chair. Criticism

of this kind was leveled at President Zachary Taylor; it was leveled at President Benjamin Harrison, at President Grover Cleveland, at President William McKinley, at President Theodore Roosevelt, at President Woodrow Wilson, at President Calvin Coolidge, at President Herbert Hoover for the incident at Anacostia, but in two full terms of occupancy of the Presidential chair, President Roosevelt has refrained from using the armed forces of this Nation.

I refer to an article in the United States News under date of January 31, 1941, with the title "Power of War Making Vested in the President." I think a careful reading of that article will leave nothing in our minds of the bogeyman who has been created with reference to this bill making it possible for a President to get us into war. I think that Americans are not being influenced with reference to this bill by the drivel of garrulous women and of bellicose old men so much as they are by the groans of starving and bleeding Europe. One Senator laconically tells us that the smoke goes up from the chimney just the same.

Mr. President, I desire to call attention to the fact that the smoke is not going up where the chimneys stood in millions of homes in Europe. There are neither homes nor chimneys; nay, there are not even occupants. We are told that in Poland alone 3,000,000 persons lost their lives, practically all of them noncombatants. No, Mr. President, the smoke is not going up the chimneys of Europe but is going up on the outside, and the smoldering ruins of millions of homes are a continuing reminder to Americans that we must make America strong, that we must defend America even if that defense includes the use of American arms by foreign friends.

Oh, we are told that we will be getting into war if we do these things. Pray, can anyone tell us, what it was that Poland did, that Finland did, that Norway did, and that Belgium did, that The Netherlands did, and that numerous other small countries of Europe did that have been wiped off the map so far as their governments are concerned? What was their offense? Did they furnish money? Did they furnish arms? Is it necessary in the present attempt at world domination in the interest of totalitarianism that any offense be committed? No, Mr. President, the groans of wounded, starving Europe have been British propaganda.

Those on the other side of this question seem to fear British propaganda. We are told that propaganda is being used to put this bill through the Senate of the United States, but about all the propaganda I have seen or known or contacted has been against the bill.

Just a few days ago another Senator, who has since spoken in opposition to the bill, and I were coming from the Senate Office Building. We were accosted by a lady who was so offensive in her manner that this Senator said to me, "I think one or two of those will pretty nearly cause me to change my opinion on this bill." I imagine he was not followed up. I imagine he did not see the rest of them. They were here.

They were here for propaganda purposes.

A few days ago a woman came into my office and told me that she was the mother of two children; that she lived in the city of Detroit; that she had left her family, her husband, and her two little children to come here to tell the Senators of the United States how to vote on this bill. I said, "You must be a woman of a good deal of wealth, are you not?" She said she was not. I said, "Do you mean to tell me that you are paying your way here, that you paid for your transportation here, and you are going to pay for your transportation back home?" She said, "Yes." I suppose that is the sort of propaganda to which some Members are being subjected.

I remember seeing the picture of a death mask in a periodical, published I do not know where. I simply noticed that on the front of the same periodical was the statement, allegedly by the wearer of the mask, that she had rehearsed her act in the office of one of the opponents of this bill.

I have an abiding faith in the American people, in their judgment of public questions. I have an abiding faith in the democracy which has made of the United States of America the greatest Nation on earth. I think our democracy is worth saving. I think democracy need not perish from the earth. This is a warning to the millions in America that neither American property nor American lives will continue under the government of free America if new order is allowed to prevail.

There are those who believe, or seem to believe, that the whole condition in Europe today is under the control of Adolf Hitler. Prophecies are uncertain; prophets either rise to fame or sink into oblivion, according to whether their prophecies succeed or fail. Adolf Hitler is riding on a wave of discontent in Germany. It is my belief that should Adolf Hitler die, the movement would go on until crushed. The movement might or might not have so able a leadership without him. There is no doubt that Hitler has succeeded because there was a hunger in Germany for justice, or even for vengeance; but the struggle is not between Hitler and President Roosevelt. The struggle is between two philosophies of government. In one of them, the traditional lines dividing nations amount to nothing. They are wiped out at the whim of one of the leaders of that belief. We see something like a dozen different countries wiped off the map; and we come into the Senate of the United States when we think of all that desolation, of all that destruction, of all that failure to obey any rule of international law, and we are told that this bill violates international law.

The struggle is one in which slight provocation will be sufficient excuse to draw into it every nation on the face of the earth that subscribes to the democratic philosophy. Preferably, those who are leading the Nazi movement desire that the nations be drawn in one at a

time, defeated one at a time, enslaved one at a time.

The Germans' dream of having President Roosevelt on his knees, begging for the favor of Germany, fits in and harmonizes with the Germans' dream of hundreds of millions of slaves with German masters, with higher education confined to German masters, with the world's activities centered around Germany and its leadership.

The opponents of the bill have announced that they are for America first, the implication being that those of us who favor this measure are placing Great Britain, Greece, China, or some other nation in our affection and our loyalty above America. Mr. President, I resent the implication. The cry "America first" in the Senate of the United States is an unnecessary slap at the intelligence and the patriotism of America and Americans.

I cannot envision the Goddess of Liberty with a Nazi collar. I do not see America bowed in subjection to any foreign power. I do see in the present situation a test of democracy. Adolf Hitler, and those with whom he is surrounded, believe that democracy is decaying. They believe democracy is incapable of assigning to its agents sufficient powers to make effective a government under democracy.

It is with no hope of reward from Great Britain that America will aid the remaining democracy of Europe. We have heard George Washington's Farewell Address discussed. There is something in it which appeals to all of us. We believe what he then said. We believe it still applies. We believe there are situations arising which demand immediate action. He said in that address, as to gratitude on the part of nations:

There can be no greater error than to expect, or calculate upon real favors from nation to nation. It is an illusion which experience must cure, which a just pride ought to discard.

When can America, now or in the future, state that it expects either reward or gratitude for what it does? I, for one, do not hesitate to state that I expect no gratitude.

It is apparent that those who are opposed to this bill prefer to have the war, if one does occur in which the United States is directly interested, take place in the United States itself. We are told that we are going to make this Nation so strong that no other nation will attack it. We are told that that is the way to defend America.

I have a recollection of seeing a fire loose in a great forest. I remember how the people toward whom the conflagration was rushing were anxious to stop the fire. They did not go over and say to the people who were fighting the fire, "We do not trust you. We remember that you insulted us some years ago, and we hope your timber burns." They did not do that. They helped to fight the fire, and tried to stop it while it was still small.

The greatest war machine ever created, from an executive standpoint, was the German general staff of the first World War. The great success of that staff was that it conducted a war through some-

thing like 4 years of continuous conflict without any serious damage being done to Germany's home territory. The devastation of that war was largely in France and Belgium. Both England and Germany were almost unscathed by the direct effect of the war. The destroyed homes, the ruined hospitals and churches, were in France and Belgium. Great Britain and Germany lost man power, and lost money, but the real sorrow and sadness of that war fell on France and Belgium. This was considered a military triumph. Our friends of the opposition seem to prefer that the battle of America be fought in America.

Mr. President, I have recently received from Delaware Post No. 1 of the American Legion, located at Wilmington, Del., a communication dated February 13, 1941, in the following language:

At a regular meeting of Delaware Post No. 1 of the American Legion, held Monday evening, February 10, 1941, a resolution was offered and unanimously adopted that Delaware Post No. 1 go on record as unanimously favoring the House bill 1776, commonly known as the lend-lease bill, now before Congress, and that the commander of the post write each representative of the State of Delaware stating that Delaware Post No. 1 favors and urges the representatives of the State of Delaware to cast the vote in favor thereof.

This communication was signed by J. Paul Green, commander of the post. There is no better cross section of the people of my State than that of Delaware Post No. 1. This is a group whose opinions I entirely respect. They are Americans with experience in the horrors of war, and are now defenders of America, defenders of democracy, while America is still at peace. This post is composed of about 550 members, men in the prime of their lives. These men saw active service in the first World War, and they are anxious, if bloodshed must come, that it come as far away from their homes, their families, their business, their property, as it is possible to keep war. I have no doubt that they are impelled to this position by their experience and their knowledge of the horror of war.

No human being should or can with confidence predict the future. It is entirely possible that war may result in America whether or not the pending bill is passed. It is entirely possible that America may become involved in a war even if the bill is defeated. It is entirely possible that America may become involved in a war if the bill is passed. I am one of those who believe that the bill will not cause war. I am one of those who believe that if war does come, it will be easier for America to defeat a weakened Germany, than to defeat Germany without the decimation of both resources and men which will result from real defense of England, made possible and stronger by American aid, as provided by this bill.

The Senator from Illinois told us that he would stop creating hysteria, and would stop this talk of fear. In my opinion the greatest preaching of fear in America today is by those who fear democracy, whose suspicion is of our Executive, whose suspicion is of the Congress

of the United States, whose suspicion and distrust are of the ultimate power back of both Congress and the Executive, the American Nation.

I rejoice that neither the ghost of a political defeat, nor the temptation of political ambition, has persuaded or induced me to sneer at America's chosen leaders, or to point the finger of scorn at democracy, yes, glorious American democracy, in successful operation.

Mr. SMATHERS. Mr. President, I trust my colleagues will accord me the privilege of not interrupting me until I shall have concluded my brief remarks on the pending bill. I had hoped, in the interest of speed, and realizing the seriousness of world conditions, that I might sit silently by until the debate on the bill had been concluded and not add to delay in the final passage of the bill by any speech or an attempt at oratory on my part.

After listening for the past 2 weeks to the fine speeches which have been made on both sides, I am convinced that the subject has been thoroughly exhausted, and nothing that I may say will add any enlightenment or influence any Senator's vote on H. R. 1776. However, I cannot refrain from briefly stating my views on the bill, so that I may record my position and my reasons for supporting this momentous legislation, which, in my humble opinion, will shape the future course of the world.

I shall vote for the bill, not because I love England or the English cause, not because I hate Germany or that I am unalterably opposed to the totalitarian form of government as represented by Mr. Hitler, but because I love America and because I believe the bill provides the courageous, honorable course that America should take in order that history may record that this great Nation met the challenge and took her rightful place as one of the great nations of the world in a struggle the outcome of which will determine whether we live as free people or whether we stand by and let a little band of pirates enslave the world.

I have no sympathy, Mr. President, for the parrotlike prattle that if the bill is passed we will be at war in 30 days. I have heard that prediction made time and time again by the same men on this floor. I recall that a year or so ago, when the embargo was lifted, the same cry went up that it was an act of war, that it would lead us to war, and that we would be at war within 30 days. Then, months later, when we wrote the great conscription bill in order to protect ourselves from the onslaught of totalitarianism, I heard the same cry on this floor by the same men that it was an act of war and if the bill were passed we would be in the war within 30 days. I heard some of these prophets, who now call themselves isolationists, predict only a week or 10 days before Hitler started his march to enslave Europe that "there will be no war in Europe"; that "the European nations are further away from war than they have been in the last 20 years"; that "under no circumstances will there be any war in Europe unless President Roosevelt gives the word to go."

So I say that when these isolationist prophets predict that this is a war measure, and that we will be in war within 30 days if it passes, I am not impressed, and I know, Mr. President, that they are not succeeding in their purpose of frightening the American people. In every instance these wise prophets have convicted themselves of being false prophets, and yet they have the temerity to continue predicting and prophesying as if they were wise men who were going to lead this Nation out of the wilderness.

Neither am I impressed by those small souls with weak knees who assert, without feeling the sting of shame, that Germany is invincible, that the English cannot win, and that we should not support or attempt to support a lost cause; that England, even with America's help, cannot defeat Germany. Shame on an American who makes such a statement. It ought to be treason for any American citizen to make a public statement that this Nation cannot "lick" any other nation, including the entire world. [Laughter.]

When I hear such cowardly opinions expressed, my mind goes back in history to that glorious day when a little band of Spartans, in a defile in the mountains, withstood a whole army. I suppose that little handful of Spartans had their Lindberghs, and their Williamsses, and so forth, telling them that that great marching army was invincible, but, thank God, we know that the thing which is invincible is the spirit of mankind.

We have been led by the Lindberghs and others to believe that totalitarianism as represented by Hitler, Mussolini, and Japan is some great superphilosophy, so strong that it is invincible and that we ought to appease it, yield to it, compromise with it, or bow down to it; but that theory has recently been exploded when the totalitarian hordes of Mussolini, outnumbering their Greek adversary 3 to 1, turned tail and ran like a bunch of scared rabbits, totalitarianism, fascism and all, when they met the spirit of man in the valor of the Greek soldier.

It is therefore, Mr. President, my fervent hope that this invincible spirit of man will be rekindled in the breast of the American citizen; that we may with courage and fortitude cast our lot in this world conflict with those who are fighting for their lives, their liberty, and their freedom, by giving effective aid through the speedy passage of this bill, bringing the great power of American productivity to the aid of those who have the faith to resist aggression.

In the beginning of the present conflict in Europe, I was led to believe by the "appeasers" that the conflict was nothing more than a struggle between two nations of Europe over boundary lines or property rights, and, so believing, I reluctantly voted to take our ships off the high seas where, under international law, they rightfully belonged, and to make any other reasonable sacrifice or concession which would prevent the United States becoming involved in the European war.

We were told by Mr. Hitler that he had no designs on America, but we now know, at least I am one who is thoroughly convinced, that Mr. Hitler was lying, that his

design on our Nation is certain, and that this is not merely a European conflict, but is a world-wide conflict in which America is the biggest prize at stake.

When Mr. Hitler and Mr. Mussolini and Japan bound themselves together in a world axis power by an agreement, many terms of which are secret, they convinced me that their paramount purpose was to conquer and enslave the world.

In the light of Hitler's secret agreement with Japan, anyone who stands on this floor and argues that should the British Empire fall, Hitler will not bother us or any South American country, is "kidding" himself and the American people.

I shall vote for the bill because I believe it is America's last chance to save Europe; yes, save the entire world, from enslavement to the totalitarian Axis Powers.

I shall vote for it because I believe that America, the strongest Nation in the world, should take its rightful place as the leading Nation of the earth in an effort to resist the spread of totalitarianism and to lead mankind throughout the world into a sphere of greater liberty and greater freedom.

I shall vote for the bill because I am one who believes that America should take its head out of the sand of appeasement, place our ships and our commerce back on the high seas, and tell the three gangster pirates that we will not be cowed by them and their threats, that we intend to live as free men in a free world and to give every aid within our power to those nations who have a like desire and the courage, faith, and hope to resist totalitarian enslavement.

I shall vote for the bill because I trust the President of the United States to execute without abuse the will of the American people to give to the nations resisting aggression all possible effective aid.

Mr. President, it seems to be the order of the day to quote former Presidents of the United States. I wish to quote the immortal Lincoln, who uttered the powerful phrase that a government of free people "shall not perish from the earth."

The passage of the pending bill will proclaim to the world that America is still determined that liberty and freedom of man "shall not perish from the earth" if it is within our power to give aid to those who are fighting for those sacred and inalienable rights.

Mr. President, that is all I have to say on the bill. Of course, I realize that what I have said is not much; but I also know that had I had something to say, I could have said it in the 20 minutes I have consumed in expressing my position on the bill. It seems a shame to me, when every man, woman, and child in America knows that the bill will pass, and when every Member of the Senate knows how he expects to vote, that we must turn this great body into a debating society week after week, with the result that the passage of this great legislation must be delayed.

The delay which the bill has met in the Senate almost proves that Adolf Hitler is right when he ridicules democracy and says that democracy is a joke and cannot work, and that a little group of

evil men in a democracy may gang up and prevent a democracy from functioning as it should function.

Therefore, Mr. President, it is my humble hope that the Senate may be able to cast off the shackles of delay and the characteristics of a debating society, and within the course of the next day or two become a great deliberative body of action, so that the bill may be written into law, for I believe that not only all the people of America but all peoples throughout the world are crying for action on the bill by the Senate. I for one am not content to sit here as a member of a debating club while empires fall.

Mr. CLARK of Missouri. Mr. President, before the Senator takes his seat, will he yield to me? I understood him to say that he would be glad to yield at the conclusion of his prepared address.

Mr. SMATHERS. Mr. President, I will not yield, because I think yielding for a personal colloquy will only delay action by the Senate on the bill. I shall be very glad to meet the Senator in the press room, where he can get full credit for anything he wishes to say and obtain all the publicity he desires.

Mr. CLARK of Missouri. We all read the Senator's speech yesterday in the Sunday newspapers.

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

The VICE PRESIDENT. The Senator will state it.

Mr. CONNALLY. The Senator from New Jersey has not yielded.

Mr. CLARK of Missouri. Mr. President, does the Senator from New Jersey decline to be interrogated? He said at the beginning of his address that he would be glad to be interrogated.

Mr. SMATHERS. I shall be very glad to have the Senator follow me out to the press room.

Mr. CLARK of Missouri. I do not care about having any private conversations with the Senator from New Jersey. That is beside the point.

The VICE PRESIDENT. The Senator declines to yield.

Mr. WALSH obtained the floor.

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

Mr. WALSH. I yield.

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

The VICE PRESIDENT. The clerk will call the roll.

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

Adams	Capper	Herring
Alben	Caraway	Hill
Andrews	Chandler	Holman
Austin	Chavez	Hughes
Bailey	Clark, Idaho	Johnson, Calif.
Ball	Clark, Mo.	Johnson, Colo.
Bankhead	Connally	Kilgore
Barbour	Danaher	La Follette
Barkley	Davis	Langer
Bilbo	Downey	Lee
Bone	Ellender	Lodge
Brewster	George	Lucas
Bridges	Gerry	McCarran
Brooks	Gillette	McFarland
Brown	Glass	McKellar
Bulow	Green	McNary
Bunker	Guffey	Maloney
Burton	Gurney	Mead
Butler	Harrison	Miller
Byrd	Hatch	Murdock
Byrnes	Hayden	Murray

Norris	Sheppard	Tunnell
Nye	Shipstead	Tydings
O'Mahoney	Smathers	Vandenberg
Overton	Smith	Van Nuys
Pepper	Stewart	Wallgren
Radcliffe	Taft	Walsh
Reed	Thomas, Idaho	Wheeler
Reynolds	Thomas, Utah	White
Russell	Tobey	Wiley
Schwartz	Truman	Willis

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

Mr. WALSH. Mr. President, I ask that I be not interrupted during the delivery of the formal speech I have prepared.

Mr. President, it is gratifying to know that in the discussions of this highly controversial bill, fraught with so many uncertainties as to the future of our country, all Members of the Senate and all Americans are in accord on the importance of making all necessary sacrifices and taking all necessary measures in the preparedness of all our national defenses. Happily, there is and will be no difference of opinion on that subject.

We agree also that this is a grave hour in the history of men and in the history of nations. It is a grave hour for our own country and our own people. This truth is brought home to us with ever-increasing emphasis by events on every hand. Those who do not see them are blind. Those who do not realize their implications are unthinking. Let no words of mine here today be taken as depreciating the gravity of world events, the extreme perils to democracy and to freedom throughout the world, peril to our own democracy and to our own freedom.

It is natural that a bill of this kind would arouse sharp differences of opinion and stir up an enormous amount of passion. Those of us here who possess strong convictions have not only the right, but the duty, to set them forth. It should be done, however, subject to at least one restraint, namely, that no Senator or other real American has a right to impugn another's motives. I for one do not doubt the patriotism of those who differ with me. I have at times vehemently protested what seemed to me to be specious propaganda seeking to affect the judgment of the American people, but even that can be alleged to exist on both sides of this issue. Let us disagree, if necessary, but in the course of the argument let us not lose sight of the fact that Americans who differ with us may have intentions as patriotic as we hope our own are.

The bill now before the Senate is offered to the Congress and to the country as a measure for promoting the defense of the United States. The proponents of the bill have sought to lead the country to believe that this legislation is not only promotive of our own defense and safety, but that it is indeed indispensable to our defense and safety and that any who oppose it or any part of it are obstructionists of national defense.

It is my conviction that the advocates of this bill misrepresent both the character of the legislation and the position of those who are opposed to it. It is my conviction that the country is being grievously misled and that those who

raise their voices in opposition are being grossly misrepresented.

In my judgment, the pending bill, when thoroughly examined in relation to existing facts and conditions, is objectionable on two grounds, either of which offers the most compelling reasons for its rejection.

First and foremost, in purpose and effect it gives blanket approval to policies and a course of conduct that I most earnestly and most regretfully believe will lead the United States into the war in Europe or in Asia, or perhaps both. Indeed, in my judgment, this bill when viewed in the perspective of all the attendant circumstances is an absolute committal of the United States to war as Britain's ally in her life and death struggle with Nazi Germany and Hitler's associated partners and pawns. I say this fully conscious that the proponents of this legislation, when it was first presented to Congress and to the country a month ago, loudly proclaimed it a measure to keep the United States out of war. Such a claim is entirely specious. Such a belief is a delusion. The proponents of this legislation, it seems to me, refuse to face the realities of the course which they advocate. If they do face them and perceive them, they have not acquainted the country with the implications.

But it is only fair to say that as public debate and consideration of this legislation have advanced, less is heard of the claim that this is a peace measure. There is now a tacit admission even from many of the proponents that this bill does in fact take us down the road to war.

Those who face the realities and speak out and say, "Let's go to war now at once on the side of England to save England and to destroy Hitler in order to save ourselves from a worse war and perhaps a worse fate in years to come," may be absolutely wrong in their judgment as to the course that we ought to follow for our own safety and our own interests. In my view they are wrong, for reasons that I will discuss briefly before I conclude. However, they are at least outright and candid when they say "Let's go to war." But they are a minority.

My words here today are directed to those who will not face the realities, and who still pretend and insist the bill the Senate is asked to accept, and Congress to enact, is for the purpose of keeping the United States out of war and at peace. I repeat that any such claim belies the realities.

My position and my views in opposition to the entry of the United States into the present war in Europe have been publicly stated on repeated occasions even before the outbreak of the war. It was an issue in my campaign for reelection to the Senate. Time and events have reinforced my opposition to our entry into the war and my conviction that such a step will be our ruin—economically, socially, and politically.

There have been endless discussions and debates as to what may be the future destiny and final fate of the United States or of the Western Hemisphere should Britain be vanquished and the totalitarian

powers finally obtain mastery of all of Europe and Asia. A great deal has been said about isolation and about those who were asserted to be advocates of isolation. I would be the last to profess indifference to the outcome of the war in Europe or indifference to the present plight and future destiny of those countries—Poland, Czechoslovakia, Norway, Holland, Belgium, France, and others—who have already fallen into the clutches of Hitler. I would be the last to contend that post-war conditions in the rest of the world are of no consequence to the United States. I readily concede that of necessity we are directly concerned. We may speculate as to whether the conquest of the Western Hemisphere will be attempted sooner or later by the Nazis if their triumph in Europe is complete. We may theorize concerning the Monroe Doctrine, the policy of hemisphere defense, and what will happen in the Central and South American republics if Hitler wins, but in our discussions of these questions let us not lose sight of the fact that they are conjectural rather than actual.

Briefly stated, the argument of the proponents of this bill is that unless we intervene in the European war we will have to fight the Axis sometime and that we should do it now when we have Britain to help us. Why wait, they say, until we have to face the whole world alone?

Let us stop to inquire what this argument assumes. Their argument assumes that the British Empire without our aid must fall; that the totalitarian states will survive the conflict; that if they do survive, they will want to attack us; that Hitler will be in a position to do so; that he will have the resources and the backing of his people to do so. It assumes that the task of holding down conquered nations, including England, will be of little or no trouble to Hitler; that he will be unconcerned as to the attitude of Russia; and, last and most important, he will find it feasible from a military and naval standpoint to reach America by sea or air to attack us. All these things must be assumed by those who say we ought to go to war, to fight Hitler before he comes over here to attack us.

I do not myself accept this hypothesis, but the point I would emphasize is that it is in any case a hypothesis, a speculation, a contingency, rather than a reality.

We must prepare, as I said at the outset, and we are preparing, for any eventuality including the possibility of attack upon us. It is the presence of the contingencies mentioned a moment ago that impels and justifies a virtually unlimited expansion of our Navy and our Army and our aircraft that is now under way; but let us be candid to the point of conceding that our preparations up to the present time have not been in anticipation of an attack, but rather as measures of protection and primarily for the purpose of forestalling any hostile moves in this hemisphere.

So it seems to me preferable to risk the future, prepared to the limit for our own and for hemisphere defense, and with a strong and free people, a stable and truly democratic government, a

sound, and as nearly as possible, a self-contained industrial economy coupled with every possible defense against attack from any quarter—it is infinitely preferable, I repeat, to take these risks of the unknown future, great though they may be, than to intervene in the war now, when to do so means irretrievable ruin, a self-inflicted destruction of our own democracy, a self-imposed totalitarian government, fetters that once they have been riveted may never be unloosed.

Our choice today is either to keep out of war and risk whatever the future holds in store, or to get into the war either through the front door or through the rear gate and at once cast to the winds our heritage of freedom, make of our Constitution a scrap of paper, conscript millions of our youth for fighting, put private property in the hands of the Government, and proceed to national bankruptcy.

Our choice today is between the present war and positive ruin on the one hand, and present peace and future risks on the other hand. There is no middle course. Lincoln said no nation can endure half slave and half free, and so today it may be said with equal pertinence that no nation can hold its place half in war and half in peace.

How tragic it is that so many of our people are so grossly misinformed and so grievously misapprehend the nature of the decision which they are called upon to make. They are being led step by step down the road to war, first under the impression that they are escaping war, then under the impression they are preventing the spread of war from Europe to America, and then under the impression that by going into the war or half way into the war they are safeguarding democracy and promoting America's future security; and, finally, that by going into the war now they are saving America from invasion and capture.

To my colleagues and fellow countrymen, to such few as truly favor plunging the United States into war in an effort to overthrow Hitler and the Nazi menace, to such few as truly believe the only successful way of fighting a heavily armed, highly efficient dictator state is to adopt similar tactics and set up a dictatorship in the United States, I say that those who hold such beliefs and favor such a course are rightfully supporting the bill now before the Senate.

But with respect to those who profess truly to desire escape from war and who profess truly to desire preservation of the democratic form of government, who profess truly to oppose an American dictatorship, however beneficent and well-intentioned such a dictatorship may be, how they in good conscience can support this bill is to me incomprehensible. For, make no mistake, this bill is not a defense measure or a lease-lend bill—it is a war bill, transferring the war-making powers of Congress to the President. This bill does not add to our defenses, it subtracts from them. It does not strengthen them, it weakens them. It does not lessen the risks of war, it multiplies, the Almighty only knows to what degree, the risks of war.

One line of argument advanced by the proponents in support of the pending bill is the argument that the President—any President of the United States—if he is so disposed, has the constitutional power to issue orders and take steps that by their nature might plunge the country into war. Proceeding upon this assumption, the proponents contend that it is unfair to charge this bill with being a war bill and a bill tending to take the country into war, because the President has that power in any case, and that with this bill or without it, it will rest entirely with the Executive as to whether or not the United States becomes an actual participant in the war or by its acts incites other nations to declare war upon us.

This line of argument is advanced in a leaflet which is now being distributed by the Massachusetts League of Women Voters, an organization that favors the passage of the bill. They point out that under the Constitution the President is at all times the Commander in Chief of the Army and Navy; that the Mexican War was in consequence of actions taken by President Polk, without express authorization by Congress, in ordering the United States Army into land claimed by Mexico; that when the South seceded in 1861 President Lincoln ordered the Army to blockade the South without waiting for authority from Congress; that President McKinley sent troops to China at the time of the Boxer Rebellion; and that President Wilson sent the Army into Mexico in pursuit of Villa and sent the Navy to Vera Cruz.

It is well to recall these incidents. It gives us fresh realization of the great power and heavy responsibilities that rest with the Executive.

The argument is persuasive that the President can take this country into war without the consent of Congress, but in my judgment that fact does not offer any justification for the present bill. Those who advance such an argument, if they carried it to its logical conclusion, might as well call upon Congress to abdicate all authority and to act only as a rubber stamp for the Executive simply because it was contended that since the Congress was powerless to checkmate the Executive it might as well register in advance its approval of any course that he may see fit to pursue.

One of the fundamental objections to the present bill is that it does in fact not only delegate blanket authority but in a sense register advance approval by Congress of any course that the President may hereafter take in the name of national defense or in the name of aiding in any way any nation anywhere that the President, in his sole judgment, deems to be vital to our national defense.

Let us be realists and admit that once in the war, and with the Navy and Army actually in action, Congress would be in no position to refuse to provide the money and do the things necessary to carry on the war.

There is nothing in the bill to prevent the use of our Navy in convoy service. That step means war. Yet the proponents object to any prohibition against such a step being placed in the bill. Obviously, the recital contained in the

bill as it passed the House and as reported to the Senate to the effect that nothing in the bill authorizes the employment of the Navy for convoy purposes is in no sense a prohibition. The clause in the bill on this subject is utterly misleading.

It is misleading to the very people whom it is meant to reassure. It gives the false impression that because we are not by this bill authorizing armed convoys we are thereby forbidding convoying. As Mr. Charles Warren, a very high authority in these matters, made clear the other day, such declarations—

have absolutely no legal effect—

Because—

Congress has no power to regulate or prohibit the President from exercising his authority as Commander in Chief of the Army and Navy to direct the movement of ships of the United States Navy.

It cannot be wise, and certainly it is not candid, to create the impression that Congress has forbidden measures which it has no power to forbid and, in practice, could not effectively forbid.

There is nothing in the bill to prevent the use of our Navy or our Air Force by Great Britain. That means war. There is apparently nothing in the bill to prevent sending our armed forces to the scene of the European conflict. We are assured there is no thought of such a step and no need of such a step, but the fact remains that the bill as it was presented to the Senate is broad enough to sanction such a step. It is to be hoped that an amendment specifically prohibiting any such course will be incorporated into the bill before it is enacted.

There is nothing in the bill to prevent alien ships now in sanctuary in our harbors from being seized and transferred to other belligerents. This may mean war.

The provision permitting the use of our ports for the repair and supply of foreign warships is contrary to international law and contrary to agreements to which this country has been a party. This may or may not mean war.

There are no limits in the bill as to countries to be aided.

The financial limitation that was inserted in the bill in the House was shadow without substance.

There is no real limitation to the President's judgment. There is nothing in the bill to prevent involvement in war as distinguished from a declaration of war by the Congress.

It is not to the point to say these powers will not be exercised. They can be exercised and every past event and present circumstance point to their exercise.

I said earlier that I view this bill as objectionable on two grounds, each of which affords the most compelling reasons for its rejection. One ground is this inescapable conclusion—the bill commits us to a war from which we may never recover.

The other ground is that with reference to measures short of war for the aid of England or aid to any other foreign nation or nations in need of our help—aid not incompatible with our own defense

needs—this bill is neither wise nor necessary.

Mark my words, "short of war!" Mark my words, "not incompatible with our own defense needs!"

If we are to repeal the Neutrality Act, but desire to accomplish it by subterfuge, then this bill is useful. If we are to lend or give away portions of our Navy, then this bill is useful. If we are to undertake to send armed convoys across the Atlantic to Britain, then this bill is useful.

But let it be clearly understood that the passage of this bill does not of itself produce a single additional airplane, ship, or tank, for the United States or for England. Certainly, the defense program is being rushed, and we understand that the bulk of our munitions now being produced is being shipped to Britain as fast as possible. Granting our desire that she be able to hold out and in the end triumph, what do we propose to do for her help, that we are not doing today, if we are to confine our efforts to measures short of war?

If, in accordance with the President's lease-lend special message to Congress that coincided with the introduction of this bill the President desires further credits or gifts for Britain when her own resources are exhausted so that the manufacture and supply of munitions may continue uninterrupted, is there the slightest doubt, in view of the well-known temper of the majority of Congress, that Congress would grant specific authority for such financial assistance in specific amounts? Any specific proposal for credits or gifts to China or Greece would undoubtedly receive congressional approval.

I cannot reconcile the facts with the statement that if this bill is not rushed through to passage it may be too late to save England. What class of aid that we are not now giving will be given if the bill is passed? Does the passage of this bill mean convoys, the sending of our Navy or air force to the assistance of England—in other words, definite involvement in the war in direct violation of the candidates' pre-election speeches and the platforms of both parties?

What are the specific objectives of this bill and what is the reason that such objectives cannot be obtained by specific measures giving specific authority?

So I am compelled to the conclusion that the bill in reality is unnecessary, either to expedite our own national defense or to expedite aid to England, short of war, and my conclusion is that it conceals designs and powers intended for war and is being pressed for that purpose.

It seems to me that the real pith of the bill and its most portentous aspect lies in its granting of virtually unlimited powers to the President to aid—and I quote the exact words—

The government of any country whose defense the President deems vital to the defense of the United States.

Here is enunciated a policy unprecedented in the history of our Republic, namely, that our continued national existence depends upon the defense of foreign countries. In effect we are writing into the law the admission that the United States cannot defend its own in-

tegrity by itself. In these few phrases we abandon our independence as a nation.

I am impressed by the fact that these phrases do not say that the continued existence of certain nations may be helpful to our own world position under certain future conditions. The implications of the bill are quite different. The implications are that we cannot survive as a nation unless these other nations survive. I do not subscribe to any such doctrine. Neither do I believe the American people subscribe to any such doctrine.

There is another argument advanced by the proponents of the pending bill upon which I wish to comment briefly. It is a two-faced argument. It is contended on the one hand that to all intents and purposes we are already in the war, it is already an accomplished fact, hence to talk about this bill as a measure taking us into war is a waste of breath. On the other hand, it is contended that we may be "in" the war already, but we are not "at" war because we are not yet engaged in actual conflict. It is said that either with or without this bill, we might engage in a limited conflict—say, for example, in keeping open certain sea lanes, without declaring war or becoming obligated to fight a war to a conclusion. We have engaged before in limited and undeclared wars. So have other nations.

I submit that such ingenious and cunning reasoning with respect to issues of such overwhelming gravity, with respect to decisions that may sacrifice the lives of millions of our young men and may in the end settle the fate of America, is unworthy. Let us not split hairs about "in" war and "at" war. We are either in or out. We are either a belligerent or a neutral.

Long before the outbreak of the present war in Europe—to be exact, in April 1939—I made a speech in the Senate directing attention to the rumblings of war in Europe, urging the adoption of a policy that would insure our avoidance of and our nonparticipation in that war. I pleaded for a policy of neutrality by the Government of this Nation, absolute official neutrality, as the surest and most necessary step to take to avoid war. Please note that this was months before the outbreak of the present European war, and before anyone knew exactly what countries would be involved, though even then it could clearly be seen that another world conflagration was in the making.

The second proposal that I then urged upon my country was the speedy building up of our national defenses so as to be prepared "for any eventuality that may follow a war in Europe." This latter recommendation I have urged for many years. I have, over and over again, affirmed the proposition that the surest way to preserve peace and security and to avoid war is to make our national defenses, particularly our Navy and air force, so powerful that no nation or combination of nations on earth would dare invade us. I have repeatedly emphasized that our Navy was our first line of defense; that it should be impregnable against any foreign foe or power daring to attempt the invasion of our country. But I have never made a plea for the

expansion of our Navy without assuring the American people that it would never be used for aggression.

I have never changed my opinion as to the course our country should take with respect to war in Europe or Asia. Indeed, I took the same position with respect to the Spanish civil war, the Chinese-Japanese war, and to the Ethiopian-Italian war when powerful forces tried to involve us. I have long been convinced that it would be ruinous and destructive to adopt a national policy that leads to our country policing the world or attempting to dictate a form of government for other nations, or forming political or military alliances with countries which have been engaging in feuds and wars for unnumbered centuries.

Inasmuch as I am resolved, so far as lies within my power, to keep this country out of war, and since I look upon this bill as equivalent to a declaration of war without a declaration in fact or specification or designation of the name, it follows that I am opposed to it in its entirety. Admitting my view, none of the amendments that have been proposed, nor all of them together, will remedy this basic vice and convert this war bill into a peace bill.

Of what account are the time limits that have been written into the bill as a sop to the sensibilities of those who shrink from the delegation by the Congress to the Executive of such unprecedented, such unrestricted, and such fateful power? Of what account are these time limits, I repeat, when commitments may be undertaken, steps initiated, and de facto participation in the war accomplished upon the day or within the hour or even before the ink is dry on the Presidential signature to the bill?

Mr. President, the purport of this bill has been exceedingly well expressed in a very few words by a Washington news columnist in one of his recent dispatches. I have not heard it better expressed by any living human being. And let me say parenthetically that this columnist is distinguished for his dispassionate and factual reporting of events, without partisanship or bias.

Here is his summary, made within the past few days:

The bill pledges this country to do whatever is necessary for a British victory. This is its whole purpose. If war becomes necessary, it will be war; if a million planes become necessary instead of a few thousand, it will mean a million planes.

The amount of money it is to cost or the consequences it is to entail are incidental to its single purpose—as will become apparent as soon as it is enacted. If you are going to commit yourself to another nation's victory, you must do whatever is necessary to assure that victory as a matter of course.

Mr. President, I repeat, that in my opinion, there can be no merit to this bill unless we are resolved to go to war. As an empty gesture there would be no purpose in conferring these great powers upon the President except in contemplation of their exercise, and once the die is cast and we are in the war, of what account then will be the so-called limitations and safeguards that it is as-

serted have been incorporated in this bill? Once in war, there can be no turning back. The Congress will have no choice, the people will have no choice. Such a war will not be America's war. It will be a world war in which we will join in world ruin.

Of what account is the provision requiring consultation with his military and naval aides, with no obligation to follow their advice?

Of what account is the provision requiring reports by the President to the Congress every 90 days, but conditioned so as to leave with the President the decision of what to disclose and what not to disclose?

I have mentioned earlier the futility of the recital in the bill respecting armed convoys.

Having pointed out two fundamental objections to the bill, I propose through a series of questions to indicate the uncertainties ahead, the dire consequences, the unconsidered factors, and to demonstrate that the state of mind of those who favor this measure is the result of emotion with blind disregard of what we are undertaking.

The following questions will, it seems to me, serve to indicate the overwhelming social, economic, political, and financial consequences that are being completely disregarded, and make it plain that the advocates of this bill are guided by their emotions rather than by reason.

Is there any guaranty that we shall win the war if we go in?

If we lose the war, or even if we win, may we not face bankruptcy and such a depression as will make past depressions seem trifling by comparison?

What assurance have we that our participation in the war will not enmesh us irretrievably in the conflicts of Europe and Asia?

Is there any guaranty that our Navy is not to be used to aid the British in either the Atlantic or Pacific, or both?

Do the American people realize the import of what the naval experts have told to committees of Congress, that we are without bases in the Pacific Ocean beyond Hawaii; that it is a tremendous distance from Japan to Hawaii, and that the greater the distance from naval bases the more hazardous is a naval engagement; and that engagement in a sea battle on the other side of the Pacific might prove to be naval suicide?

If Britain repels invasion, as all Americans desire and hope, who is to undertake the job of removing Hitler and his allies from Europe and restoring the enslaved people of Europe? Are we going to help to do it?

If our objective is to remove and destroy the doctrines and military power of the Nazis and Fascists, how is it to be done unless we land armed forces on the continent of Europe?

Will not the chief burden of Government expenditures for war inevitably fall upon the poor—the poor, who will pay with the hunger of their children—and the middle class, who will be reduced to the bare necessities?

Will not the industries of the country pay not only directly in high taxes, but

after the war is over in idle factories, which means unemployment?

What assurance have the American people that the capitalistic system, which many claim this war has ended for France and England, will not likewise be ended in America, and some plan of socialism substituted, as an inevitable consequence of our participation in the war?

Has any naval or Army officer ever suggested or stated in his opinion the United States is in a position to give any vessels or planes or other war weapons to any belligerent without impairing our own national defense?

Let me pause a moment to say that the answer to that question is an emphatic "No."

Has any Army or naval officer given to the American people or to any Member of Congress a list of our military weapons and war paraphernalia that we could lease or lend without impairing our national defense?

If England falls, what will become of the war vessels, planes, weapons, and munitions delivered by our Government out of its own arsenals, from its own defense protection?

Have the advocates of this bill questioned what Admiral Stark said before the Committee on Naval Affairs early last summer that—

The airplane as it demonstrates its effectiveness in England will hardly be an effective weapon against this country, so far as bombing operations or importation of troops or anything else is concerned.

Or what Admiral Yarnell said on May 18 last:

The Atlantic still remains a large body of water and the possibility of plane attack from overseas on this country will remain remote for some time to come. Furthermore, planes alone cannot win a war. The foot soldier is still needed for an engagement and must come in transports over the ocean.

None of these stupendous possibilities are being considered by those who would give America to save the world.

Do those who indulge in the alarmist talk of an overseas invasion of America by Hitler know that when you move one soldier you must move with him nearly 8 tons of supplies, and that an additional 13 tons are required to supply him for 1 month? Multiply this by the number of men in any size army you wish and you can readily perceive the remote, if not impossible, chance of an invasion of this country.

Is not this bill designed to permit the United States to undertake military commitments in other parts of the world that we are not prepared to fulfill and cannot make effective?

Finally, is not the proper way to preserve the American way of life to build up our defenses on land, sea, and in the air and make them impregnable by uniting our people as one in resisting an aggressor, rather than by participating in wars in other parts of the world?

To me it is incomprehensible that America would knowingly undertake these stupendous risks—and my conviction is that we are undertaking them unthinkingly—without deliberate, thorough, and conclusive realization of the

program that we are proposing to ratify, a program that, in my judgment, may be suicidal. To my mind, this bill approaches the recklessness, the daring, the insanity of one who tries to ride Niagara Falls in a rowboat.

The danger to America at the present time does not lie in Europe. Real and immediate danger to America lies in improper guidance of our people—the danger of following the impulses of our hearts instead of the dictates of reason. Even the untold sufferings of millions in other parts of the world should not send us hunting for machine guns and other weapons of war until we know that something will evolve from that tragic cataclysm which will maintain and strengthen our own freedom and preserve our own institutions. There is no evidence before us to justify this. But this does not mean we should not prepare ourselves against such a possibility. It does mean that we should not bring war to ourselves because of a suspicion, a possibility, or a chance that we may be attacked.

There is, it seems to me, underlying the war-provoking policies of this bill an utter lack of positive and unalterable determination to safeguard the lives of Americans, to conserve our own military defenses, or to contribute to the preservation of the life of the Nation. Frankly, is not America today thinking too much of sacrificing and dying for the adjustment of wrongs elsewhere and thinking too little of the resulting destruction of our own people?

The real and vital question before the Nation, as I see it, involves, however appealing the cause may be, more than aid to Britain or even support of the British war policy. America's problem is this: Are we to defend our freedom in our own Western Hemisphere, or are we to adopt, in effect, a policy of relying upon other nations in the Eastern Hemisphere for our own preservation?

The argument advanced in favor of the bill and the course of action contemplated boils down to the single proposition, "Let us take steps to save the British Empire, and if we do this we will save the American way of life." Ah, Mr. President, we have dared for 150 years to protect and defend alone the American way of life. We did it when we were small in numbers and poor, without substantial material resources. Now we are 130,000,000 people, the richest nation on earth, with an industrial power equal to that of all Europe combined; and yet, because a war-mad man named Hitler has come to power in Europe, we are afraid to stand alone and challenge him to place one of his soldiers on American soil.

Other Americans today urge that we should become an ally with those who are fighting aggressors in other parts of the world, without our fighting such aggressors. Think of it! Proclaiming that the European war is America's war, they insist that we take no part in it with our man power, yet they expect that Britain should negotiate a peace which would be satisfactory to us. Why this lack of frankness with the American people?

What assurance have we, if this bill passes, that we shall not ultimately send

men to Europe? Only last year we were told all that was necessary to help win the war was the repeal of one clause of the Neutrality Act—the arms embargo. Since that time one protection after another has gone, and we are now actually handing over destroyers, bombers, and all other kind of war materials. I repeat. What assurances, before we cast this vote, can we give the American people that our youth will not go? An amendment to give this assurance was defeated in the House. I fear it will be defeated here; and yet this measure is labeled a defense measure and not a war measure.

Who can draw the line beyond which aid short of war becomes war or an involvement that will force us into war? If tanks are not enough, if our aircraft proves insufficient, if conversion of our bases into British war stations fails to provide sufficient aid to Britain, China, Greece, and other beleaguered democracies, what shall be expected of us and can be reasonably asked of us by those democracies if we go that far? The answer can only be that we shall be committed to aid which involves actual war, not only material resources and financial resources, but the blood of our young men.

No other result can follow a course of action by a nation willing to go to the aid of other nations.

If England is fighting our fight, we belong in the war by her side. What hypocrisy of those who insist that England is fighting our fight, and yet insist that we shall give only limited aid—limited to measures short of war.

How much more honorable it would be, how much more commendable would be their course, to advocate our immediate entry into the war, with no sham or pretense about the extent of our participation.

Mr. President, it is obvious to me that the sensible course for us to pursue is now to go forward in solving sanely and wisely our tremendous domestic problems—preservation of the social advances we have made and improving the way of life that has made America a beacon light to all the world. Let us assume that obligation now and not wait until we are disillusioned and bankrupt by another war "for democracy" or for any other slogan that may be invented for us by the war-makers. We have enough to do, tremendous tasks ahead to safeguard and preserve America and by sacrificing to defend our free institutions in our own waters, in our own trenches, on our own ground. This, in my judgment, is the prayer of the great majority of the American people, the fervent hope of the countless millions who are opposed to our military intervention in Europe.

I realize that I and other Senators are in disagreement with many of our colleagues in this body for whom we entertain personal feelings of high regard, but that those of us who are in opposition to this bill are motivated by powerful—aye, overpowering—convictions must be evident to all. It is therefore natural, indeed inevitable, that we should speak out forcefully and criticize sharply. Muffled and soft words are not to be expected in

such a fateful hour and in such a momentous decision.

I conceive it to be my duty, my solemn obligation, to decide the issues here presented according to my own judgment and the dictates of my own conscience, even if my conclusion and my position run counter to the opinion or the emotional sensibilities of numbers of my constituents.

It is my obligation as I see it to utter the warning against the taking of this country into war. It is my obligation to oppose this bill as a war measure, even if in doing so I were standing alone.

We are dealing here not with the fate of Senators but with the lives and fate of our countrymen. Though we may be a minority here, we are not standing alone—far from it. Our citizens are awakening in rapidly increasing numbers to a realization of the degree to which the pending bill intensifies the risks of war. In my opinion, the rising tide of public sentiment against this bill is the result of the spreading knowledge of its heretofore unknown and dangerous possibilities.

It is also the result of a realization that when a nation mobilizes to preserve peace and freedom, it does not look or march or move in the direction of the spot where wars originate. It mobilizes to preserve peace, to prepare to meet invasion or attack, but it does not look for or invite participation in war.

Finally, Mr. President, we who are opposing this bill urge that America's destiny be to preserve the civilization here which is so steadily disappearing in Europe; keep clear, we say, of adventurous crusades which might end in tragic futility; be strong for the preservation of peace in our own hemisphere, where we can reasonably—aye, almost surely—hope to make our naval and military strength most effective.

Let me add as a final word that I am convinced that the sentiments I have expressed, the position I have taken, the opposition I have registered to this bill, are in accord with the sentiments, the aspirations, and the prayers of the great majority of my countrymen, and if that be not the case today, due to their imperfect knowledge or inadequate realization of the consequences, it will be true in time to come. In a word, I am convinced that time and events will fully corroborate and justify the words I have uttered in this Chamber today.

Mr. BRIDGES obtained the floor.

Mr. GEORGE. Mr. President, will the Senator from New Hampshire yield to me for just a moment?

Mr. BRIDGES. I yield.

Mr. GEORGE. I did not wish to interrupt the distinguished Senator from Massachusetts who has just spoken; but I now desire to have placed in the Record, Mr. President, a statement by the distinguished Senator from Massachusetts himself, made 2 months and 12 days less than a year ago, with respect to the possible danger to and with respect to the precarious condition of these United States.

I read, Mr. President, from Senate Report No. 1615, Calendar No. 1677, entitled "Construction of Certain Naval

Vessels," submitted by the distinguished Senator from Massachusetts; and I read from page 7 of that report:

From all the evidence available it appears that the United States can be defeated and conquered without military conquest of continental United States. Without a navy capable of controlling the sea areas against an enemy, an effective blockade against our foreign commerce can be established and maintained at points thousands of miles from our coasts and well beyond aircraft range. Our outlying possessions will be captured and used against us as advance bases. There will be nothing to prevent the establishment of bases, by force if necessary, in this hemisphere, from which, as well as from aircraft carriers, repeated bombing raids can be dispatched against our highly industrialized areas.

It is obvious that such a war will not be particularly expensive to a well-prepared enemy. It merely involves the expenditure of additional fuel and ammunition for his ships and the replacement of losses in his aircraft. In fact, such a war might even prove quite lucrative, provided the enemy managed to secure a sufficient portion of our destroyed overseas commerce.

Under the foregoing conditions, enemy ships, except in the form of raiders, need not approach anywhere near our shores. With the loss of our outlying possessions, our foreign commerce, and subject to continual raids upon our coastal areas, our ultimate defeat is inevitable. It will be only a question of time, depending on how long our national will to further resist will hold out. Without the power to carry the fight to the enemy, there can be no alternative other than subjugation to his wishes. It is reasonable to assume that before this time arrives public opinion will demand that our fleet, no matter how inadequate, make an effort to relieve this intolerable condition by seeking out and engaging the enemy main fleet, regardless of its location or superiority.

Military and naval operations that so threaten our industrial existence as to make our ultimate capitulation inevitable, such as closing all avenues of imports to us, by blockading our ports, or the ports from which we import essential raw materials might easily force us to accept drastic terms to avoid complete collapse or certain military invasion.

I prefer to follow the distinguished chairman of the Naval Affairs Committee in this magnificent, if strong, statement, made to this body less than 2½ months under 1 year ago.

Mr. WALSH. Mr. President—

The PRESIDING OFFICER (Mr. LEE in the chair). The Senator from New Hampshire has the floor. Does he yield to the Senator from Massachusetts?

Mr. BRIDGES. I yield.

Mr. WALSH. First of all, this report was made for the purpose and with the intent of urging upon Congress the further expansion of our Navy. I certainly was not trying to set forth in that report that we had the size, quality, and kind of navy we needed; otherwise there would be no need of the expansion urged. The whole purpose of the report was to show the dangers ahead, to prepare for any eventuality which might occur, and to make plain the needs of our Navy in view of the uncertainties of the future. The report is dated May 15, 1940, and it was submitted in connection with a bill for the construction of certain naval vessels. The very first sentence which the distinguished Senator from Georgia recites reads:

From all the evidence available it appears that the United States can be defeated and conquered without military conquest of continental United States.

The next sentence modifies the first sentence:

Without a navy capable of controlling the sea areas—

Which I was urging and for which I was reporting the bill—

against an enemy, an effective blockade against our foreign commerce can be established and maintained at points thousands of miles from our coasts and well beyond aircraft range.

The Senator from Georgia has failed to quote from page 8 of the same report, as follows:

Should Germany's submarines and aircraft succeed in overcoming the greatly superior fleets of Great Britain and France and destroying British sea power, there is every reason to infer that they could probably overcome the United States Fleet if we entered the war and sent our fleet and aircraft to operate in European waters within ready reach of short-range aircraft and numerous small submarines. * * * On the other hand, should Germany's submarines and aircraft succeed in overcoming the Navy of France, a neighboring nation, and of Great Britain, a nation separated from Germany by the narrow reaches of the North Sea and thus within ready reach of short-range aircraft and numerous small submarines, it would by no means follow that German submarines and aircraft could overcome the United States Navy in a similar fashion, provided the United States Navy operated from its home bases to keep hostile forces far from our shores.

The report is a very long one, and should be considered as a whole. The purpose of making the report so long and extensive was to give the Congress and the American people a real understanding of our naval strength and our naval condition. When that report was submitted on a bill providing for an 11-percent increase in our naval strength, we had not then considered and did not for 2 months thereafter consider another bill for a two-ocean navy, which was reported in July; but as far back as January 1938, I publicly advocated a two-ocean navy and have continued to advocate it ever since, and this was before the war in Europe began.

I wish to state, very briefly, what my understanding is as to the Navy, and what our naval authorities say in regard even to our present Navy. It is the opinion of our naval officials that we have, at the present time, a Navy of sufficient size and strength to protect the continental United States, but we have not a navy of sufficient size to engage in a conflict away from our bases and away from our own shores. If this country were to engage in a naval battle with Japan a reasonable distance from the Pacific coast, in my opinion, victory would be assured to the American Navy; but should a conflict take place thousands of miles away from the Pacific coast in the waters of Japan, in all probability, the risk would be extreme, and some would even go to the extent of saying it would be suicidal. The same thing is true of the Atlantic. The moment the Navy gets away from its bases and gets thousands of miles away

and engages in conflict near the bases of the enemy, it is making an up-hill fight, and the consequences are apt to be disastrous.

Mr. BARKLEY. Mr. President, will the Senator yield.

Mr. BRIDGES. I have the floor. I yield to the Senator from Kentucky.

Mr. BARKLEY. I beg the Senator's pardon. I should have asked him to yield. I should like to ask the Senator from Massachusetts a question. The report from which the Senator from Georgia has read was submitted about 9½ months ago, and was based upon conditions which the Senator as chairman of the committee thought then existed?

Mr. WALSH. Yes, sir.

Mr. BARKLEY. Since that report was made, we have appropriated money for and authorized the construction of what we call a two-ocean navy.

Mr. WALSH. The bill on which the report was submitted provided for an 11 percent increase in the Navy. Then the bill for the two-ocean navy followed somewhat later.

Mr. BARKLEY. Yes. That bill provided only for an 11-percent increase, but, since that time and independent of that bill, we have provided by appropriations and authorizations for practically a two-ocean Navy, which almost means a doubling of our naval forces as they existed at the time this report was submitted. That is correct, is it not?

Mr. WALSH. Yes, sir.

Mr. BARKLEY. The two-ocean Navy which we have visualized will not be completed until 1946 or thereabouts, as I understand?

Mr. WALSH. That was the statement made before we enacted legislation to speed up the building of our Navy; 1946 was the date, if there had been no speeding up of naval construction.

Mr. BARKLEY. Speeding up might shorten the period so that such a navy might be ready in 1945, but if there should occur anything in the world which would precipitate upon the United States the situation which the Senator described in the report referred to, we would still be facing the dangers which he visualized and cautioned us against at that time, would we not?

Mr. WALSH. There is no doubt about that; there is no doubt as to the importance of building up our Navy, and there is no doubt of the fact that our Navy had shrunk to very low levels in comparison with the naval strength of any group of nations which have substantial navies. If we give the Navy, in whole or in part, to any European allies, then we will be in exactly the position the report visualizes. We will then be in a position to be blockaded and our cities bombed.

Mr. BARKLEY. So that, if the situation should be precipitated which we then visualized, if war should be brought within a reasonable distance of our own shores, and if we were required to defend ourselves even with our present strength and with whatever increase we have been able to add since the report was submitted, we would be almost in the same situation which the Senator at that time described, would we not?

Mr. WALSH. Yes. Of course, this whole subject has been brought up—I have noticed that some alleged naval experts who are columnists have discussed it—for the purpose, I think, of frightening the American people with the idea that if Germany gets hold of the British Navy, with her own Navy and with the British Navy and with the Italian Navy she will overpower us in naval strength. In view of the fact this hostile fleet would have to operate far from its bases, I will not concede that, even under such conditions, the United States Navy can be defeated if we retain our present and increasing naval strength. This assumes we retain our planes and ships for our own use.

Mr. BARKLEY. And the Japanese Navy in addition.

Mr. WALSH. And the Japanese Navy.

Mr. BARKLEY. Of course, the Germans already have their own Navy, whatever it is; and they have the Italian Navy.

Mr. WALSH. But the moment any one of those navies gets away from its base, its strength and its power diminishes very rapidly, so it is the opinion of our best naval experts that staying home, close to our own bases, we shall be prepared, even with the limited Navy we have.

Mr. BARKLEY. The Senator knows that in no war, especially a naval war, that any of us knows anything about, has any navy ever been willing to hug its own shores. A navy usually searches out the enemy wherever he can be found.

Mr. WALSH. Not too far from its bases. That is the important factor.

Mr. BARKLEY. Admiral Dewey went 7,000 miles from the Pacific coast to fight the Spanish Fleet in Manila Bay.

Mr. WALSH. He had a base.

Mr. BARKLEY. Where was our base at that time?

Mr. WALSH. At Hawaii and he based somewhere in China.

Mr. BARKLEY. Oh, well, that is 5,000 miles away from Manila; so he got away from our bases.

Mr. WALSH. Then, of course, there were practically no naval vessels there to combat him.

Mr. BARKLEY. The Spanish Fleet was there. The Spaniards thought they had a navy. They found out later that they did not have much of a navy; but Admiral Dewey had the courage to go 5,000 miles, even from Hawaii, which was more than the distance across the Atlantic Ocean that any enemy navy would have to travel in order to get to the United States.

Mr. CLARK of Missouri. Mr. President, will the Senator yield? Dewey was based on Hong Kong.

Mr. WALSH. Before I yield I want to call attention to another matter.

The distinguished Senator from Georgia [Mr. GEORGE] read from the sub-heading of this report, entitled:

The United States can be defeated unless it possesses adequate sea power.

The next heading, following that paragraph, is as follows:

With adequate sea and air power the United States cannot be defeated.

And the first sentence is:

From the evidence available it appears that if we build and maintain an adequate

navy, provide ourselves with adequate air power, and a comparatively small but well-trained and highly efficient army, we cannot be defeated. If our fleet, supplemented by our air forces, is able to exercise control of our essential sea and air communications, our Nation is secure.

I shall have something more to say about the Navy when the amendment as to the Navy comes up. I do not like to fill the RECORD with a great deal of matter that is not entirely pertinent to the issue here; but it seems to me that the report to which reference has been made should be considered as a whole.

Mr. CLARK of Missouri. Mr. President—

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

Mr. CLARK of Missouri. I do not wish unduly to delay the Senator from New Hampshire; but inasmuch as he yielded to the Senator from Georgia to read some quotations from the Senator from Massachusetts, and also yielded to the Senator from Kentucky, would he be willing to yield to me to enable me to read a few quotations from the Senator from Georgia?

Mr. BRIDGES. I yield.

Mr. GEORGE. Mr. President, I have not made any speech; but if the Senator wishes to do that, it is all right. I shall make one in time.

Mr. CLARK of Missouri. The Senator has made a good many speeches in time.

Mr. GEORGE. Yes; but I have not made any on this subject.

Mr. CLARK of Missouri. The Senator quoted from the Senator from Massachusetts [Mr. WALSH].

Mr. GEORGE. I did, and I said I was following the Senator when he submitted that report to Congress, and I am still willing to follow him; but the Senator from Missouri wants to lug in now some speeches I have made. I do not know on what subject they are. They might range—

Mr. CLARK of Missouri. They are on this very subject.

Mr. GEORGE. I have not made any speech on this bill.

Mr. CLARK of Missouri. No; the Senator has not. He has made several in the time of the Senator from Montana [Mr. WHEELER] and other Senators—

Mr. GEORGE. Oh, no.

Mr. CLARK of Missouri. But not in his own time.

Mr. GEORGE. No; I have not. I have been forced to get a little time, Mr. President, from the small crumbs of time that are squeezed in between the continuous opposition to this bill.

Mr. CLARK of Missouri. Mr. President, if the Senator from New Hampshire will permit me, the Senator from Georgia has been making up the program. He can speak at any time he wants to speak. He could have spoken at this moment, instead of the Senator from New Hampshire. He could have spoken on the first day.

Mr. GEORGE. Oh, no.

Mr. CLARK of Missouri. The Senator could have spoken at any time he wanted to speak.

Mr. GEORGE. Oh, no, Mr. President. I was sick during the first 3 days of the debate.

Mr. CLARK of Missouri. I regret that the Senator was sick.

Mr. GEORGE. I am not very well even yet, but I can speak; that is true. But if the Senator from New Hampshire yields to the Senator from Missouri to read some excerpts from speeches I have made that may have some bearing upon this question, I simply invite him to wait until I speak, and then he may read them; that is all.

Mr. CLARK of Missouri. Mr. President, I have no desire to embarrass the Senator from Georgia—

Mr. GEORGE. The Senator is not embarrassing me.

Mr. CLARK of Missouri. Or to delay the Senator from New Hampshire. The Senator from Georgia and the Senator from Kentucky [Mr. BARKLEY] were the ones who selected the Senator from New Hampshire to proceed. Then the Senator from New Hampshire yielded to the Senator from Georgia to read at some length some extracts from a report submitted by the Senator from Massachusetts. Then the Senator from Kentucky proceeded to expatiate at some length upon that report. I have no desire to delay the Senator from New Hampshire further than to read just one sentence from a speech of the Senator from Georgia.

Mr. GEORGE. Just 1 minute. If the Senator from New Hampshire yields—

Mr. BRIDGES. I yield to the Senator from Georgia.

Mr. GEORGE. If the Senator from Missouri reads speeches I have made I shall, of course, claim the right to reply, and reply immediately; but I did not wish to do so, because I was not engaging in this debate except to read an absolutely pertinent reply to what I conceived to be the very able speech of the very able senior Senator from Massachusetts, and to say that I wished to follow the chairman of the Naval Affairs Committee in his speech made 9½ months ago rather than the conclusions reached by the senior Senator from Massachusetts today. That is all I did.

Mr. CLARK of Missouri. Mr. President, if the Senator from Georgia objects to my reading a few of his old remarks, I will not delay the Senator from New Hampshire further. In view of what has been said, there is one sentence here that I wondered if the Senator from Georgia would object to my reading, if the Senator from New Hampshire would yield to me for that purpose. Since a great many of us who have been opposed to the United States getting into war have been accused of being false prophets, I should like to read just one sentence; but if the Senator from Georgia objects, I will not do that.

Mr. GEORGE. No, Mr. President; I do not object. I have no objection. I was simply saying that if anything was read here that occasioned a reply, I should ask the privilege of replying immediately.

Mr. CLARK of Missouri. Mr. President, I never said there would not be a war in Europe, because I never professed to predict about it; but the Senator from Georgia, on April 13, 1939, said:

I venture the statement, Mr. President—

He was not an isolationist—

and I venture it without fear or hesitancy—that if we let Europe alone there will be no war.

[Laughter.]

Mr. GEORGE. Mr. President, I was mistaken then; but that was 2 years ago, and I am perfectly frank to admit that I was mistaken then. The difficulty with the Senator from Missouri is that he never knows when he is mistaken although everyone else clearly recognizes it. [Laughter.]

Mr. BRIDGES. Mr. President, we are passing through a very difficult time in the history of the world. We are faced with the problem of determining the part America should play in this world situation.

We Americans want to live and let live. We want to be able to go about the business of making our country a better place to live in, just as we always have. We have a tradition of liberty and progress which is very precious to us and for 150 years our every effort has been directed toward the maintenance of that tradition.

We are trying to live in peace and freedom and as Christian people should live in a world that has very little peace, very little freedom, and less and less adherence to Christian principles, in a world where the lights of civilization are flickering.

The physical isolation in which we as a nation have lived and developed is a thing of the past. The progress in ways and means of transportation and communication has made the problems of the peoples of some nations a matter of common interest to the peoples of all nations. We cannot ignore these changed conditions.

This war which rages in the world today is not merely a struggle between armies, navies, and air forces. It is not one of the never-ending wars that have plagued Europe through history. It is a struggle between philosophies of government and ways of living. In the place of Christian brotherhood and obedience to moral law, the dictators put racism and obedience to power. They have developed the philosophy that the governing officials of a nation are the masters and not the servants of the people; that the government should be all-powerful and the people without voice.

We are in the midst of a world revolution fomented by the leaders of the dictator outlaw nations. Let us not fool ourselves by thinking that this threat will not eventually seriously affect America and every one of us personally. As the tragic scenes have been enacted during the past year and a half, many Americans have failed to recognize the seriousness of this situation, for behind an assaulted Belgium and Holland there stood a France; behind an assaulted France there stood an England; behind assaulted England and Greece there stands a United States of America—but behind the United States of America there stands no nation. We are the ultimate core of the last resistance to a new world order. We cannot look to any larger, stronger nation for protection and help. We cannot lean; we must stand.

In determining our policy, I believe we must approach the problem from one

angle alone, and that is: What is best for America? What will best provide for our safety and security today and the safety and security of our children and their children tomorrow?

We wish our vision of America's tomorrow were so true that we could legislate for the future with accuracy. That is impossible. We can, however, do our best to preserve the heritages we cherish. The people are trusting us to do just that; and with their trust in mind, we cannot afford to gamble with the safety and security of our country.

We certainly do not want to live in a Nazi-dominated world; but we shall live in a Nazi-dominated world if Great Britain and her allies fall. Such a condition would bring us only grief and trouble and result in the lowering of our living standards, the sacrificing of our social gains, and would bring us immediately into an economic war and either immediately or eventually into a military war. The people of this country do not want to be involved in war, and I, for one, do not want to see this country go to war.

Without the materials we alone can supply them, Great Britain and her allies cannot long continue to fight the combination of aggressors she faces. It is to our own interest and to our own safety and security that Great Britain and her allies prevail. If Great Britain and her allies fall, our people will be living in a hostile world with a powerful combination of hostile nations against us.

It is to our interest that we have the time to prepare an adequate national defense for this country. We should have started long before we did. The administration ignored the storm signals too long. We are going forward on the program of national defense now, but our progress is slow. It will be 1 or 2 years before we have the planes, guns, tanks, and other modern instruments of war necessary to our defense. It will be a period of several years before we have a complete two-ocean Navy and are capable of defending ourselves on the Atlantic and the Pacific should we be attacked on both coasts simultaneously. If Great Britain and her allies can hold out, we will have time to complete our defense program.

I have consistently favored all national-defense measures before Congress and all defense appropriations; I have also consistently favored the policy of extending to the countries putting up such a gallant fight against the dictator nations all aid not inconsistent with our own demands.

Several of the provisions contained in H. R. 1776 as introduced did not appeal to me. I thought the measure was too wide in scope. Some of them have been corrected by amendment; others have not. However, this is the measure recommended by the administration who have been chosen to head this country during this critical period, and H. R. 1776 is the bill before Congress on which we have to pass.

However, this bill does provide a method of giving effective aid to Great Britain, Greece, and China. Effective aid is necessary, because ineffective aid might be worse eventually than no aid. It does provide for a coordination of the

manufacturing of defense material, including planes, guns, ammunition, tanks, and other implements of defense, which means the ability to standardize production, which means vastly increased production, which means not only aid for Great Britain and her allies but a definite stepping up of our own preparedness program, which is highly essential.

The measure has been amended since it was introduced to provide certain limitations to the bill. Some of these amendments provide definite safeguards, and they cannot be dismissed lightly, as many persons have a tendency to do.

There is an honest difference of opinion between sincere, honest people in this country and in the Senate as to this particular legislation. I have great respect for some of the Members of this body who are opposing the proposed legislation. Even though I do not agree with their position, I respect the sincerity of their opinions. I deplore the bitterness which seems to mark the attitude of some legislators toward the measure. I think this is the time when we should be tolerant of each other's views and have the utmost respect for all who are giving expression to their honest convictions.

One can either be for this legislation without reservation or against it, or one can favor the objective sought and endeavor in a constructive way to get the best bill possible, providing necessary safeguards without interfering with the objectives of extending aid to the Allies. This latter course is the one which I have determined to follow.

Mr. President, the bill will pass and will shortly become law. That is inevitable. The great heart and soul of America have already gone out to the nations which it is proposed to aid through the operation of this bill. By enacting this legislation sufficient aid will be given to Great Britain and her allies to enable them to continue their fight and thereby make it less likely that we will be involved in war.

Our people are in accord with the objectives sought; that is, aid to Great Britain, Greece, and China, and such other countries as may be attacked or invaded by the aggressor nations. So I have no doubt that within a few days the bill 1776 will become law. I will not occupy the time of this Senate, therefore, with any lengthy remarks. I will not take the time to go into the merits or defects of the bill. Others have done and will do that. But I should like to direct the attention of the Senators to a phase of the situation which I fear has been neglected or slighted in the discussion of the bill here and in other forums.

We have all been so engrossed with this measure during the last few weeks that many have come to call it the aid-Britain bill, or the proposal to lease or lend war materials to the English. We have come almost to ignore the fact that the bill, in its purposes, and I pray in its execution and operation, is more comprehensive than these short titles would indicate. I believe it is a measure to protect America by giving aid to those countries whose defense is vital to ourselves.

Much has been said about the fight which Britain is making; much has been

written about the courage displayed in that fight by the English people; much has been heard of the dogged tenacity with which the people of the great British Empire are holding out against the dictatorships; our people and even those in high Government office are coming to think that only Britain is fighting.

Mr. President, I want to be sure that after the bill shall have been enacted those charged with its execution will remember that basically it is a bill to protect the United States, and to afford that protection, aid must go to all nations which are being attacked by outlaw dictator nations.

I would not for a moment detract one iota from the admiration which our people and you, my colleagues, have for the fortitude, the dogged and determined bravery, the self-sacrificing unity and loyalty with which the British people have met a great and terrible challenge.

I yield to no man in the quality of admiration for the manner in which these courageous people on their little island have fought back a ruthless despot. The might of the British Empire, shattered by the first impact of an aggressive enemy, has rallied to show the world an unconquerable spirit.

But, Mr. President, we must not let our feelings for England's glorious struggle blind us to the deeds, just as heroic, just as glorious, just as courageous—the glory that was and is Greece. And today Greece faces a new crisis—Hitler's legions are at the Greek borders.

In the operation of this measure, our executive officers must not for a moment, in their anxiety to aid the British in the defense of their homes, be permitted to forget or overlook that other nation on the Continent of Europe which accepted foursquare the challenge of the despotic aggressor, met him at its borders and hurled him back.

On history's scroll the gallantry and courage of the British people will always occupy a prominent place, but there will also be found on that scroll the story of the stand and fight of the Greek nation. It will be a long time before we witness again a stand of a nation which exceeds that of the Greeks in their glorious idealism, steadfast courage, and military valor.

The United States would be false to the ideals which this bill is to implement if our Government were not to demand and insist upon the right of a place in that historic picture by giving to the great people of Greece a share, and a just share, of the help, the armaments, and the weapons of war which our country will pour forth under this measure.

Britain entered this war as one of the most powerful countries in the world. She brought to it all the might of a far-flung, highly motivated people. After the fall of nation after nation, with her back against the wall, Great Britain gave to the world an example of courage and fortitude which will go down through the centuries as outstanding. Her people came back after each blow dealt them, until now the British seem to have turned the tide and to be meeting with some equality the blows which sinister and efficient powers have been dealing.

It was the action of Greece which gave Great Britain a new foothold in the Mediterranean and made possible the start of the successful African campaign which Great Britain has waged against the Italians, and for which the British have won the commendation of most of the civilized world.

Following that period in which Poland, Norway, Denmark, Belgium, Luxembourg, Holland, and France were conquered, and with England waging a gallant fight but falling back under a terrific battering from the combined forces of Germany and Italy, a new light started to shine for the hope and salvation of a fearful world. That light was Greece.

When all the world stood aghast at the spectacle of nation after nation overrun and despoiled by the military mass and machine assembled with sinister forethought and devilish cunning by Hitler and Mussolini, Greece alone among the smaller nations held aloft the torch of courage, the symbol of a world rising in its might of right to repel the flood tide of destruction and ruin and enslavement.

When Norway, Denmark, Belgium, Luxembourg, Holland, and France were stabbed to the death by the invader, when the British were hurled in a shower of death and flame from the shores of Europe, Greece joined with Great Britain in holding out to the world a hope for a continuance of an era in which nations might be free and individuals enjoy liberty. Greece joined Britain in displaying the indomitable will, the essential unity, the fierce self-respect to repel the aggressors. Greece spoke and acted at a time when the conquerors were seemingly cloaked with invincibility, when the brothers of destruction seemed to make no errors in their march to world domination, when they swept over or through every peoples that dared stand in the path of their ruthless barbarians.

With what did Greece meet these invaders at her borders—these invaders who came in steel-sheeted machines, who dropped death from the skies, who with bomb and bullet spread a holocaust wherever they touched?

Against these modern terrors what could Greece bring to bear?

Greece threw into the fight the age-old weapons of a people the world had apparently left behind. She threw into the fight a courage which could not be denied. She drew upon the resources of a people free and determined to remain free.

Against the weapons which had conquered Europe she pitted the bodies and blood of her people. "A futile gesture," said the world. Better to accept the terms of the conqueror than to accept the horror and suffering which would be visited upon her people. "Accept the yoke," said the world; "you are powerless against these machines and these men." The world spoke from despair. Greece answered from a courage soaring high and stood side by side with England.

The answer is written—how the efficient and merciless army of Italy marched from an already conquered country into Greece; how the small army of Greece met them; how the women of Greece, with stones and rocks in hand,

joined their men to defend their homes; how the women literally hurled down precipices on the invaders.

Mr. President, the world laughed pityingly at the pictures of the Greek soldiers in their skirts. They admired but found no hope in a nation where the women joined with the men in battle and where the men wore skirts. "All futile," said the world. "They will just be wiped off the earth."

But not so.

This ill-assorted army, garbed and armed in the fashion of another day brought to a full stop the army which Mussolini had bled Italy white for years to build. On the borders of Greece they turned the posturings and gestures which had terrified the world for years into grimaces.

But Greece, little and lowly, living in the past, was not content merely to stop the enemy at her borders.

From some bottomless pit of resource she drew the power to hurl back these hordes, to thrust them from stronghold after stronghold.

With the bricks of her women and the cold steel of her men she routed the army which twice had been victorious in modern wars. An army whose leaders and whose men delighted in carnage, who found inspiration in the death struggles of the victims of their bombs.

Then it was that the world took new heart, took new courage. Then it was that beleaguered England took new hope. Here was an example for freemen, for brave men, for men with a love of liberty. When a little Greek boy unearthed a spy ring and won himself a corporal's stripes the world donned a new badge of faith in the eternal success of right.

Battered nations, their peoples in slavery, found a new birth of inspiration in those fiercely fighting men, women, and children who stood shoulder to shoulder with the British.

It is natural now to laugh at Mussolini's shock troops, to scorn them as parade-ground warriors, and to mock at the jutting jaw of their leader. And later the British in Africa completed the job. But it was Greece that first made them the laughingstock. It was Greece that found the feet of clay.

Mr. President, when we in the Senate talk of all-out aid for Britain, we should include Greece in that picture. We are just a trifle faulty in not recognizing the fight which Greece has already made. In all the debate in the House and Senate—and I have heard or read it all—there has been only casual reference to the part Greece has played in this particular situation. When we talk about giving help to those fighting the aggressor nations, let us not, my colleagues, forget Greece, which stood side by side with England when most of the free world was falling.

Let us not forget the plight in which Greece finds herself. She needs help today, now. The mighty German Hitler war machine is at her borders. Bulgaria has been invaded. Greece faces the crisis of her life, while the Senate talks on this bill. We need action in this country, and those countries whom we intend to help need the bolstering of morale which the passage of the bill will bring about.

Let us insist upon it that under this bill and under all plans to be made for its execution Greece shall receive the aid to which her courage entitles her.

From the time when Germany invaded the lowland countries this Nation has been giving of its resources to Britain. I am for all effective aid to Britain short of involvement. Britain urgently needs all that we can give her. It is to our advantage to keep her going. We need the time that her successful fight will give us for us to prepare here at home. But from the time when the Fascist legions under Mussolini marched through Albania to Greece, we have given to the Greeks practically nothing.

We find Greece now in the hour of its greatest peril. Still conquering the forces of Mussolini, she is today threatened and faced with another invasion from another direction by Mussolini's blood partner.

Flesh and blood cannot hold out forever. The women of Greece cannot go forth to battle with bricks and win eternally. The children of Greece will reach the end of their endurance.

Let our executive officers turn now to Greece, with the passage of the pending bill, with the same hand which is extended to Britain. Let us say to Greece as well as to Britain, "You are waging a great fight. The world will be a safer place in which to live if you win. We do not intend to go to war, but we intend to provide you and any other nations that are attacked by outlaw-dictator nations the implements of war and materials to defend themselves."

Mr. President, the situation is extremely grave. The developments of each new day make it more and more obvious that in extending a helping hand to these besieged peoples time is of the essence. I am certain that the materials we alone can supply are essential to make their victory possible. I am certain that their victory is necessary to our own future unmolested security. Conscious of these self-evident truths, I have chosen to support the lend-lease bill.

No one can honestly accuse me of wanting to give President Roosevelt any more powers. No Senator has stood on the floor of the United States Senate and fought many of his domestic policies any more vigorously than have I. No person campaigned against him any more vigorously than I did last fall; but today this country faces a crisis, the serious world situation overshadows all other issues. I believe that our duty today is to view this question not as partisans, not selfishly or personally, but from the viewpoint of the best interests of America, not only for today, but over the years ahead.

The present status of the measure is far different from the bill as originally introduced. I hope for further amendments providing further safeguards but not interfering with the objectives of the bill to provide effective aid to Great Britain, her dominions, Greece, China, and such other nations as may be attacked or invaded, whose defense is vital to the defense of the United States.

I think most people in this country realize what the issue is, and I believe it is time for action in this body. To my

mind delay in connection with this matter may have a vital effect in the situation which now exists in the Balkans.

In supporting this bill and the consequent aid to those who fight for the preservation of liberty and decency, I am being consistent with my policy of favoring that legislation which is designed to protect and preserve the present and future security of the United States and help keep our people at peace.

Mr. President, what has gone on in this country and the world in years past? We saw the period after the last World War, when people of ideals and principles came forth in various nations with such things as the League of Nations, the World Court of International Justice, the Treaty of Locarno, the Kellogg-Briand Peace Pact, the Nine-Power Treaty, and so on down the list. In some of those efforts this country played a part and great nations all over the world joined in pacts and treaties to outlaw war and to make peace. However fine the objectives sought, these pacts and projects are all forgotten or scrapped today.

Then we in this country took a new course. We decided to legislate peace, and we went ahead with neutrality legislation. Peace cannot be legislated, however. Peace will be determined by the emotions and convictions of the people of this country. If Hitler wanted to make war on us, he had plenty of excuses up to date. He has never looked for an excuse from the day the war broke out. This bill will allow us to coordinate and speed up production, which will mean not only greater help to the Allies but quicker and more effective adequate national defense for America. It is a step in the right direction.

In my judgment, the bill was far too wide open in scope when it was introduced. It has been amended. It needs further amendment. I believe that the attitude of a person who approaches this problem should be: Let us get the best bill we can under the circumstances—what is best for America today and in the years ahead. We are much less likely to be involved in this war if the Allies have the material and weapons to fight this war successfully. This bill should aid them to this end.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an article by Raymond Moley, entitled "Perspective," published in Newsweek for February 24, 1941, which analyzes the amendments adopted to date.

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

[From Newsweek of February 24, 1941]

PERSPECTIVE

(By Raymond Moley)

LEND-LEASE AMENDMENTS

The lend-lease bill, although it is only about 1,100 words long, or, roughly, the same number of words as appear on this page, is pretty tough reading for most of us. Its language is technical. Its implications escape most of those who have not been following the congressional debate on it with scrupulous care. These are the reasons why a strange misconception about the amendments to the bill has gained such wide currency.

The story goes that the amendments are one and all trivial, meaningless, inconsequential. This generalization has been expressed by extremists on both sides of the national debate and has been echoed for the past week by commentators who ought to know better. It is not the conclusion of reasonable people on either side. Certainly, the administration leaders in the House and Senate aren't of that opinion. And, by the same token, it isn't the opinion of those close to the legislative forge who have successfully urged that the bill be hammered down here and there.

What is the meaning of the six House changes and the three Senate changes so far made? Some, of course, are infinitely less important than others. But it is pointless to discuss them at all without weighing each of them separately. Here they are, one by one:

1. The first change requires the President to consult the Chief of Staff of the Army or the Chief of Naval Operations of the Navy, or both, before leasing, lending, or disposing of any defense article. This change is a compromise between the proposal that the Army or Navy certify to Congress that such articles are not vital to our own defense needs and the original proposal which gave the President full power to act without any consultation whatever. But the effectiveness of even the more stringent check upon the President would be doubtful, in light of Supreme Court decisions on the President's vast powers in the field of foreign and military affairs. More, it is unlikely that the President would in any event dispose of defense articles without consulting the Army and Navy. So this amendment merely underlines the probable.

2. The second change limits the President's powers to lease, lend, and sell defense articles somewhat more precisely. The House has provided that not more than \$1,300,000,000 worth of existing or already authorized defense articles shall be disposed of. This amendment was intended to meet the specific objections that Congress was being asked to authorize "the giving away of the whole Army and Navy" not to say to "surrender the power of the purse." To this restriction the Senate Foreign Relations Committee has added another which limits the President's power to dispose of defense articles "to the extent to which funds are made available or contracts are from time to time authorized by Congress." In short, a ceiling of \$1,300,000,000 has been put on the disposing of articles already existing or authorized and, in future, the President will have no power to spend money or make contracts involving the spending of money for aid to foreign nations until Congress so authorizes. As a practical matter, the congressional appropriations in future will probably leave the President a large amount of discretion. Nevertheless, the power of the purse remains in Congress, and the determination of Congress to preserve this vital element in our system of government is immensely reassuring at this time.

3. A third change in the lend-lease bill, adopted by the Senate committee, reaffirms that determination to a degree. The original bill provided that any money repayments from nations to which material is lent or leased should revert to the appropriation out of which funds for such material were first expended and that these repayments should then be available for expenditure again. In other words, it set up a revolving fund which could have revolved to the end of time, presumably. The amendment provides that "in no event shall any funds so received be available for expenditure after June 30, 1946."

4. Amendment has now placed a 2-year time limit on the powers conferred by the bill. This restriction may seem more formal than real, since the dangers which preoccupy most of us are certain to come to a head within 2 years. But there are other dangers

against which this amendment would be a powerful safeguard—among them the possibility that whole industries may be taken over as "facilities" which the President is authorized to "procure." The chief value of the time limitation is to stamp the bill as temporary, and, before the powers conferred by the bill are renewed, the people will have an opportunity to pass judgment on how they have been used in the congressional elections of 1942.

5. But even before that time—when the electorate can, if it sees fit, return a new House of Representatives and 32 new Senators—Congress may terminate the powers granted by the bill. The Dirksen amendment, as perfected by the Senate committee, now provides that if Congress passes a concurrent resolution (which requires no Presidential approval) declaring that the powers conferred by the bill "are no longer necessary to promote the defense of the United States," the President shall no longer exercise such powers. There is question about the constitutionality of such a provision to recapture power. Beyond this is the hard fact stressed by Representative MUNDY, the fact that if this bill should fail to do what proponents believe it will do—keep war away from us—a concurrent resolution could not repeal a war. But, with this exception, the restriction ought to have both point and meaning. Whatever the legal argument, when the time comes that a majority in each House votes to recapture the powers involved, the change in public opinion will be so drastic that the President is not likely to set his face against it. If he should, we shall have a lot of things even more serious than this particular bill to worry about.

6. The sixth change in the bill merely says that there is nothing in the bill authorizing or permitting the conveying of vessels. This is what might be called a psychological amendment. The President now has ample power to authorize convoys. It is doubtful whether any act of Congress could take away that power. This amendment simply amounts to an assertion that Congress does not favor convoys.

7. Similarly intended as reassurance is the amendment reaffirming that section of the Neutrality Act which prohibits the entry of any American vessel into a combat area. This provision was offered by the administration to quiet the fear that the President desired to override that prohibition in the Neutrality Act.

8. Finally there is the amendment requiring the President to report to Congress every 90 days. Certainly it is in the interest of popular understanding of what goes on. It is true that the President retains the right to withhold such information "as he deems incompatible with the public interest to disclose." But this reservation is only a formal acknowledgment of the President's constitutional right to refuse information to Congress on the ground stated. The purpose of Congress is unmistakable.

Here, then, are the amendments that have been made up to this writing. Obviously they do not satisfy all the critics of the bill. They do not restrict the powers given to the President even as much as Mr. Willkie, for instance, would have them restricted. But it is simple inaccuracy to dismiss these amendments as insignificant. They do reaffirm one or two basic principles of constitutional government at a moment when it is easy for us to lose our sense of relative values.

Mr. REYNOLDS obtained the floor.

Mr. NYE. Mr. President, will the Senator yield to me for the purpose of suggesting the absence of a quorum?

Mr. REYNOLDS. I yield.

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

The PRESIDING OFFICER. The clerk will call the roll.

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

Adams	Ellender	Murray
Aiken	George	Norris
Andrews	Gerry	Nye
Austin	Gillette	O'Mahoney
Bailey	Glass	Overton
Ball	Green	Pepper
Bankhead	Guffey	Radcliffe
Barbour	Gurney	Reed
Barkley	Harrison	Reynolds
Bilbo	Hatch	Russell
Bone	Hayden	Schwartz
Brewster	Herring	Sheppard
Bridges	Hill	Shipstead
Brooks	Holman	Smathers
Brown	Hughes	Smith
Bulow	Johnson, Calif.	Stewart
Bunker	Johnson, Colo.	Taft
Burton	Kilgore	Thomas, Idaho
Butler	La Follette	Thomas, Utah
Byrd	Langer	Tobey
Byrnes	Lee	Truman
Capper	Lodge	Tunnell
Caraway	Lucas	Tydings
Chandler	McCarran	Vandenberg
Chavez	McFarland	Van Nuys
Clark, Idaho	McKellar	Wallgren
Clark, Mo.	McNary	Walsh
Connally	Maloney	Wheeler
Danaher	Mead	White
Davis	Miller	Wiley
Downey	Murdock	Willis

The PRESIDING OFFICER. Ninety-three Senators having answered to their names, a quorum is present. The Senator from North Carolina [Mr. REYNOLDS] is recognized.

EXEMPTION OF GOLD AND SILVER MINING INDUSTRY FROM EXCESS PROFITS TAX

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

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Nevada?

Mr. REYNOLDS. Yes; I gladly yield to the distinguished Senator from Nevada.

Mr. McCARRAN. Mr. President, I desire to have inserted in the RECORD and appropriately referred a joint resolution passed by the Legislature of the State of Nevada memorializing the Congress of the United States to eliminate from the excess-profits tax miners of newly mined gold and silver in the United States.

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

Senate Joint Resolution No. 3

Resolution memorializing Congress to exempt the gold and silver industry from the excess-profits tax of 1940 and years subsequent thereto

Whereas the Federal Congress, by congressional enactment some time during the year 1940, passed what is commonly known as the Excess Profits Tax Act; and

Whereas said Excess Profits Tax Act is equally applicable to all persons, corporations, and associations doing business throughout the State of Nevada, the United States of America, in that it places a tax upon all such persons, corporations, and associations earning profits in excess of 8 percent; and

Whereas said Excess Profits Tax Act is distinctly burdensome and deleterious to the gold- and silver-mining industry in the State of Nevada; and

Whereas by virtue of said act capital is discouraged and dissuaded from financing, aiding, and assisting in the development and working of such mines throughout the State of Nevada; and

Whereas such new capital is necessary for the continued development and production of gold and silver in this State and the United States; and

Whereas the gold and silver industries are noncompetitive and are, therefore, not within the purpose, intent, and design of said Excess Profits Tax Act: Now, therefore, be it

Resolved by the Senate and Assembly of the State of Nevada, That Congress be memorialized to amend said Excess Profits Tax Act by exempting from the provisions thereof all those certain persons, corporations, and associations engaged in the production of gold and silver for the year 1940 and years subsequent thereto; and be it further

Resolved, That it is the sense of the Senate and Assembly of the State of Nevada that such is for the best interests of the mining industry of the United States and those engaged in mining; and be it further

Resolved, That duly certified copies of these resolutions be transmitted by the secretary of state to the President of the United States, to the Speaker of the House of Representatives, to each of the United States Senators from Nevada, and to the Nevada Representative in Congress.

AMENDMENT OF EXCESS-PROFITS-TAX LAW

Mr. McCARRAN. While I am on my feet let me say, with respect to the memorial of the Nevada Legislature, that the Committee on Finance has reported House bill 3531, modifying and changing the excess-profits law. I have tried to make as much of a study of that bill as was within my power since its first consideration in the Congress and prior thereto. As the bill now stands before the Senate it contains certain provisions which in my judgment will afford some relief to the mining industry, especially to the gold-mining industry; but I am not at all content with the relief nor the extent of relief afforded. I do, however, recognize that the bill referred constitutes an improvement and affords an opportunity whereby the collector of internal revenue may so invoke rules and regulations as to provide great relief to the mining industry. With that in mind, and realizing the fact that this is, in reality, only a tentative measure, that a more studied measure providing for a definite law imposing excess-profits taxes must come up at some time later in this Congress, I do not propose at this time to raise any objection to the consideration of the measure, with the understanding—and I desire to give notice now to that effect—that when this study is taken up, as it should be taken up, and a comprehensive bill is worked out, I propose to contend for a provision in the bill that will eliminate the miners of gold and silver from the excess-profits tax, because it is my position that the miners of gold and silver in America are producing strategic metals, inasmuch as, to a large extent, gold and silver are byproducts of the metals specifically named as strategic metals, and for other reasons. But, at the present moment, I do not propose to hold the Senate for any considerable length of time when the bill is brought before the body, as I should rather see it go through as it is than not to go through at all.

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

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Georgia?

Mr. REYNOLDS. I am glad to yield to the Senator from Georgia.

Mr. GEORGE. I may say that the Senator from Nevada has taken, in my judgment, a very wise and liberal view of this amendatory tax measure. The amendment adopted by the Ways and Means Committee and recommended favorably by the Finance Committee simply remedies certain extreme hardship cases under the Excess Profits Tax Act. It has been agreed to by the Treasury; it has full Treasury approval; it has had the approval of the staff of the Joint Committee on Taxation; and mining companies are among the corporations that will receive certain relief under this bill.

The Senator from Nevada believes—and I think with a great deal of justification and certainly personally I have much sympathy with his views—that miners of silver and gold and other metals which necessarily carry either as a byproduct or as a chief product certain strategic materials, particularly in view of the fact that the price of gold and the price of silver are virtually fixed by the Government itself, should be exempted from the excess-profits tax. I personally have sympathy with that view, and surely the opportunity will be at hand immediately after the 15th of March returns are in, and an opportunity has been given to study them, to offer what is not a mere modifying amendment to the excess-profits tax but a substantive amendment. I am very happy the Senator from Nevada has made the suggestion he has made, and has reached the conclusion he has reached in this case, because the bill does carry with it a great deal of benefit, not so much as he would like or as many others would like, but it carries certain definite benefits to all corporations engaged in the production of ores and minerals in the United States.

Mr. BONE. Mr. President, will the Senator from North Carolina yield to me?

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

Mr. BONE. I should like to ask the Senator from Mississippi a question, if I may, concerning the particular bill to which reference has been made. A case was brought to my attention a short time ago which I think, perhaps, is typical of a great many situations which prevail at this time. Taking two corporations in precisely the same business, one coming into existence in the last five or six years and the other business engaged in the same sort of work and in operation over a much longer period of time, the later corporation, I am advised, is paying twice the amount of tax on precisely the same sort of income, that is to say, income realized from the same sort of operation as is the older corporation. It seems to me there is such a terrific gap in the amount of tax paid by the respective corporations that it justifies the committee in doing something about it. I cannot see any justification in making one man pay a \$2 tax on an income and another

man paying a \$1 tax on the same kind of income. A number of cases of that kind have been brought to my attention. I have not had time to analyze the breakdown of the figures, and I did not solicit such a break-down, although I suggested it be provided at some future time when the tax bill is up. Does the committee have in mind to try to correct such a situation as I have described?

Mr. HARRISON. I will say to the Senator that that is one of the purposes of the amendments to the Excess Profits Tax Act. We are trying to correct these inequities, by giving discretion to the Commissioner of Internal Revenue. If, then, it is found that an appeal ought to be taken, it can be taken to the Board of Tax Appeals. Some relief from this situation may be granted by section 6 of the bill.

Mr. BONE. Is the Senator seeking action on the bill now?

Mr. HARRISON. I am; and I will say to the Senator that unless this bill shall be passed before the 15th of March, these amendments will not have the beneficial effect on behalf of the taxpayers we are trying to give them.

Mr. BONE. I should like to ask another brief question. If House bill 3531 becomes a law, will the Internal Revenue Bureau be vested with authority to correct such abnormalities?

Mr. HARRISON. It certainly will; that is one of the most important purposes of the bill with a review by the Board of Tax Appeals. The staff of the Joint Committee on Internal Revenue Taxation, as well as the Treasury has been working for months, I may say, trying to provide a remedy. I do not say that the provisions of this bill are perfect, but they certainly will go a long way to remove some of the present defects and inequalities.

Mr. CLARK of Missouri. Mr. President—

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

Mr. REYNOLDS. I yield.

Mr. CLARK of Missouri. It is not only true, is it not, that it is necessary to pass this bill before the 15th of March, if relief is to be effective, but it is also necessary to pass it as much before the 15th of March as possible, in order that taxpayers may be apprised in making their returns and that the returns may be prepared and made available to the taxpayers?

Mr. HARRISON. That is correct.

Mr. CLARK of Missouri. So that, while the change would not go into effect until the 15th of March, some little leeway of time is necessary to the taxpayers and to the Bureau, too, in preparing to put it into effect. The bill, as reported from the Finance Committee, has to go back to the House for such action as it may see fit, and, unless we pass it at the very earliest practicable date, it will be very difficult to put into effect this relief by the 15th of March. I do not think the measure goes in the way of relief in specific cases, perhaps, as far as it should go, but, after listening to the testimony in the Finance Committee, I am convinced that it goes as far as it possibly can go

at this time without further study. Unless we act on this measure now, at the earliest practicable date, it may be very difficult to effect the relief provided for in the bill by the 15th of March.

Mr. HARRISON. I thank the Senator very much. I may say when the excess-profits-tax bill of 1940 was before the Senate everyone was unanimous in wanting to see a general relief provision put into it. The only reason why there was delay was that the staff of the joint committee and the Treasury had much trouble in drafting a proper bill. So, in addition to what the Senator from Nevada has said, I think we can pass the amendatory bill very quickly; and I was going to ask that, if it should not take longer than 10 minutes, we might have the opportunity now to consider this bill and get it out of the way.

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

The PRESIDING OFFICER. Does the Senator from North Carolina care to keep the floor?

Mr. HARRISON. I yield to the Senator from Michigan, so far as I am concerned.

Mr. VANDENBERG. Would the Senator think he was still within the specifications he defined if he allowed me 3 minutes to present my compliments to the amendments before they are adopted?

Mr. REYNOLDS. Mr. President, I shall be very happy indeed to accommodate my distinguished friend, the senior Senator from Mississippi; but it is apparent to my mind that there is going to be some argument about this matter.

Mr. VANDENBERG. No; I do not think so.

Mr. REYNOLDS. In view of the fact that I am desirous of holding forth for a while this afternoon, if the bill is going to take a considerable amount of time I cannot very well yield.

Mr. VANDENBERG. It will not take more than 3 minutes so far as I am concerned. I agree with the Senator from Mississippi that the amendments ought to be adopted.

Mr. HARRISON. I appreciate very much the Senator's position. Let me say to the Senator in return that I will not utilize even 5 minutes or 3 minutes if the request is granted by the Senator from North Carolina.

The PRESIDING OFFICER. Does the Senator from North Carolina yield for that purpose?

Mr. REYNOLDS. Yes; of course, I shall be glad to do anything to accommodate the chairman of our Finance Committee, with the understanding, of course, that I shall have the floor immediately after the passage of the bill.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Mississippi [Mr. HARRISON] to take up at this time the bill referred to by him?

Mr. ADAMS. Mr. President, I should like to reserve the right to object until I can make a brief inquiry. I came into the Chamber while the matter was under discussion. I inquire of the Senator from Mississippi how far the amendments which are contained in the bill conform

to the action of the Senate at the last session.

The Senator will recall that certain provisions for the protection of the mining industry were put in the bill then before us, and those amendments in part failed to survive the conference committee. I wonder whether or not this provision is as favorable to the mining industry as were the amendments which the Senate put in the bill upon the former occasion.

Mr. HARRISON. Mr. President, I will say to the Senator from Colorado that the amendments go as far as any legislation we even dreamed we could have enacted. We think the mining interests are greatly helped by virtue of the amendments we have put in, and they are in no way in the world jeopardized.

Mr. ADAMS. To what extent are they benefited? The Senator will recall—the matter is hazy in my mind—that it was provided in the bill which passed the Senate on the former occasion that when a mine or other property was developed over a course of years, and money was spent in its development for 1, 2, 3, 4, or 5 years, and at the end of the period those making the development were fortunate enough to make a substantial return—the return which they were seeking in the period of development—the profits of the last year should be distributed back over the period of the development, not to exceed 5 years.

Mr. HARRISON. I may say that that matter was very important. In addition to allowing mining interests the right to spread the income over the development period, the bill allows a 2-year carry-over for unused credits, special relief for growing corporations, and other relief for changes in the character of the business.

Mr. ADAMS. I know it was in the former bill.

Mr. HARRISON. It is in no way affected by what we have done here—that is, the question of allocating the income over the development period.

Mr. ADAMS. That amendment was not finally agreed to the last time. The Senate agreed to it, but when the bill came back from the conference committee it was not in the bill.

Mr. HARRISON. I may say to the Senator that of course he recalls the discussion we had with reference to the general relief provision of the bill when there were abnormalities, when we gave to the Commission of Internal Revenue, the right to pass on these matters and to show some discretion, and provided that they might go even to the Board of Tax Appeals. We have taken care of that matter as much as it was possible for us to take care of it.

Mr. ADAMS. The Senator will recall that instead of leaving it to the discretion of the Commissioner of Internal Revenue, a formula was placed in the bill by the Senate, but that formula was eliminated in the conference committee, so that when the bill left the Senate it was mandatory to make the allowance; but as the bill came back from conference it was discretionary. Of course, we

may or may not have implicit confidence in the exercise of the Commissioner's discretion. I am asking the Senator what is the method of relief adopted in the proposed amendment as to the mining industry, and how far does it conform to, and to what extent does it differ from what the Senate tried to do on the former occasion?

Mr. HARRISON. We did not change that at all. As explained in the excess-profits tax bill, the Commissioner is required to allocate the income over the period of development, and his action is subject to review by the Board of Tax Appeals.

Mr. ADAMS. You did not change what?

Mr. HARRISON. We did not change that from the formula which was expressly provided for in the former bill as it passed.

Mr. ADAMS. Where is the added benefit in this bill, then, to the mining industry?

Mr. GEORGE. Mr. President, let me say to the Senator that I think I know some of his difficulties. Under the amendment that went to conference, my recollection is that the taxpayer was permitted to go back 5 years and make a distribution.

Mr. ADAMS. That is correct.

Mr. GEORGE. Under this bill, which is entirely remedial, it is permissible to go back 10 years, or even further than that. It is permissible to go back through the whole period of development; and in that way the bill is helpful to the mining industry. It is not helpful to the mining industry alone. It is helpful to any type of corporation; but it does result in very great benefit to the particular lines of industry that have a development reaching back over a period of time.

Another thing the amendment does is that various hardship cases are relieved. Many of them would be mining companies as well as other companies; but particularly the period through which the cost of development may be spread goes back further than the amendment which was carried to conference. It may go back through the whole period of development. But the bill has another amendment which must go to the House for approval, and that is, under the present law, when the taxpayer makes his March 15 return he is required to elect whether he will take his average earnings or his invested capital as the basis upon which he calculates his excess-profits taxes. The bill as now amended gives him the right to change that election, and to use as the basis whichever method will require him to pay the smaller tax. That alone, in the whole field of corporate taxpayers, is an inestimable advantage to him, because there are so many borderline cases in which the corporation cannot early and easily determine whether it should take its invested capital or its prior earnings as the basis.

This bill, in some of its provisions, gives a chance to build up a better base, a more accurate base, and it also gives to the corporation the option—not at the time it makes its return, but at the time the taxes finally are to be paid or the lia-

bility is determined—to take either average earnings or invested capital as the base, which would be of very great benefit particularly to companies which are rapidly growing, companies which are more or less speculative in their operations.

Mr. ADAMS. I was thinking not alone of mining companies. The bill applies equally to an inventor.

Mr. GEORGE. It applies to all.

Mr. ADAMS. It applies to a man who was working on an invention over a period of years, spending his resources, and finally accomplishing his purpose.

Mr. GEORGE. The Senator is correct. It applies to all equally. It applies to every corporation, regardless of the kind of business it is doing.

Mr. ADAMS. Then, if I correctly understand the Senator—

Mr. GEORGE. Let me point out the fact that it is very helpful to mining companies—not that the Senator from Colorado is interested only in mining companies—in that it provides for a 2-year carry-over of any unused credit that a taxpayer may have, whether he is on the prior-earning basis or the invested-capital basis. That is very helpful. Suppose that during that 2 years a corporation has had a loss or did not earn anything. It had a base, however, which would have given it a certain exemption from the excess-profits tax. Suppose, then, that in the third or fourth year of its operation it had a large profit. In the taxable year the amendment would give it the right to carry over 2 years of its unearned credit as against the profits of the year in which it had an abnormally large profit.

Mr. ADAMS. Does the bill give the taxpayer the right to do that, rather than leaving it discretionary with the Commissioner of Internal Revenue?

Mr. GEORGE. It gives him that right also, and gives him the right to elect either the prior-earnings base or the invested-capital base, or to change it, as the Senator from Missouri has pointed out. The taxpayer is not irrevocably bound.

Mr. ADAMS. As the Senator knows, some of us have been sitting at our desks here day by day with our eyes and our ears entirely monopolized by the discussion of another question, so that this matter comes up somewhat as a surprise to us. I have not read the bill, but whatever the Senator from Georgia and the Senator from Mississippi say upon this subject has weight with me, although I may not follow them on all subjects.

Mr. GEORGE. That is to be regretted. [Laughter.] I usually follow the Senator from Colorado, so we will be following each other.

I wish to say that I was very much interested in the bill, and while I have had a great deal to do on other matters, I have worked on Sundays in order to find out something about the bill, with the aid of the chief of staff of the joint committee, Mr. Stem, and Treasury officials.

It will be recalled that, in addition to the amendment that was inserted by the Senators representing the mining areas of the country, I proposed an amendment,

very general in terms, which called for some further and additional relief in special and hardship cases in which there would be undue suffering if no relief were granted.

The amendment I proposed was not workable by itself, it merely announced a policy, or general principle. The amendments now proposed are intended in large measure, although I do not say they go all the way, to give relief in proper cases. They have the complete approval of the Treasury, and I think that carries with it the guaranty that they will not be against the interests of the Government.

Mr. ADAMS. That would not be a conclusive argument from my point of view.

Mr. GEORGE. But it is an argument that it is not very harmful to the revenues.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Mississippi that the Senate proceed to the consideration of House bill 3531?

There being no objection, the Senate proceeded to consider the bill (H. R. 3531) to amend certain provisions of the Internal Revenue Code relating to the excess-profits tax, and for other purposes, which had been reported from the Committee on Finance with amendments.

Mr. HARRISON. Mr. President, I feel that the bill now before the Senate is one of the most important features in connection with the application of the excess-profits tax. The Senate Finance Committee recommended originally a general relief provision. Some doubt was expressed at that time by the drafting experts and the Treasury Department representatives as to whether such a provision could be drafted in perfect form. The provision which they finally brought in was very narrow, dealing only with certain specified types of abnormalities in the base period and in the taxable year. This was subject to some criticism on the floor of the Senate and the Senator from Georgia [Mr. GEORGE] offered another provision giving the Commissioner of Internal Revenue general authority to make adjustments where abnormalities existed in income or capital and giving the Board of Tax Appeals the right to review the decisions of the Commissioner. One of the hardest fights made in conference was the attempt of the Senate conferees to get this amendment or the substitute offered by the Senator from Georgia [Mr. GEORGE] adopted. The Senate amendment, with a slight clerical change, was finally adopted; and the Treasury and the staff of the Joint Committee on Internal Revenue Taxation were instructed by the conferees to study the entire problem and report to the appropriate committees on the subject as soon as possible. The exact language of the conference report as to this statement is as follows:

It is understood that the Treasury and members of the staff of the Joint Committee on Internal Revenue Taxation will give further study to the entire problem covered by this section and will report to the appropriate committees on the subject as soon as possible.

The idea was that the report would be made soon enough to permit Congress to legislate upon the subject, with effect upon the tax returns for the calendar

year 1940. This bill, H. R. 3531, is the result of this report of the Treasury and the staff of the Joint Committee on Internal Revenue Taxation. I feel that it goes a long way toward removing many of the abnormalities and hardships. It is not perfect, and hardships will arise, but it goes a long way toward helping this situation, and it is imperative that it be enacted before March 15. The Treasury and our staff are continuing their study of this problem, and if other cases of hardships are discovered which require correction, I feel that they can be corrected later.

I will now discuss briefly the main aspects of the bill:

Section 2: The bill provides for a 2-year carry-over of the unused excess-profits credit. The unused excess-profits credit for any taxable year is the amount by which the excess-profits credit for such taxable year exceeds the excess-profits net income for such year. This provision will be extremely helpful to new corporations and to old corporations undergoing a period of expansion. It will be recalled that the Senate last year adopted a provision for a 2-year carry-over of the unused excess-profits credit for any taxable year beginning after December 31, 1939, in the case of a corporation, 80 percent or more of whose gross income is derived from mining or processing minerals or from processing or otherwise preparing for market any seasonable fruit or vegetable, or any fish or other marine animal life. In the conference, this provision was eliminated and a substitute provided which allowed a 1-year carry-over in the case of a corporation, the normal tax net income for the year did not exceed \$25,000. It was requested in the conference report that the Treasury and the staff of the Joint Committee on Internal Revenue Taxation were to study this limited carry-over with a view to its possible extension. As a result of this study, the bill now provides for a 2-year carry-over for all corporations, regardless of the size of their net income.

Section 3: Under existing law, there were certain deductions disallowed in computing the base-period credit because of their abnormal character. These consisted of expenses in connection with payments of judgments and expenditures for intangible drilling and development costs in connection with oil and gas wells or expenditures for development costs in the case of mines. These deductions were disallowed if it was abnormal for the taxpayer to incur such expenditures or if the taxpayer normally incurred such liability to the extent that the amount of such liability in the taxable year was grossly disproportionate to the amount of such liability in the four previous years. The bill broadens the class of abnormal deductions. It provides that deductions of any class shall be disallowed if deductions of such class were abnormal for the taxpayer, and if they were normal but in excess of 125 percent of the average amount of deductions of such class for the 4 previous taxable years. The 125-percent rule is substituted for the grossly disproportionate test of existing

law. This would mean that the taxpayer's deductions of an abnormal class in the taxable year would have to exceed by more than 25 percent the average of the deductions for the same class in the 4 preceding taxable years. If the taxpayer was not in existence in the 4 previous taxable years, it may use certain succeeding taxable years.

Section 4: Growing corporations: The bill provides special relief for growing corporations. This relief is applicable only where the excess profits net income for the second half of the base period is in excess of the excess profits net income for the first half. For this purpose, the base period is divided into 2 halves. For example, in the case of a calendar year corporation, the first half will consist of the calendar years 1936 and 1937. The second half will consist of the calendar years 1938 and 1939. The average for the first half is subtracted from the average for the second half. The amount so found is divided by two and then added to the average for the second half. This is the average base period income, if it does not exceed the highest excess-profits tax net income for any taxable year in the base period. An example will make this clear:

1936	100,000
1937	200,000
1938	300,000
1939	400,000
Total	1,000,000
Average of 1938 and 1939 (\$700,000 divided by 2)	350,000
Average of 1936 and 1937	150,000
Difference	200,000
Divided by 2	100,000

This difference is added to the average for the second half, which makes a total of \$450,000. However, since the taxpayer's average base period income cannot exceed the highest excess profits net income for any taxable year in the base period, it is \$400,000. This is the highest amount in the base period. It will be noted that this taxpayer's average base period income has been increased from \$250,000 to \$400,000. Because corporations with the last fiscal years in 1940 will acquire a growth in their late base period 1940 years which might not be normal, the bill applies a different rule to those corporations whose last fiscal year in the base periods ends after May 31, 1940. To accomplish this, the excess-profits net income for any taxable year in the base period ending after May 31, 1940, is reduced by the ratio which the number of months in such years after May 31, 1940, bears to the entire months in such year. To such income so reduced is then added an amount which bears the same ratio to the excess-profits net income of the preceding year as the number of months after May 31, 1940, bears to the number of months in such preceding taxable year. For example, assume a corporation which had as its last base period years, the following:

Fiscal year ending Sept. 30, 1939	\$400,000
Fiscal year ending Sept. 30, 1940	600,000

It will be noted that 4 months of the fiscal year ending September 30, 1940,

end after May 31, 1940. For the purpose of the rule, the taxpayer's excess profits net income for the fiscal year September 30, 1940, will be determined as follows:

Eight-twelfths or two-thirds of \$600,000 equals	\$400,000
Four-twelfths or one-third of \$400,000 equals	133,333

Total base period income..... 533,333

Section 5: Abnormal income in taxable year: Present law provides for six types of abnormal income accruing in the taxable year. These are as follows:

Income arising from claims, judgments, and so forth.

Income arising from long-term contracts.

Income resulting from exploration, prospecting, patents, and so forth, extending over a period of 12 months.

Income due to change of accounting period.

Amounts included in gross income by reason of termination of lease.

Dividends on stock of foreign corporations, except foreign personal-holding companies.

The new bill retains these six types and also includes a general provision covering income of any class of an abnormal character. Under the old law, the test of whether such income was abnormal was whether it was abnormal in the light of the taxpayer's business to derive income of such class, or if the taxpayer normally derived income of such class, whether the item includible in gross income was grossly disproportionate to the gross income of the same class in the 4 previous taxable years. The new law substitutes for the old test the test as to whether it is abnormal for the taxpayer to derive income of such class, or if the taxpayer normally derives income of such class whether the amount of such income is includible in the gross income of the taxable year is in excess of 125 percent of the average amount of the gross income of the same class, for 4 previous taxable years.

Section 6 of the bill permits a taxpayer whose first excess-profits tax begins in 1940, substantial relief.

If such a taxpayer can establish that the character of the business as of January 1, 1940, is different from the character of the business engaged in in one or more taxable years of the base period, the taxpayer is permitted to establish what its average base period would have been if during the base period the character of its business had been the same as of January 1, 1940. The differences which constitute the character of the business are set out in the statute. This section also gives relief where the happening of some unusual event may create a grave hardship to the taxpayer. An ordinary example is where the business of the taxpayer has been interrupted or diminished due to a fire, flood, or strike. For example, if a fire in 1935 had destroyed a plant, so that the taxpayer's normal production in 1936 was diminished, the taxpayer would be permitted to establish what its normal production would have been if the fire had not occurred. The taxpayer in such cases is

entitled to have its case reviewed by the Board of Tax Appeals.

However, in cases under section 6, the taxpayer must first compute and pay its tax in the ordinary way, and then secure relief by way of a claim for refund.

Section 7: This section permits an insurance company which is not a life or mutual company to file a consolidated return with an ordinary corporation with which it is affiliated. The only reason insurance companies were not permitted to file consolidated returns with other corporations in the first instance was because their income was computed differently from that of the ordinary corporations. However, upon investigation, it was found that the income of a fire or casualty stock insurance company is computed in substantially the same manner as an ordinary corporation. Therefore, there was no reason to prohibit such insurance companies from filing consolidated returns with ordinary corporations with which they are affiliated.

Section 8: This section permits corporations which were formerly partnerships or sole proprietorships to count the earnings of their predecessor partnerships or sole proprietorship in computing their average earnings credit to the same extent as corporations are now permitted to do under the excess profits tax law, where they have taken over old corporations in mergers, consolidations, and so forth.

Section 9: This section provides a review by the Board of Tax Appeals of claims for refund disallowed by the Commissioner, which relates to abnormalities.

Section 10: This section permits a taxpayer to elect to charge to capital so much of the expenditures deducted in the base period for advertising or promotion of goodwill, as under rules and regulations prescribed by the Commissioner may be regarded as capital investments. This will benefit the taxpayer who uses the average-earnings method by having its base-period income increased by the amount of the deduction disallowed. It will benefit the taxpayer using the invested-capital credit by restoring such expenditures to their earnings and profits, which constitutes a part of their invested capital.

Section 11: This section provides for an equitable adjustment where either the taxpayer or the Commissioner in determining the excess-profits tax treats an item or transaction inconsistent with a prior income-tax liability. It is applicable only where the prior income-tax year is already closed. It is believed that it will add materially to keeping those old-year determinations from being reopened.

Section 12: This section permits a dealer in securities to treat stocks which it holds for sale to customers as admissible assets in computing invested capital. As the gains from such sales are subject to the excess-profits tax, it is believed only proper not to require the taxpayer to reduce his invested capital through investments in such stocks. Any dividends received on such stocks while they are held by the dealer are subject to excess-profits tax in his hands.

Sections 13, 14, 15, and 16: These sections of the bill deal with the right of a

corporation to elect either the average-earnings credit or the invested-capital credit. Under the present law, a taxpayer who elects one or the other of the credits is required to be bound by such election for the taxable year for which the credit was made. Since it is very difficult for many taxpayers to determine accurately what their invested capital is, it will result in a serious hardship to force them to be bound by an election made at this time. The amendments which were inserted by your committee will permit the taxpayer to adopt that credit which results in the lesser tax. To get this result a taxpayer must compute the tax under both credits on its return unless it is desired to take only one credit. Where the taxpayer does not desire to make the necessary computations in its return under both credits it may disclaim in such return the use of whichever credit it does not desire. This will relieve a taxpayer who is satisfied with the average-earnings credit from having to compute its credit according to the invested capital method to determine whichever is the lesser tax. The same is true of a taxpayer that is satisfied with the invested-capital credit and does not wish to go through the difficulty of having to compute both credits on its return.

These sections also permit corporations actually in existence prior to January 1, 1940, that have gone through tax-free liquidations, mergers, or consolidations, to elect whether they shall compute their credit in the ordinary way or take the experience of their predecessors as required under supplement A. Under the present law such corporations were required to compute their credit under supplement A. In some cases it may be more beneficial for such corporations to ignore the experience of their predecessors in the base period. In other cases it may not. This election will also enable such corporations, if they do not elect to come under supplement A, to get the benefit of the "growing corporation relief" granted to corporations not coming under supplement A.

The PRESIDING OFFICER. The clerk will state the amendments reported by the Committee on Finance.

The first amendment of the Committee on Finance was, in section 5, "Abnormalities in income in tax period," on page 16, line 13, after the word "abnormal", to strike out "net."

Mr. BROWN. Mr. President, I should like to say to the Senator from Colorado and the Senator from Nevada that on a previous occasion they both joined me in a proposal, which was adopted by the Senate but rejected when the bill then under consideration got into conference, which would have been of great benefit to the mining industry, that is, as to the nature of the proprietorship in the period upon which the excess-profits tax is based. Heretofore the credit could not be used unless the same corporation which is now in existence was in existence during the 3- or 4-year period. By changes which have been written into the law, if the proprietorship were a partnership or an individual out of which a corporation grew, such as a mining corporation, the earnings during the base period may be used as the basis for

calculation of the tax. I think the proposed amendments are very valuable for that reason.

Mr. VANDENBERG. Mr. President, I wish to make a very brief statement regarding the pending bill from the minority side of the Finance Committee.

I do not see how it is possible for these amendments to the excess-profits tax law to be anything but an improvement to it. I do not see how any change in the 1940 law could make it worse. So the conclusive presumption is that the amendments should be agreed to. They are almost as imponderable in their text as is the original 1940 law; but if they mean what the committee was told by the Treasury experts and by our own staff of experts they do mean, they are steps in the direction of relief in certain hardship cases, and heaven knows there was plenty of hardship in this 1940 tax monstrosity.

Mr. President, I take the experts at their word. I can do nothing else, because the text of this pending bill, like its 1940 parent, is still a maze of terrifying words, which few Senators would dare undertake to explore or explain.

Our experts promised at the time of the passage of the original act to do something about hardship cases. They have bravely sought to keep their word. Laboring from October to February they have gone as far as these amendments go in attempting to clear up some of the hardship cases. They frankly say they have been unable as yet to traverse the whole field of inequity and inequity which is cursed by the 1940 law. This is just the first correction. The experts reserve the right subsequently to correct these corrections and to make additional corrections if, as, and when they find the time and genius to successfully unravel some of the remaining enigmas with which the 1940 law is still shot through. The Finance Committee wants further corrections made and is committed to them.

If for no other purpose than to encourage the experts in this effort I am happy to join in this much progress. But I wish to point out that we are eliminating the general relief clause from the law by these amendments. I am making this statement particularly in response to an inquiry submitted to me by the able Senator from Vermont [Mr. AUSTIN] who presents a telegram which he has received pointing out that there still remains certain abnormalities which are not reached by the pending corrections. The constituent of the Senator from Vermont asks that the general basket clause, the general relief clause, in the old law, section 722, should be retained in its original form. I point out that it is not retained in its original form. It is not retained at all. The general-relief section is eliminated, but it is pleaded in behalf of the elimination that the general section never did really promise any specific relief, but was much more a matter of pretense rather than a matter of substance. It is argued that this clause was so general that it really promised no relief at all, and that the limited specific relief, though admittedly inadequate, contained in the pending bill really represents a net advance.

Mr. President, I think it is true that the amendments upon which we are now about to vote do make specific progress in the direction of certain corrections of hardship cases, but I think it should be made very plain that they do not go the whole way by any manner of means. It still leaves many other abnormalities which need correction. They should be corrected as soon as possible. Taxpayers should not be left at the mercy of any of these miserably unfair levies.

We need a total revision of our tax laws not only to simplify and consolidate the structure, but also to provide revenue at least distantly approaching our gargantuan expenditure, present and prospective. But in the preliminary approach to that ultimate effort, I am agreeing with the Senator from Mississippi that the pending amendments are a step in the right direction and I am taking the liberty of saying that I approve them within the limits which I have announced. They do not cure a bad law. But they make it slightly less obnoxious.

The PRESIDING OFFICER. The question is on agreeing to the first amendment of the committee.

The amendment was agreed to.

The next amendment was, on page 33, after line 14, to strike out:

Sec. 13. Election to compute average base period net income under supplement A.

Section 742 of the Internal Revenue Code is amended by striking out "shall be computed as follows" and inserting in lieu thereof "if the taxpayer is entitled under section 712 (a) to elect the excess profits credit computed under section 713 shall, at the election of the taxpayer made in its return for the taxable year, be computed as follows, and if the taxpayer is not so entitled, shall be computed as follows."

And insert in lieu thereof the following:

Sec. 13. Allowance of excess profits credit.

Section 712 of the Internal Revenue Code is amended to read as follows:

"SEC. 712. Excess profits credit—allowance.

"(a) Domestic Corporations: In the case of a domestic corporation which was in existence before January 1, 1940, the excess profits credit for any taxable year shall be an amount computed under section 713 or section 714, whichever amount results in the lesser tax under this subchapter for the taxable year for which the tax under this subchapter is being computed. In the case of all other domestic corporations the excess profits credit for any taxable year shall be an amount computed under section 714. (For allowance of excess profits credit in case of certain reorganizations of corporations, see section 741.)

"(b) Foreign Corporations: In the case of a foreign corporation engaged in trade or business within the United States or having an office or place of business therein, the first taxable year of which under this subchapter begins on any date in 1940, which was in existence on the day 48 months prior to such date and which at any time during each of the taxable years in such 48 months was engaged in trade or business within the United States or had an office or place of business therein, the excess profits credit for any taxable year shall be an amount computed under section 713 or section 714, whichever amount results in the lesser tax under this subchapter for the taxable year for which the tax under this subchapter is being computed. In the case of all other foreign corporations the excess profits credit

for any taxable year shall be an amount computed under section 714.

"(c) Effect of Disclaimer of Credit: If the taxpayer states in its return for the taxable year under this subchapter that it disclaims the use of the credit computed under section 713 or the use of the credit computed under section 714, the credit so disclaimed shall not, for the purposes of the internal revenue laws, be applicable to the computation of the tax under this subchapter for such taxable year."

The amendment was agreed to.

The next amendment was, on page 35, after line 15, to insert:

SEC. 14. Excess profits credit of acquiring corporations.

Section 741 of the Internal Revenue Code is amended to read as follows:

"SEC. 741. Allowance of excess profits credit.

"(a) Allowance: In the case of a taxpayer which is an acquiring corporation which was in existence on the date of the beginning of its base period, the excess profits credit for any taxable year shall be an amount computed under section 713 or section 714, whichever amount results in the lesser tax under this subchapter for the taxable year for which the tax under this subchapter is being computed.

"(b) Effect of disclaimer of credit: If the taxpayer states in its return for the taxable year under this subchapter that it disclaims the use of the credit computed under section 713 or the use of the credit computed under section 714, the credit so disclaimed shall not, for the purposes of the internal revenue laws, be applicable to the computation of the tax under this subchapter for such taxable year."

The amendment was agreed to.

The next amendment was, on page 36, after line 11, to insert:

SEC. 15. Average base period net income of acquiring corporations.

So much of section 742 of the Internal Revenue Code as follows the section heading and precedes the beginning of subsection (a) is amended to read as follows:

"In the case of a taxpayer which is an acquiring corporation the excess profits credit of which is allowed under section 741, its average base period net income (for the purpose of the credit computed under section 713) if the taxpayer was actually in existence before January 1, 1940, shall, at the election of the taxpayer made in its return for the taxable year, be computed as follows, and if the taxpayer was not actually in existence before such date, shall be computed as follows, in lieu of the method provided in section 713:"

The amendment was agreed to.

The next amendment was, on page 37, after line 2, to insert:

SEC. 16. Computation of credits on returns.

Section 729 (b) of the Internal Revenue Code is amended by striking out "(b) Returns—" and inserting in lieu thereof the following:

"(b) Returns:

"(1) Computation of excess-profits credits: In the case of a taxpayer which under section 712 or section 741 is entitled to have the excess-profits credit computed under section 713 or section 714, whichever results in the lesser tax under this subchapter, the return under this subchapter for any taxable year shall contain computations of two tentative taxes, one with the credit computed under section 713 and one with the credit computed under section 714; and the return shall contain all information which the Commissioner, by regulations prescribed by him with the approval of the Secretary, may prescribe as necessary for such computations. If

the taxpayer states in such return that it disclaims the use of one of such credits in the computation of the tax under this subchapter for the taxable year, the computation and information based on such credit may be omitted from the return.

"(2) No return required:—"

The amendment was agreed to.

The next amendment was, on page 38, line 1, to change the section number from 14 to 17.

The amendment was agreed to.

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

The bill was read the third time.

Mr. McCARRAN. Mr. President, I shall not take up the time of the Senate except to emphasize the expressions I made before the bill was taken up. I have two amendments which I would offer but for the fact that I do not wish to jeopardize the passage of the measure, for, in my judgment, it does afford some opportunity for relief to those who have been punished by the present excess-profits tax. I wish to give notice, however, that when there is reconsideration of the whole subject, as I know there must be, I shall take the position before the respective committees and before this body that the strategic metals essential for national defense, and the by-products of such strategic metals, namely, gold and silver, should be eliminated from the excess-profits tax.

The PRESIDING OFFICER. The question is, Shall the bill pass?

The bill (H. R. 3531) was passed.

PROMOTION OF NATIONAL DEFENSE

The Senate resumed the consideration of the bill (H. R. 1776) further to promote the defense of the United States, and for other purposes.

Mr. GEORGE. Mr. President, will the Senator from North Carolina yield to me to submit a unanimous-consent request, which I do not think will lead to debate?

Mr. REYNOLDS. Certainly.

Mr. GEORGE. There has been a quorum call, and I believe that most Senators interested in the pending matter are present. I would not wish to make the request without their presence or the presence of some of them.

Mr. President, I should like to submit a request for unanimous-consent agreement for a reasonable limitation upon general debate on the pending bill and, if possible, on amendments. I would not suggest a restricted period of time that would not be ample for fair expressions of opinion, but this debate having gone on now for 13 days, including today, having been carried on in the House for 1 full week, public hearings having been held for approximately 5 weeks by both the Foreign Relations Committee of the Senate and the Foreign Affairs Committee of the House, I think it would be in order to express the hope that some agreement may be reached as to further debate upon the bill. I am sure we all recognize the importance of this measure, whether we are for it or against it, and the importance of permitting the Senate to reach a final conclusion upon the issues presented.

I therefore ask unanimous consent that, beginning tomorrow morning, no

Senator speak more than once nor longer than 1 hour on the bill, or more than once nor longer than 30 minutes on any amendment thereto. If the request were granted, any Senator would be at liberty to speak, beginning tomorrow, a full hour and one-half upon both the bill and the pending amendment.

I am submitting the request in all good faith in the hope that we may bring to a conclusion—not immediately, for the proposed limitation would not do so, but at some reasonably early date—the issues involved to the end that the Senate may reach a final decision upon the issues presented by this bill.

The PRESIDING OFFICER. Is there objection?

Mr. CLARK of Missouri. Mr. President, reserving the right to object, let me say that I had not been advised that the Senator from Georgia was going to make this request. I stepped off the floor for a moment, and did not hear all the Senator from Georgia had to say.

Let me say that on a matter of this tremendous importance to the destiny of the American Republic, I think the debate has been very brief. Certainly in my experience, and I am certain also in the experience of every Member of this body, there has never been any debate in either House of Congress more closely and completely confined to the issues of the bill itself than has this debate.

Mr. President, recently I have heard some charges—I heard one on the floor of the Senate the other day by the Senator from Georgia himself—about a filibuster. Let me say that I do not believe such charges are justified. There has been no evidence whatever of a filibuster. When the Senator from Montana [Mr. WHEELER] was holding the floor the other day more of his time was taken up by questions and debate by the proponents of the bill, including the Senator from Georgia and both Senators from Kentucky, and other Senators, than was taken up by the Senator from Montana himself.

Mr. President, I do not think a limitation of debate at this time is justifiable. Certainly many amendments of very great importance are to be presented. So far as I am concerned, while I did not hear all that the Senator from Georgia had to say, and I may have occasion to revert to it later in the afternoon after I shall have read what the Senator from Georgia had to say, I am certainly not willing to agree at this time to any limitation of debate. Therefore I object.

The PRESIDING OFFICER. Objection is heard.

Mr. REYNOLDS. Mr. President, in reference to the unanimous-consent request made just a moment ago by the distinguished senior Senator from Georgia, I wish to say that I expect in the course of my remarks this afternoon to make mention of matters connected with the subject matter of his request.

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

The PRESIDING OFFICER (Mr. BUNKER in the chair). Does the Senator from North Carolina yield to the Senator from Montana?

Mr. REYNOLDS. I yield.

Mr. WHEELER. With reference to the request which was made by the senior Senator from Georgia, I simply wish to say that I hope no such request will be made at any time unless there is a quorum call; and if a request of that kind is made while I happen to be absent from the Chamber, I hope some Senator on my behalf—if he does not wish to do so on his own behalf—will object to it.

A charge was made the other day by the Senator from Georgia intimating that I was filibustering because I spoke for 2 days. Of course, there was no foundation in fact for such a charge, because up to the present time I have never been a party to a filibuster in the Senate. However, I have seen many other Senators filibuster on pending legislation which was far less important to the American people than is the bill which is before the Senate today. I have seen them filibuster on legislation which the overwhelming majority of the Senate favored. Never before during the period I have been in the United States Senate have I received as many letters. I do not recall that, previous to this time, I have ever received a letter or a telegram asking and demanding that Senators filibuster against a piece of legislation. Thousands of communications are coming to my office at the present time from every part of the country—not only from New York, Chicago, and Detroit, but from away out in the "sticks," from farmers and others who are saying that if there is no other way to defeat the bill now before the Senate a filibuster should be conducted against it.

I for one feel that they are justified in making such demands, because, regardless of how much the proposed legislation is sugar-coated, the more one looks into it the more he sees the cunning and the concealment in the bill, and the more he realizes how dangerous it would be to place it upon the statute books in a so-called free democracy.

Mr. President, I expect to fight the bill in any way, shape, or form that I can. I want to see the American people realize—because I am sure that a great many of them today do not realize—that the bill, which is presented to the Senate with the sugar-coated title of "Defense," does not mean defense for the United States at all, unless we concede that the defense of England is our defense, or that the defense of Singapore is our defense. On the contrary, it means the defense of some foreign country.

I do not wonder that some of the proponents of the bill want it jammed through the Congress at the earliest possible moment, because they know, as I know, that when the American people come to understand it in its details—if it is possible for them to understand it—there will be an uprising in this country against the bill such as has never before been witnessed in the United States.

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

Mr. REYNOLDS. I yield.

Mr. GEORGE. A quorum call had just been had, and I surveyed the Senate and

saw that the opposition to the bill was well represented on the floor.

Mr. WHEELER. I did not know that.

Mr. GEORGE. The quorum call was immediately followed by consideration of a tax measure which did not provoke debate. I should not call up the matter, even for the purpose of submitting a request, if the Senator and other Senators opposed to the bill were not represented. The Senator may be assured of that.

All I have done is simply to ask for a reasonable limitation on debate beginning tomorrow. That has often been done in the Senate before, and I am sure it must often be done if the Senate is to function in an orderly way.

It seems to me that the request is altogether reasonable when we consider the length of debate already and the limitation suggested, which would give any Senator a full hour and a half for debate upon a pending amendment and the measure, whether or not he had already spoken, or whether or not he had spoken repeatedly.

That is all I desire to bring to the attention of the Senate.

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

Mr. REYNOLDS. I yield.

Mr. CLARK of Missouri. Let me say that I was on the floor after the quorum call. The Senator from Michigan [Mr. VANDENBERG] had claimed the floor for debate on a very important measure which was under discussion in the Senate. I stepped out of the Chamber for a moment to talk to a constituent who had sent in his card, and by the time I returned to the Chamber the request was being considered. I understand that the Senator from Georgia had asked that I be notified. He had already made his statement, and I arrived just as the Senator from Oklahoma [Mr. LEE], then temporarily in the Chamber, was about to put the request, whereupon I objected.

I have heard much talk about delay and filibuster. The Senator from New Jersey [Mr. SMATHERS], who has not been in the Chamber more than 3 or 4 hours during the past 2 or 3 weeks of debate on the bill, gave out a speech which was printed in the newspapers yesterday, and which I read yesterday. He then came into the Senate Chamber and delivered it again today, which seems to me to be a filibustering method. At the conclusion of his address he inveighed against any further discussion of the matter. When I sought to interrogate him he dashed out the side door. The Senator from New Jersey said he thought that anyone ought to be able to express any views he had on the bill in 20 minutes. After listening to the Senator from New Jersey today, I am convinced that he could have expressed his views without addressing the Senate at all.

I object to any suggestion on the part of the Senator from Georgia or anyone else that there has been any undue delay or unnecessary debate in connection with the pending bill. To my mind it is the most important bill which has been presented to the Congress of the United States certainly in the lifetime of any of us now present, and probably since the Civil War. We have had 2 weeks of

orderly, germane debate, all confined to the issues and to the measure itself—at least on our side. I very much resent the suggestion that there has been any unnecessary delay of any sort in the consideration of the bill.

In view of the tremendous issues which may be presented in the amendments, I think it is unfair at this time to suggest a "gag" rule limiting any Senator to an hour and a half of further debate on the bill, and I insist on my objection.

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

Mr. REYNOLDS. I yield.

Mr. WHEELER. I have read in the newspapers that two different Senators have said there ought to be cloture. Of course, if two-thirds of the Senators want to invoke cloture in the Senate, they can do so, and the others of us probably cannot help it. But it so happens that the Senators who have been talking most about cloture are those who have been on the floor of the Senate hardly at all. If some of the Senators who are talking so much about invoking cloture were to remain in the Senate and listen to some of the debates, find out what is in the bill, and study it, they might not be shouting so much for cloture.

Mr. REYNOLDS. Mr. President, at last! [Laughter.]

Let me assure the Senate that I have been very happy to accommodate my friends in this body.

It would be difficult to conceive of a more dangerous mistake at this time in America than a filibuster in the Senate by the opponents of the lend-lease bill.

That is the opening paragraph of a most able editorial published in the columns of the News and Observer of Raleigh, N. C., from the pen of its editor, Hon. Jonathan Daniels, famed author and newspaperman.

I am thoroughly in accord with that statement; and, insofar as I am concerned, I shall not participate in any filibuster. Insofar as I can learn, those who share my attitude and who are opposing the passage of this bill have no inclination whatever to launch a filibuster on this occasion.

Initially, Mr. President, I desire to make it clear that there is a great distinction between a filibuster and legitimate discussion of any legislation. At this time I merely desire the opportunity to express additional opinions as to certain features of the bill which I heretofore have not undertaken to express.

Some ardent advocates of the bill have already in American street-corner participation in the debate taken the position at the opposite extreme that debate ought to be stopped. Of course, to cut off debate on this bill in order that democracy might be aided quickly would be a quick form of destroying democracy at home before aid of it in the world could begin.

Continues the editorial. With this view I am also in thorough accord.

The editorial from the News and Observer, of Raleigh, N. C., continues:

Opponents of the bill, however, face such an American mood. They have every right to express their opinions. Indeed, in reaching such an important decision as lies implicit in the bill, America needs their opinions.

But taking the time necessary to voice opposition is one thing, filibuster would be something else altogether.

With this view I also am in accord. The editorial concludes with this very pertinent statement:

The right of men to voice and vote their conscience in so serious a matter as this one should not be questioned—should, indeed, be respected. But those who speak against surging emotion in a democracy should not threaten democracy with the rousing of the furies which a filibuster might mean.

Editor Daniels is right, eternally right, when he says that:

The right of men to voice and vote their conscience in so serious a matter as this one should not be questioned—should, indeed, be respected.

In pursuance of a portion of the aforementioned paragraph of the aforementioned editorial, I remind my colleagues that the first amendment to the Constitution of the United States reads:

Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances.

Mr. President, never during my tenure of office in the United States Senate have I known any debate to be more orderly and more consistently confined to the issue itself than the debate on the bill now under discussion, known as the lend-lease bill, which I formerly referred to as the "lend-lease-give bill." I agree with my distinguished colleague from the State of Missouri [Mr. CLARK] that we have confined our arguments on this bill exclusively to the issue before us. In this body there has been no evidence of personal antagonisms. Personalities have been entirely eliminated, and have not been found in any statement or statements made upon the floor of this Chamber, nor have they found or wormed their way into the arguments pertaining to the all-important issue now before us. We here upon the floor of the Senate recognize that each Member thereof has a constitutional right—under the first amendment to the Constitution—to give expression to his conscientious convictions; and we here in the Senate recognize that our colleagues' opinions are to be respected, realizing as we do that every man is entitled to his opinion. That is one of the fundamental principles of democracy. Free speech, unhampered debate, and orderly procedure providing the right of free speech and opportunities for debate are not only for the Members of this body but for the American people as a whole, as likewise provided by our Constitution.

We in this body recognize that every man has a right to his own opinion, and further recognize that each man's opinion is a conscientious one. Being tolerant persons, we do not become bitter with a colleague or colleagues because we may differ with him or them. We are all anxious to ascertain what is best for our country, and that is the only answer we are seeking. However, regardless of our high ideals and the respect that we in this body may have

for the opinions of others, I have discovered and doubtless many others have learned during this controversy, if not before, that unfortunately there are some in this country who evidently do not believe in the provision of the Constitution which guarantees free speech. There are, unfortunately, those who evidently do not believe in a democracy, because many have challenged the right to our expressing our respective attitudes, and have publicly and otherwise challenged my right to give expression to my conscientious convictions. We do not challenge the right of our respective fellow Americans to express their convictions; and I, at least, am not going to criticize any Member of this body, or any citizen, for holding opinions contrary to my convictions on these grave questions.

Now, in further pursuance of the statement I have just made that evidently some people do not believe in free speech as provided by the first amendment to the Constitution, for instance, I have received thousands of communications in the form of letters and telegrams, a great majority of which come from my State, and a few of these telegrams evidence to my mind more convincingly than ever that there are at least some people in my Commonwealth who have assumed the attitude that it is treasonable—highly treasonable—to express an honest, sincere, and conscientious opinion, if that opinion happens to be contrary to theirs. For instance, I have before me several telegrams which I should like to read.

The first is from—

DURHAM, N. C., February 20, 1941.

ROBERT R. REYNOLDS,

United States Senator:

I have heard you are being paid by Hitler and unless you can disprove this I shall tell it to the world. The burden of proof is on you. You visited Germany and Russia and you evidently fell by the wayside.

The next is from—

RALEIGH, N. C., February 22, 1941.

HON. ROBERT R. REYNOLDS,

United States Senator:

We celebrate today the birth of a great American. We mourn today the demise of another American whose greatness only the Wheelers, Holts, Clarks, and Quislings may attest.

The third telegram is from—

CHARLOTTE, N. C., February 22, 1941.

United States Senator ROBERT R. REYNOLDS:

You have betrayed the people of the great State of North Carolina and the party you represent. Your stand on lease-lend bill should be the voice of the people instead of your individual opinion. You have placed yourself in the class with the Benedict Arnolds, Lindberghs, and Wheelers and your iron cross no doubt is already en route to you from the bandit Hitler.

The next is from—

DURHAM, N. C., February 22, 1941.

Senator ROBERT R. REYNOLDS:

Your obituary being written. Don't force me to the wake.

Another telegram is from—

IVANHOE, N. C., February 20, 1941.

Senator ROBERT REYNOLDS:

Deeply regret your unfortunate speech today. I assure you that a vote against lend-

lease bill will be considered a traitorous act, and one which your former friends will neither forgive nor forget.

The next is from—

ROXBORO, N. C., February 21, 1941.

Senator ROBERT R. REYNOLDS:

Judas Iscariot, Benedict Arnold, Quisling, Pierre Laval, and appeasers in general all enjoy certain types of things. Do you also aspire to that group?

Another telegram is from Durham, N. C., which was received at a time when I had not definitely made up my mind as to what positively would be my position upon the bill. It is dated February 21, and reads:

Your telegram received—

I had sent a telegram to this gentleman when I had not definitely made up my mind as to how I should vote—

Your telegram received. We in Durham cannot understand your indecision on lend-lease bill. It is time to get off the fence and to do it blankety blank fast. If I publish your telegram in Durham—

That is to say, the telegram he had received from me advising that I had not definitely made up my mind as to the matter—

you can write Durham County off your map in 1944. I am giving you this advice as a friend. I do not say this in the form of a threat, but I say honestly and frankly that 95 percent of the voting public in Durham will bury you deep if you oppose the bill. I would appreciate your sending me a wire that I can publish.

Immediately upon receipt of the telegram which I have just read I telegraphed my friend an answer, as follows:

In answer to your wire, I consider lend-lease bill one demanding thorough consideration of every Member of United States Senate, and I do not propose to be hastened to a decision by threats of any character from any source. I place my country far above any political ambitions I may have; and when I make up my mind, after hearing all evidence now being produced in our committee and hearing some arguments, both pro and con, on Senate floor, I shall then vote according to the dictates of my conscience and as I see it in the interests of the United States, as I owe allegiance to no other country other than the United States of America. You are at liberty to publish this telegram, and I trust sincerely you will bring about its publication through columns of the North Carolina press.

Highest regards,

ROBERT R. REYNOLDS,

United States Senator.

Mr. President, it is interesting to note that this gentleman who asked me to send him a telegram which he could publish has never published the one I have just read, or, if he has published it, I have never seen it or heard about it having been published.

However, on the other hand, I want to state that there are a large percentage of people in my Commonwealth who are in accord with my attitude and they, for the first time, are giving expression to their thoughts and convictions through the columns of the press in my State. Amongst those I have seen, I particularly am desirous of reading into the RECORD a letter written by Mrs. M. S. Scheffer, who resides in Catawba County, N. C., at Newton, dated February 25, 1941, and

published in the public forum columns of the Hickory Daily Record, at Hickory, N. C. The letter reads:

Dear Mr. Editor: I suppose it would be unpatriotic and aiding Hitler if you would publish an article that a lot of people agree with Senator REYNOLDS in regard to his stand on the lend-lease bill.

I live in a rural section and know of at least 25 people in my immediate neighborhood that would be glad to send him a telegram of congratulation if they could afford it. We can afford to give billions of dollars to England but children from our rural sections do not have a chance to go to school 8 months in the year. They go for a half day 2 months in the summer and the same for another month in the fall in order to help their parents in the fields.

Present farm prices do not justify hiring help. I suppose the children are expected to work in the fields, stay home from school, be patriotic and glad to give to help keep the King and Queen of England on the throne.

Why do we have Congress if everyone is supposed to agree and be on one side? If you don't you are branded as a Communist, Nazi, "fifth columnist," and unpatriotic. I thought this was a free country and every one had a perfect right to their own opinion without being hounded about it.

In further reference to free speech, I wish to read into the RECORD now extracts from an article of Mr. Walter Hildebrand, Washington correspondent of the Greensboro (N. C.) Daily News, dated February 27, 1941:

WASHINGTON, February 27.—

Another development in the State that fails to meet a responsive echo in the North Carolina delegation is the intemperate criticism of, and the strictures directed at the course that is being pursued by Senator REYNOLDS, who is opposing the lease-lend bill.

Members . . . are . . . of the opinion—

Speaking of the members of the North Carolina delegation, our 11 Representatives—

that a sustained campaign of abuse directed against the junior Senator is a mistake, politically, morally, or from considerations of patriotism. A campaign of this kind, it was said today, may in the first place react in favor of the intended victim, while there is always the possibility that time will provide vindication for the attitude currently assumed by Senator REYNOLDS as he sees his country approaching the brink.

Members of the State delegation, viewing the situation in some of its broader aspects, would like to feel that they would always be privileged to follow the dictates of their better judgment, even in times of stress and vast confusion in the world, without having their motives impugned. And once more, speaking broadly, members feel that if there is to be a war for the essential freedoms and especially for freedom of speech, everywhere in the world, they see no reason for making an exception of North Carolina or for establishing there an island or an area for the application of totalitarian restrictions.

It was recalled by the delegation spokesman today that Claude Kitchin was virtually crucified and the late Robert N. Page was driven from public life because they opposed our entrance into the first World War, and it has never been thought that this demonstration of ignorance, hate, and hysteria was anything for the State or for the Nation to look back upon with pride, for rarely has a State sent to Congress men who possessed a higher de-

gree of intelligence or a more lofty, unselfish patriotism.

Senator REYNOLDS may be all wrong—

That I admit, Mr. President, without hesitation—

it is frequently reflected here, but in any event he has been consistent since his stand against the repeal of the arms embargo, a step which he thought then, and still thinks, started the country down the traditionally easy road to war. He thinks passage of the lease-lend bill will be final and fatal, that it will prove the next to the last, if not the last, step to war. This deliberate judgment of the junior North Carolina Senator is today finding almost universal acceptance. Senator WHEELER read to the Senate the editorial contribution made to the New York Times today by Arthur Krock. This commentator wrote that, at the end of many months of official unrealism the administration "is squarely facing the prospect of war." Krock added that the administration "conceding, almost openly, that the United States cannot give to Great Britain the degree of assistance required to defeat the Axis and deny, as during the campaign, that war can be a consequence. This is a factual report of a definite new attitude in Washington which emerges in any conversation with officials.

"With this calm though reluctant acceptance of the prospect has come a tendency to admit—almost in the open, too—that, since the purpose of the all-out-aid policy is to assure the defeat of the Axis, it must be carried out to the limit. In responsible quarters is now heard the candid opinion, which could not be obtained a few weeks ago, that if American convoys are needed to deliver the products of the 'arsenal of democracy' to the British war machine, they should be furnished. And the same officials are beginning to say that, in this event, they will be furnished."

Distinctly, it is a war atmosphere that is prevailing here, and it is for this reason that Senator REYNOLDS is admonishing the people to stop, look, and listen. And Members of the North Carolina delegation feel that he is well within his constitutional rights in doing so. Members from other States, Democrats and Republicans alike, are sounding a similar warning without being taxed with treachery.

Mr. President, I have before me an article which I clipped from the Raleigh News and Observer of Raleigh, N. C., entitled "Opposition Has Rights." I had intended placing this article in the Appendix of the RECORD, but I wish to read it into the RECORD now in conjunction with the fact that the opposition has rights. This article, I might add, is from a gentleman who does not share my attitude.

OPPOSITION HAS RIGHTS

To the Editor: There have been many vicious attacks upon those who have opposed the pending lease-lend bill in Congress. Typical is that of Representative Withrow, of Rutherford—

Meaning Rutherford County, in North Carolina—

made upon the stand taken by Senator REYNOLDS. Representative Withrow charged that Senator REYNOLDS had disgraced North Carolina and the United States. He intimated that the stand taken by Mr. REYNOLDS only reflected the lack of patriotism on the part of the junior Senator.

Though not in agreement with Mr. REYNOLDS in his opposition to the lease-lend bill, I see no reason for feeling that such opposition is not perfectly consistent with an unqualified desire for the welfare of this country. When the time arrives that an American cannot speak the minority view without being subject to bitter accusations

of un-Americanism, then we have no democracy to fight for; it is already dead. Of course, in these trying times it is easier to forget our principles of tolerance in denouncing those who oppose measures which we think expedient for our own welfare. But it is only in such times that these principles meet the acid test. And if our constitutional traditions of freedom and tolerance do not come through now, then it would seem that they are not very deep-rooted. More than ever, we need the voice of the minority sounded as a constant reminder to stop and take stock of ourselves. Of course, time is of the essence, and we must act and act quickly. But that does not necessarily mean that those of us who constitute the majority group are always dead right in every particular.

PHILIP E. LUCAS.

CHAPEL HILL.

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

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

Mr. REYNOLDS. Certainly.

Mr. NYE. When I was called from the Chamber a few minutes ago the Senator was reading some of the complimentary telegrams and letters he has been receiving from his State. I am delighted to know that the Senator has in his State editors and commentators who are ready to ascribe to him the honest motives that we know are his.

Has the Senator any notion where persons get ideas to the effect that some of us who are opposed to this bill must be in the reward of Hitler, or Nazi Germany, or some Fascist cause?

Mr. REYNOLDS. I have not the slightest notion how anybody could have such ideas, or upon what they could base false and unwarranted accusations of that sort. The American people should not be mad with us. We are not mad with them. All we are doing is that which we think is best for the preservation of our country. I am not angry with our friends in the Senate who do not share our views. I am not angry with my fellow American citizens who do not share our views. As the Senator knows, all we are endeavoring to do is, as I have just stated, that which we think best for our country. We may be right; we may be wrong. Time only will tell.

Mr. NYE. Mr. President, let me say to the Senator that more and more I am inclined to be much more forgiving of people, even those who write anonymously in criticism of our position, charging allegiance to some cause other than that of Americanism. I am inclined more and more to forgive them when I see the kind of thing that is dished up to them at times by people presumably of some responsibility.

Only last Wednesday or Thursday one columnist wrote this in his column:

Finally, there is the opposition of the BENNETT CLARK, BURTON WHEELER, GERALD NYE, BOB REYNOLDS type. The administration does not question their intelligence, but it does doubt their sincerity. It sees the roots of their support as representing subversive forces in our public life.

I submit to the Senator that when columnists are preaching that manner of thing to the American people surely there are going to be among them those who feel they are quite justified in charging,

as I heard the Senator charged in one of the telegrams this afternoon, with being on the pay roll of Hitler or of some foreign cause. I appreciate the opportunity the Senator has afforded me to make record of this scurrilous attack upon men who are only striving to do what they think proper to do in the interest of their country.

Mr. REYNOLDS. I merely happened to say that we are pro-American, and today many classify anyone who is pro-American as a Hitlerite or a "fifth columnist," or something of the sort.

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

Mr. REYNOLDS. I yield.

Mr. CLARK of Missouri. The article just quoted by the Senator from North Dakota was written by a man who does not write under his own name but writes under an alias. I had always assumed he wrote under an alias because he was ashamed of his own name, but in the last few weeks I have become acquainted with some of his relatives, and I find that the fact that he writes under an alias is the only spark of decency, so far as I know, he has ever had. He is ashamed to put out the stuff he writes under his own name because he evidently comes from a decent family. I refer to Mr. John Franklin Carter.

When Mr. John Franklin Carter, who writes under the name "Jay Franklin," accuses me of being in the pay of any subversive element, I hurl that back in his teeth as an absolutely malicious lie. No one would print an article of that sort about Members of the Senate who happened to be in disagreement with his position who did not intend to print in his column, which I think is published now in only two or three papers, an absolutely malicious lie.

So far as being connected with any subversive elements is concerned, I have all my life been in favor of putting down subversive elements in the United States. I wore the uniform of the United States in one war, which is a good deal more than Mr. John Franklin Carter ever did, and I am perfectly willing to wear it in another war—though God forbid another should occur—which again is more than Mr. John Franklin Carter is willing to do.

I join with the Senator from North Dakota and the Senator from North Carolina in condemning such scurrilous, outrageous, malicious libels as that which the Senator from North Dakota has quoted. I dare Mr. John Franklin Carter or anyone else to get within arm's reach of me and make any such remark.

Mr. REYNOLDS. I am deeply indebted to the Senator from Missouri for his fine, straightforward contribution to the comments I have seen fit to make in reference to these unfair, malicious statements.

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

Mr. REYNOLDS. I yield.

Mr. BONE. There is nothing new or startling in public men being identified with something or other that is bad, by those who disagree with them. They had no such things as "fifth columnists" in the time of Jesus of Nazareth, but His critics tied Him in with everything that

was then bad. It was either of Him or Paul that it was said he was "a pestilent fellow, and a mover of sedition among all the Jews." Sedition was a serious crime in those days, as now. It adds nothing to our security and to the stability of this Republic for men to substitute harsh personal indictments for at least an attempt to appraise. Criticism is always in order, but its reasons can rest in facts and not on personal likes and dislikes. Times like these always invite some criticism that is later regretted by its authors. It was true of the last war; it will be true of another such as we face.

Mr. REYNOLDS. I thank the Senator.

In reference to the communications I have just read, I sincerely trust that my remarks will not be misconstrued. I recognize that I am subject to criticism, as is every other man in public life. As a matter of fact, I have never attempted to clothe myself in raiment of white or place myself upon a pedestal of ivory. But there is a radical distinction between constructive, honest criticism, and charges of treason such as have been made in some of the communications I have received.

Mr. President, to repeat, we are all striving for a solution. We are all seeking that which is best for our country. We all have the same objective, namely, keeping the United States out of war. Some say "it is a bill to get us into war." Some say that "it is a bill to keep us out of war." Some allege that it is a bill to turn the Nation into a dictatorship. Others say that "It gives the President more powers than he already has as Commander in Chief of the Army and Navy."

Men differ honestly, and honestly differ upon just what the bill will do or will not do. I have declared against the bill. I may be wrong; those who do not share my views may be right. Time only will tell who was right and who was wrong. Insofar as I am concerned, I shall welcome the arrival of the hour when a jury of the great American public may render its verdict as to who was right. And anticipating "jury day," I shall retain in memory my remarks upon this all-important subject, to be submitted to a jury of the American public, when, in the future, the American public as a whole has been thoroughly informed—and at that future time I shall re-submit my remarks for consideration by the men and women of our Republic—as to whether I was right or whether I was wrong.

In further discussion of this bill entitled "A bill further to promote the defense of the United States, and for other purposes," I wish today to devote my major remarks to the vital matter of promoting the defense of the United States, and not to that portion relating to "other purposes."

In considering the matter of further promoting the defense of the United States, we should, I aver, take into consideration the defense of this country from within, for the reason that the fundamentals of a defense program must of necessity be constructed upon solidarity and unity, and a firm structure here at home. By that I mean that we must first build solid, concrete foundations here in

America. We must clean house here in America before attempting to launch forth in foreign fields to clean house over there. We must first see that democracy is safe here at home, and that its preservation is assured, before we go to Europe or any other part of the world to impose democracy upon those countries which have evidenced their unwillingness to adopt the American way of life.

I recall well the obligation which I assumed by oath when I entered the United States Senate, when I swore that I would defend my country against the enemies from within as well as against the enemies from without. The oath submitted to me and which I acknowledged reads as follows:

Do you solemnly swear that you will support and defend the Constitution of the United States against all enemies, foreign and domestic; that you will bear true faith and allegiance to the same; that you take this obligation freely without any mental reservation or purpose of evasion, and that you will well and faithfully discharge the duties of the office on which you are about to enter; so help you God?

That is the same oath, Mr. President, which you took also on the convening of the Senate on January 3, 1941. Recalling that oath, and the oath which I took on the convening of the Senate in 1932, when Mr. Curtis was Vice President, and Mr. Hoover was President, and the oath which I took in 1939, I wish now to call to the attention of the Members of this body the statement by the sixteenth President of the United States, Abraham Lincoln, that "if this Nation is ever destroyed it must be destroyed from within." That statement was correct when he made it, it is correct now, and I am thoroughly in accord with the statement I made pertaining to the enemies from within.

As this fateful year of 1941 is now running its course our country is the battle ground of men and women, American men and women, fighting upon American soil the feuds of the Eastern Hemisphere—Europe and Asia—and I respectfully submit that, in my opinion, those men and women should be devoting their time, their thought, and their energies to a solution of our problems here at home.

Long ago the patriotic and far-seeing Abraham Lincoln recognized the fundamental truth that America's downfall, if it ever occurred, would take place internally and not externally. These are his words:

At what point then is the danger to be expected? I answer if it ever reaches us, it must spring up among us. It cannot come from abroad. If destruction be our lot, we must ourselves be its author and finisher.

So I say, Mr. President, that today our danger is from within. We must eternally guard ourselves against the inroads being made upon our form of government and our American way of life by the enemies of this Government who are eternally boring from within. Nazis and Fascists, their spies and their saboteurs, Communists and their propagandists, all day and night, night and day, are making terrific assaults upon the very foundations of our Government.

Mr. President, instead of going across the ocean to make destruction of these "isms" which are constantly working toward our destruction here, I assert that we should devote our time and our energy to destroying these vicious foreign "isms" right here in our midst. As an example of what we may expect here, unless we check the inroads being made by our enemies right on American soil, we have only to cite what is occurring in foreign countries. As a concrete example, England's good friends, the Communists, are taking advantage of her distress to demand her submission to the Soviet Union. Only recently there was a widespread demonstration by Communists in London and other cities of the British Isles. Communism will no doubt triumph in England as a result of this war if and when the warring factions are so thoroughly weakened that they shall have destroyed themselves, thus providing the next meal for the Stalin vulture that soars over all England today awaiting the fateful hour. Moreover, if the war continues long enough, as I have stated, communism may triumph over all England, and some allege that if we get in the war communism might triumph in America, too—which is not exactly what the average American expects when he observes the war spirit being constantly worked up by our good friends from alien lands, in moving pictures, and over the radio and through the press, anonymous literature, and what have you. But that is exactly what the average innocent American is going to get if we do not begin now to combat and to stop the enemies already here who are eternally boring from within, like termites, thousands of them, in their bold attempt to destroy America, and the cross, the little white cross over the newly made grave, will mark the spot where he will get it first.

Foreign nations have learned something from the persistent treachery of Germany and Soviet Russia. As I have just cited, even England has learned something. England made many compacts with Russia and Russia broke them all. England even tried to negotiate a treaty with Russia to encircle and crush Germany, but Russia led England along as though she had a ring in her nose, got all she could get out of her, promised everything, and did absolutely nothing. Russia today is actually the ally of Germany.

Now, Mr. President, in particular reference to the statement which I have just made to the effect that Russia today is actually the ally of Germany, I wish to say that I am opposed to any aid to Germany directly or indirectly. I am confident Russia is aiding Germany indirectly, if not directly, and to the end that Germany may not receive any aid from us indirectly through Russia, I am now submitting an amendment to H. R. 1776 which would prohibit this country providing any aid to Soviet Russia. The amendment reads:

Nothing in this act—

Referring to H. R. 1776—

shall be construed to authorize or permit the authorization or the granting of any aid to the Union of Soviet Socialist Republics.

Mr. President, I send this amendment to the desk and ask that it be printed, and I shall bring it up for consideration at the proper time when amendments are in order.

The PRESIDING OFFICER. The amendment will be received, printed, and lie on the table.

Mr. REYNOLDS. Mr. President, I wonder if there are any people in this country who think that Russia is not engaged in this war. She most certainly is engaged in it—and actively, at that. She may not be fighting on the field just now. She may not even be for the moment engaged in swallowing little nations such as Lithuania, Latvia, Estonia, parts of Finland, and Poland, but she is waiting for big game, bigger fish, and bigger suckers. She is working for universal communism and daily waiting for universal communism. The vulture soars over all Europe. For the present in England and Europe Russia prefers the role of receiver of stolen goods to that of the bold burglar. She is waiting for the time when America goes to war, when all our attention will be turned to Europe. Then when we shall have forgotten our problems at home and shall be busily engaged in conducting a foreign war her agents here will become more active than ever.

Today we are tolerating communistic agitation throughout the entire Nation. There are schools and colleges teaching sedition, and innumerable Moscow organs are preaching dissension and dissatisfaction. There are communistic organs spreading everywhere disloyalty to our Government and our Union. We know this; the Dies committee revealed it; and yet we do nothing about it, submitting ourselves to the danger of being destroyed at home while devoting our time and energy to fighting a war in Europe. The American people are most patient in their sufferance of the activities of Nazis, Fascists, and Communists. Subversive doings have become a menace to the life of this Nation. In proof of this I have but to cite the fact that in addition to innumerable Communist dailies there are published in this country scores of weeklies and semiweekly newspapers, with many monthly and semi-monthly issues, and hundreds of Communist, Nazi, and Fascist publications. With cold realism, unmoved by sentiment, emotion, or sudden impulses, with only the "red" interests in mind, and professing no high purpose of saving civilization, Stalin has won every play since the European and Asiatic wars began. After 16 months of war in Europe and 3½ years in Asia, the "red" dictator has been the sole victor thus far.

While the leaders of warring and would-be-warring countries have their noses flattened against the picture and can see only one narrow segment, Stalin, within the walls of the Kremlin, at peace, looks over the gigantic game as a whole—which simmers down to "Red" against "White." His loot includes a third of Poland, all the Baltic provinces, a fifth of the former state of Finland, and all of Bessarabia.

Working in Stalin's favor are the depressing condition in Spain, the collapse of France, the sinking of the morale of

war-weary Italy due to battles, and semianarchy in Romania.

There are increased Communist and Socialist labor movements in England. They have been marked by the suppression of two Communist publications and the People's Convention. There is a radical socialistic trend in Japan, actually sponsored by Konoye Matsuoka, the foreign minister. The Government is split, and there is fighting between the national forces of China and the Communists. This is spreading chaos and threatening the renewal of civil war. Finally, there is the unrest in India.

Stalin is the only statesman in the world who can truthfully say every day that the prolongation of the war is a day gained for the further undermining and collapse of the tottering capitalistic system. Russia's imperialistic future lies in the ruins and despair of Europe and the chaos of Asia. With Britain's food blockade against millions of hungry people and America's active entrance into the war, Stalin's victory might indeed become complete.

Communistic indoctrination is taking place in our schools and colleges, undreamed of by the average American. Communists have been making determined efforts to arouse in our Negro citizens a spirit of racial hatred, disloyalty, and revolution. For instance, I have before me a letter directed to my secretary, Wesley E. McDonald, by a gentleman on Capitol Hill, advising of anonymous literature which he received through the mail from Albany, N. Y., which is in reference to this very point. I read in part from this anonymous literature:

Miscegenation might produce a hardier race, but individual prejudices may delay it. However, equality is on the march. The South has given the supreme mandate for it and for the first time since Lincoln the Negro vote may be included with the solid South. The day may not be far when a Negro Governor of Virginia will be laying the cornerstone of a monument to Booker T. Washington on the present site of a statue of Jefferson Davis, a day when the vicious ban on Chinese immigration will have been lifted and labor will have replaced the parasitic and snobbish aristocracy that have cursed England and perpetuated to now the race problem of which we are only now finding the solution.

Does anyone think that any Negro in the Nation was a party to circulating such literature? Of course not. It was put out by the Communists. I want to say to the authors of this literature that they will be wasting their time and money in an effort to create trouble with our Negroes of the South, because they are law-abiding, patriotic citizens of America, and are opposed to any such doctrines as those proposed by the Communists.

The circular further makes a very vicious attack upon me, and suggests that I be defeated at the polls because I have persistently attacked the appointments of our President and "criticized our fellow citizens and democratic forces because they did not belong to the political faith of either of the major parties." I submit that I have at every opportunity attacked the objectives of the Communists, the Nazis, and the Fascists in this

country, and shall continue to do so, because I, like every other Member of this body, am desirous of preserving American ideals and institutions. As to the truth of this assertion in the anonymous literature, I want to state that I have never opposed an appointee of the President seeking Senate confirmation.

I desire to read the letter from this gentleman who was kind enough to send my secretary this anonymous literature; and, by the way, I might add that I am informed that many here at the Capitol have also received copies of this vicious, untruthful, and scurrilous matter. The letter reads as follows:

MY DEAR MR. McDONALD: I am not one of those who see a Communist under every bush; but careful examination of this contemptible circular letter shows that it must have been sent out either by the Communist Party or by a combination between it and some organization devoted to stirring up race hatred and dissension in the South. Since its anonymous authors look forward to the day when there will be a "Negro Governor of Virginia," they seem to long for a return of reconstruction days, except that the misguided carpetbagger from the North is to be replaced by a representative from Moscow.

My reason for saying this is that in the paragraph in which Senator REYNOLDS has the honor of being singled out from the other 95 Senators and marked for defeat, his chief offense seems to be that he "persistently attacked the appointments of our President and criticized our fellow citizens . . . because they did not belong to the political faith of either of the major parties." This vague reference, upon reflection, can only mean that he (Senator REYNOLDS) denounced certain Communist employees of the Government and called for their removal. Also, his successful and commendable efforts to have aliens registered and fingerprinted appear to have gotten under the skins of the courageous (?) authors of this circular, who are careful to conceal their identity, have the nerve to call for enforcement of the Constitution, and do not even dare use the word "Communist" when they refer vaguely to "political parties."

You will note that the envelope in which this letter was sent bears a 3-cent stamp, and it is evidently being sent to persons whose names are in the Congressional Directory.

By the way, the junior Senator from Georgia (MR. RUSSELL) told me that he received a copy of the letter.

If it turns out to have a widespread distribution through the South, the postage alone will be a very large item. It would be interesting to know who is furnishing the money.

In its appeals to race prejudice and hatred, its praise of miscegenation, and its final reference to possible bloodshed, this letter may appeal to some of the worst elements of our population; but it is not likely to influence the respectable colored population of North Carolina or any other State, most of whom must know what a faithful public servant Senator REYNOLDS has been. I congratulate him on the enemies he has made.

That concludes this letter.

Mr. President, as to communism even in the Nation's Capital, permit me to recall that a few days ago a man was found dead in a local hotel, with a pistol by his side. Some said he was murdered, but the official coroner's verdict was that he was a suicide. He was a former member of the OGPU, the dreaded secret police of Russia, who had come to this country

and who had testified before the Dies committee. He disclosed the secrets of the OGPU and certain communistic activities in this country. He told the committee that he was constantly in fear of his life. Whether it was suicide or a murder, it is asserted by those who were close to this unfortunate man that if he did commit suicide he was driven to it by fear of the secret police. Then, just a couple of days after that, there was the murder of another former prominent secret agent of Russia in New York. These deaths show that the foul hand of Stalin even now extends to this country and right into our Capital. So much for the Communists for the present.

With the cooperation of the German-American Bund and its summer youth camps, the Nazis are teaching Hitlerism to the children of German-Americans who, having been born in this country, are American citizens. The boys and girls attending these camps sing hymns to Der Fuehrer and to the foreign land they have never seen. They listen to lectures on ideology, and so forth. By perversion of the Universal Postal Union, totalitarian agencies have distributed thousands of tons of publications through the mails of the United States, at the expense of American taxpayers, calculated to create national disunity. On American soil the German-American Bund has organized military units, wearing uniforms—even though prohibited by law, I am told—suggestive of those worn by German storm troops, and they are trained and drilled in formations according to the regulations of the German Army. American-Italian Black Shirt legions, some 10,000 strong, with thousands of sympathizers, are today marching in America with the same resounding tread as that of the goose-stepping storm troops of the German-American Bund.

I hope an article I observed in the press this afternoon will prove to be true, and I desire to read it into the RECORD at this point. It was called to my attention by one of my colleagues. The article is from the columns of the Washington Daily News, the issue of Monday, March 3, 1941, entitled "German-Americans to Battle Nazi-ism":

GERMAN-AMERICANS TO BATTLE NAZI-ISM

NEW YORK, March 3.—German-Americans opposed to the Nazi philosophy were organized today into a Congress for Democracy to combat German propaganda and uncover German agents.

Speakers said the congress would have the double task of "defending democracy from the 'fifth column' and clearing the German-American name." The organization is open to all Americans of German birth or descent.

Wendell L. Willkie, whose ancestry is German, sent a congratulatory telegram.

I hope the Congress for Democracy will be successful. I hope it will be entirely successful in its fight against German propagandists in this country.

There are at present some 200 fascist organizations in the United States that are striving to discredit and destroy American ideals and institutions. They are busily engaged in training and instructing American youth in fascist ideals. Communists, Nazis, and Fascists are spending millions of dollars annually in propaganda and in other attempts to

undermine and destroy our Republic. They have made systematic and continued efforts to sow among the naval and military forces of the Nation the seeds of communism, nazi-ism, and fascism. They have infiltrated into our schools, churches, youth groups, and every other organization into which they could find entrance. They, especially the Communists, have penetrated our labor unions, seizing important positions, spreading the seeds of discontent, and fomenting strikes that have fanned class hatred, resulting in loss of life and the destruction of property valued at hundreds of millions of dollars, and causing much suffering and sorrow.

They have secured employment in our airplane plants, munition factories, and shipyards, thus being in position to secure for their governments valuable information, and to commit acts of sabotage that would interfere with national defense in which we are so greatly interested.

They, especially the Communists, have secured Government positions that have enabled them to do effective propaganda work and secure certain information for their governments. Swarms of Communist, Nazi, and Fascist secret and other agents have come into our midst. They have abused our hospitality and are taking improper advantage of the freedom of speech, freedom of the press, and freedom of assembly permitted in this country. They are conniving and cooperating with spies, saboteurs, fellow-travelers, and fifth-columnists, including some of their country's consular and other accredited representatives in conducting subversive activities designed to discredit and destroy American ideals and institutions; all of this in an endeavor to weaken the confidence of our people in their leaders and kill their faith in the destiny of America, thus dividing the unity of American citizenship in the hope of undermining and finally destroying the foundations on which is established our Republic.

Recently, there was authored by a former United States Regular Army officer, now retired—Col. James A. Moss, president of the United States Flag Association, Washington, D. C.—The Declaration of Independence of Today, the closing paragraph of which reads:

Whereas the time has come when the security of the Nation and the happiness of its people require that these subversive activities be stopped, we, loyal citizens of the Republic, who believe in our democratic form of government and the American way of life, and abhor totalitarianism, voicing the sentiments of all patriotic Americans, do solemnly publish and declare that these United States of America should be free from all foreign "isms"; that there is in America room for only one "ism": Americanism. Therefore we call upon our fellow countrymen to rise and join hands in the great brotherhood of Americanism—with militancy in our hearts and determination in our souls, with vigor in our spirits, and strength in our arms, with the battle cry, "Foreign 'isms' must go!"—wage relentless war on Communists, Nazis, and Fascists until they have all been driven from our shores.

This Declaration of Independence of Today was signed by a number of Members of the United States Senate, as well

as by some of our outstanding patriotic American citizens.

The American people today are more interested in perfecting a strong national defense than at any time in the history of the Republic. This is due to the fact that wars of aggression are being waged in Europe and Asia. And I ask you, Mr. President, how can we perfect our defenses while we permit the spies, saboteurs, and labor agitators to carry on their insidious work without interference or apprehension until their dastardly acts have been committed. Then it is too late.

I submit, Mr. President, that our first line of defense at the present hour is to make certain that our vital industrial plants—which are turning out munitions and implements of defense—are protected, and that their uninterrupted operation is assured. This is no time for labor agitators clothed in the garments of Communists. This is no time for Nazi, Fascist, and Communist saboteurs. We must clean house now. We must apprehend and deport alien criminals, undesirable and alien enemies, if we are to prepare ourselves against attack from within and from without.

We have seen what the Communists have done and are trying to do to England. We have seen what the infiltration of Communists from Russia and Spain, and Nazis and "fifth columnists" from Germany, did to France. Let us, therefore, take heed, profit by their experiences, and see to it that America is not destroyed by the same wolves and consumed by the same vultures.

This bill, H. R. 1776, is not, I respectfully submit, a national-defense measure. It is a bill for "other purposes." It has taken our attention from our own problems here and focused it upon Europe and Asia. It would provide "all out" aid for Great Britain, and if its passage should finally get us into the war, then it will mean "all in" for America.

Some say that we are already in the war, if actually we are not physically at war. I say we are, in a sense, in the war now, and at war because the man engaged in Europe in manufacturing implements of war is just as much a part of the fighting machinery as is the man who bears those weapons in the front-line trenches. If we are in and at war, then we are in and at war for the sole reason that by lifting the arms embargo, permitting us to sell arms to nations at war, we entered the war. If the arms embargo had never been lifted, if that part of the neutrality law had never been repealed, in my opinion we would not today be called upon to discuss the lend-lease-give bill, which provides for the manufacture, lending, leasing, and giving of more arms to belligerents across the sea.

The lifting of the arms embargo, has brought us to this critical and dangerous hour.

George Washington well and truly said, in his farewell address:

Excessive partiality for one foreign nation and excessive dislike for another, cause those whom they actuate to see danger only on one side, and serve to veil and even second the arts of influence on the other. * * * Why quit our own to stand upon foreign ground?

As I have previously stated, I am against this bill because I believe it will take us closer to war, that it is just another step in that direction, and that it may lead us to a declaration of war, to which brink I pray God we shall not be carried.

When the war is over, whether we participate or not, we shall pay the price for our own indulgences. We shall pay the cost of lifting the arms embargo. Factories, thousands of them, today engaged in the manufacture of war materials, will close overnight. Millions of American workers will be turned upon the streets looking for employment, and then they will not only find themselves in competition with their fellow Americans seeking new jobs, but millions of aliens already here and thousands upon thousands of refugees seeping into the country will make the unemployment situation more acute. With six to ten million Americans unemployed today, with 6,000,000 aliens already here and many thousands more being permitted to enter, what may we expect when the collapse comes? Some say, revolution.

"It may be a violent change; perhaps even a revolution," editorially say the Washington Times-Herald and the New York Daily News of February 27.

Let us stop immediately the infiltration into this country of all from foreign shores, refugees and immigrants, for 10 years or until such time as every American citizen shall have been employed. Such a bill I shall introduce in the Senate when H. R. 1776 has been disposed of.

Mr. President, France fell. Those who profess to know say that her very vitals were destroyed by Nazi, Fascist, and Communist agents—saboteurs, propagandists, and spies—several years before France entered the war. The Republic of France itself permitted great legions of alien criminals, spies, saboteurs, and propagandists to enter the country. They put in their deadly work at a time when France was preparing for war which she knew was bound to come. These foreign agents did their job so thoroughly that when the fatal hour did strike there were thousands and hundreds of thousands of French people who did not care whether France resisted its aggressor or not; thousands of Frenchmen's love of country had been so weakened by the work of these subversive groups that they lost even the desire to defend their country in its hour of greatest need.

Let us take a leaf from France's book of sad experiences. Let us profit by her unfortunate downfall. Let us apprehend and deport immediately all alien criminals, undesirables, Nazis, Fascists, Communists, who would destroy our Government now as they destroyed France.

In order that those who have not been fully advised as to the activities of these alien enemies and subversive forces may be informed, permit me to call attention to the report of the Dies committee, now engaged in investigating un-American propaganda activities in the United States, filed January 3, 1941, which reads in part as follows:

The work of the committee has been carried on during the past year against a back

drop of war in Europe and Asia on the one hand and a greatly heightened concern over national defense here at home on the other hand. In these circumstances it is almost inevitable that feeling among people of all sorts should be intensified. Many people who were formerly indifferent to the activities of foreign-controlled, antidemocratic, and un-American groups are now fully aroused * * *

In short, the committee warns against the possibility that a wave of hysteria may supersede an informed public opinion on matters which have to do with the subjects of its investigation. * * *

The evidence before the committee shows clearly that the agents of Moscow have, for the most part, tried to bore from within labor and progressive movements, just as the agents of the Axis Powers have, for the most part, tried to bore from within patriotic, conservative, and business groups. * * *

Certain aspects of the European picture have served to clarify the nature and purpose of the chief totalitarian regimes, i. e., Stalin's and Hitler's. This clarification has now reached a point where no justification can be found for those who persist in remaining attached to the Communist and Nazi movements or their front organizations. The illusion that Stalin's regime was a progressive one and that his leadership was the world's best protection against the spread of Naziism has now been exploded by Stalin himself. His government today stands forth as one of naked opportunism, conquest, and power politics. The illusion that Hitler's regime was a conservative barricade against the spread of communism has been effectively dispelled by the Fuehrer himself. His government, too, stands forth as one of brute military force aiming at unlimited expansion of the Third Reich, and ready to employ whatever appeals to class hatred as suit his program.

Three aspects of the European picture are worth noting in this connection. The Stalin-Hitler Pact of August 1939 dealt a shattering blow to whatever prestige their respective agents and followers enjoyed in the United States. It remained only for Stalin to attack Finland, and to annex the whole or large portions of five other neighboring countries to show unmistakably that Stalin is no better than Hitler. Finally, we have the spectacle of Hitler's attempt to place himself at the head of the European poorer group as the champion of the "have-nots" against the "haves." Mussolini's and the Mikado's wars of aggression long ago stamped them as second-rate international bandits. Today, the four totalitarian dictators are revealed clearly for what they have been from the beginning. * * *

Those who believe unreservedly in the democratic form of government, whether they look upon themselves as progressive and pro-labor, or as conservatives and pro-business, will not hesitate to separate themselves from the totalitarian movements and their numerous front organizations. America should proceed with a united effort not only to build an impregnable defense, but also to solve our pressing domestic problems. * * *

Both Stalin and Hitler have made it plain that their strategy in achieving their objectives in the United States includes the use of Trojan horses or "fifth columns." * * *

The evidence which the committee has gathered bears abundant testimony to the fact that throughout the years there has been a major purpose of the Communist Party to attempt to bore from within the ranks of American labor in an effort either to turn labor organizations into its political tools or to disrupt and destroy them. The Nazis tactic, on the contrary, has been to have their members gain as many important positions as possible in the industries of America and to gain favor with management rather than work within the ranks of organized labor.

Which bears out the statement I have just made in reference to the Communists, Nazis, and Fascists boring eternally from within, in an earnest effort to destroy our form of government, and impede our national-defense progress.

Mr. President, here I digress to say that the foreign elements, Communists particularly, which have crept into our labor organizations, are largely responsible for the impeding of national-defense developments and labor troubles which are occurring throughout the country today. This is due to Communists, Nazis, and Fascists having gained key positions in many of these labor unions—so, in the near future I shall introduce a bill which I hope will be of benefit to labor itself, which proposed legislation will make it unlawful for any labor union or other labor organization to have as an agent or officer any person who is not a citizen of the United States, who is a Communist, Fascist, or member of any Nazi Bund organization, who has been at any time within the past 2 years a member of or affiliated with any Communist, Fascist, or Nazi Bund organization, who is ineligible to hold public office or who has lost his rights to United States citizenship by reason of conviction of a felony.

I introduced such a bill in the Senate last year, and I believe that if it had been enacted at the last session of the Congress, by today we would have been rid of the Communist, Nazi, and Fascist elements which have wormed their way into labor organizations, and that we would not be harried to death with the difficulties we are experiencing at this hour.

The Dies report continues:

It is of basic importance to understand the exactly opposite purposes of the American labor movement on the one hand and the Communist Party on the other. The aims of the American labor movement are to improve the conditions of the American workers and over a period of time to secure for them a better and fuller life and a place of partnership in the industrial life of the United States. The purposes of the Communists on the other hand are in the words of Stalin to make the unions a school of communism, to increase in every possible way the antagonism between wage earners and other sections of the population and to prostitute the labor movement for the use of the party in carrying out various of its international plans even if in so doing the welfare of the particular group of workers in question may suffer as a consequence. Hence, wherever Communists have gained a foothold in the labor movement they have sought by every means at their command to remove from office any leader however devoted to the welfare of the rank and file workers he might be who has refused to cooperate with the party line

Wherever the conditions of life of any group of workers are most distressing there is presented the very sort of opportunity which the Communist desires; for example, the neglect on the part of other sections of the population of the plight of many thousands of migratory agricultural workers, coupled with the fact that many of these people had recently suffered the experience of being driven from their farms, constituted the fertile soil in which it was possible for the Communist Party to become a moving force in the organization of the United Cannery, Agricultural Packing, and Allied Workers' Union, of which Donald Henderson, an avowed member of the Communist Party, is the head.

In the wake of war there follows unemployment, poverty, pestilence, illness, and, in many instances, revolution. These are the seeds from which the trees of communism spring, grow, and thrive. Today in this country we have millions of unemployed. Today in this country we have millions of unfortunate people on relief. Today in this country we have millions of children who are undernourished. Today in this country we have men and women who are improperly housed and improperly clothed and improperly fed. Today in this country we have problems as a result of misfortunes which will prove fertile soil for the Communists unless these conditions are corrected, and unless the conditions of the masses are improved. We must now attack these problems here at home, because, just as the Dies committee recited in the foregoing paragraph of its report, which I have just finished reading, the Communists are striking just where and when our unfortunates are weakest. The Communists are putting in their deadly work now as related by the Dies committee, but their work will be more deadly and more devastating after this war, if we become involved in it, or even if we do not become involved in it, when millions upon millions of God-fearing men and women will be walking the streets in search of employment. Poverty and want and illness and pestilence will stalk the land. Again I warn, we had better solve our problems here before we attempt to solve other people's problems "over there."

The Dies committee concluded with legislative recommendations as follows:

Legislative recommendations: The committee realizes the difficulty of reaching and curbing certain phases of un-American and subversive propaganda and activities through legislative action. In view of our findings and the origin of these activities, we submit the following recommendations as a partial legislative program:

1. The enactment of legislation to bring about the immediate mandatory deportation of alien spies and saboteurs.

Mr. President, last year I introduced a bill providing for the very same objectives, but unfortunately it was not acted upon. I intend to introduce a similar bill during the present session of Congress, and I hope we may secure action in conformity with the recommendations of the Dies committee.

I continue to read the legislative recommendations of the Dies committee:

2. The mandatory deportation of aliens who advocate any basic change in the form of our Government.

I understand that a bill already has been introduced to cover that recommendation.

3. The enactment of legislation requiring that all employees and officials of our Federal Government be American citizens.

Mr. President, the third recommendation of the Dies committee which I have just read, which, if I may be permitted to repeal, is to the effect that legislation should be enacted requiring that all employees and officials of our American Government be American citizens, should most certainly be carried out, but I am

going further than that. Of course, I think every employee of the Federal Government should be an American citizen, and I shall later introduce legislation to that effect, but for the time being I think our Federal Government should not employ any Communist, Nazi, or Fascist, regardless of his citizenship, and to that end I am now submitting an amendment to H. R. 1776 which would bar the employment by our Government of any Communist, Nazi, or Fascist. The amendment reads:

No person who is a Communist, Nazi, or Fascist, and who is employed in any department or agency of the United States on the date of enactment of this act shall, after such date, be permitted to remain in such employment, or be paid any compensation out of funds available to any such department or agency.

In this connection, Senators will probably recall that the Dies committee in a previous report stated that there were some 500 or more Communists in the employ of the United States Government then, and I have no information to the effect that they are not still in the employ of the Government.

Mr. President, I send the amendment which I just read to the desk and ask that it be printed and lie on the table. I shall bring it up at the proper time when amendments are being considered and debated.

The PRESIDING OFFICER. Without objection, the amendment will be received, printed, and lie on the table.

Mr. REYNOLDS. Mr. President, I now read the fourth and fifth legislative recommendations of the Dies committee, as follows:

4. Withhold all Federal financial support from any educational institution which permits members of its faculty to advocate communism, fascism, or nazi-ism as a substitute for our form of government to the student body of these educational institutions.

5. The enactment of legislation to outlaw every political organization which is shown to be under the control of a foreign government. As long as these organizations have a legal status in the United States, it will be difficult for any agency of the Government to deal with them. We now know that they furnish the legal apparatus for the operations of saboteurs and the window dressing for espionage. The committee believes that legislation can be worked out to outlaw such organizations and that this will in no sense constitute a violation of the Bill of Rights, since such legislation would only affect organizations controlled or directed by foreign countries.

In this connection, Mr. President—that is to say, in particular connection with recommendation No. 5 of the Dies committee report to the effect that all alien political parties and organizations be outlawed—last year during the third session of the Seventy-sixth Congress, on June 12, 1940, I introduced in the Senate a bill, S. 4132, to outlaw the Communist Party, the German-American Bund, and all organizations, groups, or individuals associated therewith who seek to overthrow the Government of the United States by force or violence through the advocacy of criminal anarchy, criminal communism, criminal nazi-ism, and criminal fascism.

I foresaw even then, before the Dies committee report was filed, what was taking place in this country, and as a result thereof I introduced the aforementioned bill. Let me add that I propose to reintroduce the same bill to outlaw the German-American Bund, the Communist Party, and all other similar organizations as soon as the pending legislation has been disposed of.

6. The enactment of legislation to stop all immigration from foreign countries that refuse to accept the return of their nationals found under American law to be deportable from this country. This legislation is made necessary by the fact that some foreign governments have refused to accept their own citizens who have been ordered deported by the United States Government.

For more than 5 years I have been vigorously insisting upon the immediate mandatory deportation of alien criminals and undesirables, and to that effect I have from year to year introduced legislation, but, unfortunately, no action was taken upon this legislation. I am glad, however, that the American people now recognize that alien criminals and undesirables should be deported; but, unfortunately, in many instances, it is too late for such legislation as I have proposed in the past 5 years, for the reason that so many of the countries of Europe conquered by Hitler or taken over by Stalin refuse to receive back their criminals and undesirables now in this country. Nevertheless, I shall reintroduce my bill during the present session, and we shall see what becomes of it.

7. As previously stated in the body of the report, the committee recommends the passage of added legislation to place restrictions on the distribution of totalitarian propaganda, when that distribution involves any cost to the American taxpayers, and when such propaganda emanates and is shipped from foreign sources.

8. We recommend that the statutory period during which citizenship papers can be revoked under existing law be extended to at least 10 years.

9. Due to the fact that the committee has discovered that many members of foreign-controlled organizations have traveled on American passports which have been fraudulently obtained, the committee feels that the statute of limitations should be extended from 3 to 7 years. This is made necessary because of the unusual difficulty in apprehending those who resort to the use of fraudulent passports within the period of 3 years.

Mr. President, in reference to the ninth recommendation of the Dies committee as to fraudulent passports, I wish to bring to the attention of this body an editorial from the columns of the Charlotte Daily News, of Charlotte, N. C., entitled "Browder to Prison—What About Bridges?" I am very happy, indeed, to see that at last the Charlotte News, which has always criticized me very severely for expending my time and energy in fighting the Communists, and which from time to time has very severely criticized my stand upon restricted immigration, when we have very few Communists and very few aliens in North Carolina, has been awakened to the fact, as evidenced by its editorial, that the notes have finally been plucked from its eyes.

The editorial reads:

Barring the receipt of Executive clemency—of which there is small chance—Comrade Earl

Browder must begin a 4-year sentence in Federal prison. The Supreme Court of the United States has upheld the Communist leader's conviction, and that, we suppose, is that.

But Browder was neither convicted nor sentenced for leading a party which is directed from Moscow and seeks the overthrow of these United States. Apparently there are no acts outlawing communistic activities. He was convicted and sentenced for a simple passport fraud.

Browder's case brings into bold relief that of bounding Harry Bridges, the stormy petrel of the Pacific coast. Bridges, a radical labor leader and an alien, has created much more trouble than has Browder. One attempt was made to deport him on the grounds that he was an alien Communist. But Madam Secretary of Labor Perkins appointed a Harvard Law School dean to hear the case, and after several months of testimony Bridges was allowed to remain with us. Now the Department of Justice is trying its hand at deporting Bridges, and what manner of success it will have is anybody's guess.

Getting rid of an alien these days is a difficult task. Oh, yes; one Jivatode, a Raleigh alien, was deported several months ago. But Jivatode was a harmless newsboy—not a Communist.

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

Mr. REYNOLDS. I yield.

Mr. BREWSTER. Does the Senator mean to intimate that the change of position of Mr. Bridges with regard to the administration had something to do with the change of attitude of the administration toward his deportation? The Senator may remember that he took a little part in the last campaign.

Mr. REYNOLDS. Yes; I recall that he was somewhat interested then. My recollection of him, of course, dates back to the first difficulties he brought about openly for the attention of the general public, in San Francisco during the ship strike.

Mr. BREWSTER. Does the Senator think that Mr. Bridges' campaign activities explain the change of attitude on the part of the administration?

Mr. REYNOLDS. As a matter of fact, I really could not say what has brought about the change. I might state at this juncture that last fall when we were discussing the selective-training bill, one night about 10:30 I offered an amendment calling for the immediate deportation of Bridges, and some of my colleagues then prevailed upon me to withdraw the amendment. They stated then that it would hold up the bill, and they did not think it was quite germane to the bill. Others stated that the F. B. I. was investigating the activities of Mr. Bridges, and that they were sure he would be out of the country in 30 days. So I withdrew the amendment at that time; but Mr. Bridges is still here. He is still very active.

Mr. President, as for the latter portion of the editorial in reference to "bounding Harry Bridges, the stormy petrel of the Pacific coast," I unhesitatingly assert that probably no single individual in the United States has more thoroughly hampered national-defense progress in this country than has he; and my answer to the inquiry by the Charlotte Daily News, "What about Bridges?" is that to the bill now under

consideration, H. R. 1776, I propose to introduce an amendment which will provide for the immediate and mandatory deportation of alien Harry Bridges.

If this is a national-defense bill, then why not rid ourselves of non-American citizens—alien, communistic agitators—who are interfering with the construction of a national defense which is enthusiastically desired and demanded by the American people?

Therefore, Mr. President, I now present an amendment to H. R. 1776 providing for the immediate and mandatory deportation of alien Harry Bridges. The amendment reads as follows:

Notwithstanding any other provision of law, the Attorney General is hereby authorized and directed to take into custody forthwith and deport forthwith to Australia, the country of which he is a citizen or subject, the alien, Harry Renton Bridges, whose presence in this country the Congress deems hurtful.

I send the amendment to the desk and ask that it be printed. I shall also bring it up at the proper time, when amendments are being considered and debated.

The PRESIDING OFFICER. The amendment will be received, printed, and will lie on the table.

Mr. REYNOLDS. Mr. President, I feel confident that all the Members of this body on both the Democratic and the Republican sides will be extremely happy to learn that I have presented this amendment for the reason that it will provide them with an opportunity of voting as to whether they want Harry Bridges to stay in this country and to continue to interfere with our national defense or whether they want to put him out of this country and send him back to Australia, where he belongs.

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

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Maine?

Mr. REYNOLDS. Certainly.

Mr. BREWSTER. Does the Senator think we should stop with the deportation of Harry Bridges when there are several thousand other persons who are in the same category?

Mr. REYNOLDS. I thank the Senator from Maine very much for his remark. I say to the Senator that year after year, for more than 5 years, I have introduced in the Senate bills providing for the deportation of alien criminals and undesirables. I have introduced bills along the lines mentioned in my discourse this afternoon; and I recall that I once discussed upon the floor of the Senate more than 3,000 so-called hardship cases, cases relating to alien criminals who had been apprehended, who had been arrested, who were either in jail or out under bond. I tried my best to have them deported, and the laws under which they were arrested were sufficient for their immediate deportation; but the Secretary of Labor, Madam Perkins, who then had charge of the Immigration Service of the Government, refused to deport them.

At that time I went down to the files and brought to the Senate about 300 of the cases, and read them. Those persons were alien criminals in the country;

and if we had deported them then, they would not be here now.

However, as I stated a moment ago—no doubt before the Senator came in—it is almost too late now.

Mr. BREWSTER. Yes; I heard the Senator's statement.

Mr. REYNOLDS. As I have said, it is almost too late now; because Hitler has conquered many of the countries of Europe, and Russia has taken over the rest of them; and Hitler and Russia—why, even they, those bandits themselves—do not want the scum we have here. Hitler and Stalin say, "No; you keep them. You have them. You housed them, you fed them, you protected them. You said, 'We do not want to send them back, because it may hurt their feelings.' Now we have charge of the country they came from. You people of the United States continue to feed and house and protect them, because we do not want them, and we are not going to take them back."

So it is just about too late to do it.

In regard to what the Senator is now stating—and I thank the Senator very much—a few years ago I introduced a bill providing for the registration and fingerprinting of all aliens in the United States. I was "cussed" from one end of the country to the other for introducing such a bill. Some persons said it would interfere with civil liberty. They said I was un-American. Finally, however, such a bill was passed by the Congress—not my bill, but a bill introduced by Representative HOWARD SMITH. The bill did not even come from the Immigration and Naturalization Committee; it came from the Committee on the Judiciary, and was sponsored on the floor of the Senate by the junior Senator from Texas [Mr. CONNALLY].

If such a registration and finger-printing bill had been passed several years ago we would not today be having trouble with saboteurs and spies in this country; but every time anyone gets up and says something for the benefit of America and tries to do something for his own country, a number of persons say that he is a "fifth columnist," or that he is un-American, or something else. At times it becomes a little discouraging.

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

Mr. REYNOLDS. Yes; certainly.

Mr. CLARK of Missouri. In view of the Senator's remarks a moment ago about Harry Bridges, and inasmuch as there has been some discussion in the Senate about the effect of the proviso "Notwithstanding the provisions of any other act," I desire to call the Senator's attention to the fact that I have made some examination—although not so extensive an examination as I would have made if time had permitted—and up to date I have found only one other bill in which was used the expression, "Notwithstanding the provisions of any other act." That was the bill passed in the last session by the House, providing for the deportation of Harry Bridges.

Mr. REYNOLDS. Yes; in the last session such a bill was introduced in the House by Representative ALLEN, according to my recollection.

Mr. CLARK of Missouri. So far as I have been able to determine, that is the only precedent.

Mr. REYNOLDS. I thank the Senator very much for his remarks.

As I say, in the last session of Congress a bill providing for the deportation of Harry Bridges was introduced by Representative ALLEN, a very able and most patriotic Representative from the Commonwealth of Louisiana. That bill was passed by the House with very few votes opposing it; but the bill never came up for a vote before the Senate. I am glad to have the opportunity to present such an amendment to the bill now under consideration, because I am confident the Members of this body will be glad to let the American people know by their record vote that they do not want Harry Bridges in this country, and that they are not going to stand for him.

In conclusion, Mr. President, I desire to ask the Members of the Senate: Shall we profit by the unfortunate experiences of France, Belgium, Holland, Luxembourg, Czechoslovakia, Denmark, Norway, Finland, Poland, Latvia, Lithuania, Estonia, Bessarabia, Austria, Rumania, and now, as a matter of fact, Bulgaria; or shall we prove to be the gullible, easy prey that Stalin and Hitler and his cohorts believe we are?

Instead of depleting our own national defense here at home by continuing to send our arms abroad and by crusading and fighting over there to crush nazi-ism, communism, and fascism, with the idealistic purpose of saving democracy in that part of the world, I respectfully urge that we determine to refocus our attention and devote our time, our energies, and our wealth to the actual defense of this country and to the business of saving democracy here.

Mr. President, I desire to have printed in the RECORD at this point an article which I have before me entitled "Mexico Hears Claim on El Paso," dated Mexico City, February 26. It has been stated that the Latin American countries do not appreciate our unneutral position, nor do they appreciate the fact that we made several pacts and agreements with them in regard to matters of hemispherical defense and also world interests, which some allege may be affected by that position. I ask unanimous consent to have the article printed at this point in the RECORD.

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

The article is as follows:

MEXICO HEARS CLAIM ON EL PASO

MEXICO CITY, February 26.—Commotion was caused in the chamber of deputies Tuesday by a demand that Mexico take advantage of the United States' apparent preoccupation with thoughts of war to demand cession of a section of El Paso, Tex.

Deputy Jose Betancourt Perez, a professor in the University of Mexico, demanded the Government list Mexico's claim to the Chamizal section of El Paso in the agenda of matters to be discussed by Ambassador Castillo Najera with Assistant Secretary of State Sumner Welles.

He noted for the record that 34 years ago a Canadian arbitrator had awarded Chamizal to Mexico and set its value at \$50,000,000, but nothing had ever been done about the transfer.

"This is the moment for Mexico," the deputy argued. "Now that weak countries mean something in the world situation, now when the United States is preparing for war, now when the United States needs the aid and sympathy of all the peoples of America—now is the moment for Mexico. The Government and the people of America may be sure the people of Mexico will not believe in the good-neighbor policy as long as the United States fails to fulfill its obligations to Mexico."

Mr. REYNOLDS. Mr. President, I have before me an article entitled "Bill To Aid British Causes Much Puzzlement for South Americans." This article I clipped from the columns of the Wilmington, N. C., Daily News of March 1, 1941. I submit the article in conjunction with the very able address made the other day by the junior Senator from New Mexico [Mr. CHAVEZ], when he attacked the lend-lease bill from the standpoint of its affecting our friendly relations with South America.

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

The article is as follows:

BILL TO AID BRITISH CAUSES MUCH PUZZLEMENT FOR SOUTH AMERICANS

(By Peter Edson, The News, Washington correspondent)

WASHINGTON, February 27.—A few new angles on United States relations with South America have bobbed up as the European and Oriental comets of crises move along their orbits with blazing tails.

Principally, there is puzzlement as to where the lease-lend bill will leave the South Americans. If hemisphere defense is to be the big thing, and a large part of the United States defense effort is intended to prevent the Nazis from taking over South America, then where, the South Americans wonder, will help come from for them.

Argentina, for instance, not so very long ago decided to abandon German, French, and British planes for its air force, and standardize on American aircraft—because the United States would be able to make deliveries. But the Argentine Republic has had an order on file with United States plane makers for months, and hasn't been able to get deliveries.

To the charge that South America is being dominated by the Nazis now, the Sud Americans reply that they have more fear of what the "fifth column" will do in the United States than they have in Latin-American republics.

BRAZILIANS SAY THEY CHECK NAZIS

There has been particular concern about Nazi penetration in Brazil, but the Brazilians claim that they have a much better stranglehold on the German menace than have the people of the United States. German pamphleteering and newspapers in the United States go practically unchecked, but whenever a German language newspaper in Brazil prints foreign news, it is required to print in the next column a literal translation in Portuguese, Brazilian national language.

Similarly, all radio broadcasts in Portuguese or German, to the German people of Brazil, are restricted almost entirely to music and entertainment. News bulletins are limited to simple statements of fact. No comments.

Efforts to improve commercial relations with the South American republics are just about where they always were. Every discussion on this subject sooner or later comes to the stone-wall argument that we can't trade with South America because the raw materials that they formerly sold to Europe—

wheat, meat, cotton, corn, and sugar—are the commodities which the United States already has in abundance.

What has perhaps been overlooked is the possibility that the southern sister republics might try a little more selling of their excess groceries to each other. Travelers who come back drooling about the tenderness and juiciness of Argentine steaks will tell you in the same breath that the best flet mignon in the other South American countries is obtainable by slicing off the sole of your own shoe. Recently, an air-express shipment of steaks was sent over the Andes as a publicity stunt. It was front-page news, and it did result in an effort to drive cattle herds from Argentine into Chile for slaughter.

Spreading Yankee culture is still much on the trial-and-error basis, with emphasis on the error. Grapes of Wrath, which was to educate South America about American life, was a terrible flopper. The people just wouldn't believe it was a true picture of life in the United States of America. Mistakes in staging, such as putting palm trees in the Andes or Argentine cowboys in Brazil, leave the cousins very disgusted; but with experts on every lot in Hollywood now, that may be overcome.

Best idea so far seems to be to send a string of stars on personal-appearance tours. Dorothy Lamour is dying to go, at Government cultural-relations expense, and should fix everything up dandy.

How much good the Government loans will do remains to be seen. Palms—hands, not trees—are supposed to be out all along the line. One big problem will be to keep the American loans from helping finance foreign competitors, particularly the British, whose trade in South America has always been way out in front of United States commerce.

One plan, which you will hear more of, and which will give you an idea of how some people in Washington are thinking, is to take all the British assets in Latin America and have them pooled under some joint custodianship like the Habana Conference of 21 American republics, already organized to take over administration of British territory in the Western Hemisphere should Britain falter.

Mr. DOWNEY. Mr. President, I should like to read into the RECORD a telegram which I received today from certain of the most noted scientists and educators on the Pacific coast. It is as follows:

PASADENA, CALIF., March 2, 1941.

Hon. SHERIDAN DOWNEY,
Washington, D. C.:

After thorough objective discussion 89 percent of the joint faculties of the California Institute of Technology, Huntington Library, Mt. Wilson Observatory, have voted endorsement of the lease-lend bill. A radio poll taken Friday as published in Los Angeles Times reveals 95.5 percent of Los Angeles County listeners endorsing that bill. Request these figures be read into the CONGRESSIONAL RECORD.

Walter S. Adams, Max Farrand, Robert A. Milliken, William B. Munro, Edwin F. Gay, Edwin Hubble, Judge Edwin F. Hahn, Rt. Rev. W. Bertrand Stevens, Rev. Leslie E. Learned, Rev. Theodore Soares, and James H. Howard.

Mr. SCHWARTZ obtained the floor.

Mr. CLARK of Missouri. Mr. President, will the Senator from Wyoming yield to me?

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

Mr. CLARK of Missouri. I ask unanimous consent that there be inserted in the RECORD an article by Walter Davenport, appearing in Collier's Weekly of

February 15, 1941, entitled "You Can't Say That," describing the operation of a system to be set up in the country under the Hill censorship bill.

Mr. HILL. Mr. President, reserving the right to object—although I am not going to object, I want the article to go in—the Senator from Missouri refers to the Hill censorship bill. I have not read the particular article, although I did glance through the first few paragraphs of it.

There is no Hill censorship bill. There is a bill which I have introduced, and which Representative O'LEARY introduced in the House of Representatives, to authorize appropriations for the Office of Executive Reports in the executive branch of the Government. That office was set up some years ago—as I recall, about 1935—by Executive order of the President. Since that time it has been financed by allocations by the President from lump-sum appropriations which he controls. The idea now is to have the appropriations for that Office come not through lump-sum appropriations but by direct appropriations of the Congress. In order to do that it is necessary to have, as we know, under the rules of both the House and the Senate, authorization legislation. Otherwise, if an appropriation were brought in here in an appropriation bill, the appropriation would be subject to a point of order. What the bill seeks to do is merely to authorize appropriations for this Office without increasing the power of the Office, without increasing the scope of the work or authority of the Office.

It was not my intention in introducing the bill to set up any kind or sort of censorship in any way whatever, and I am sure no one connected with the bill had any such idea or intention. The idea was simply to authorize appropriations, so that the work that this Office has been doing for some years may continue to be carried on with regular authorized appropriations.

Mr. CLARK of Missouri. Mr. President, will the Senator from Wyoming permit just one more sentence?

Mr. SCHWARTZ. I yield.

Mr. CLARK of Missouri. I ask unanimous consent to amend my request calling the measure "the Hill censorship bill" by calling it "the Hill-O'Leary censorship bill." I think the article itself will sufficiently explain the purport of the censorship proposal.

Mr. HILL. Mr. President, of course I shall not object to the request of the Senator to put the article in the RECORD. Again I desire most emphatically to deny that there is any censorship about the bill, or any idea, any thought, or any intention of censorship. As the author of the bill, I think I know more about it than does any magazine writer, no matter whether he be Mr. Davenport or who he may be.

Mr. CLARK of Missouri. Mr. President, anybody who will take the trouble to read the bill can find out that Mr. Davenport is right about it.

Mr. HILL. Mr. President, will the Senator from Wyoming yield?

Mr. SCHWARTZ. I yield.

Mr. HILL. I ask unanimous consent to insert in the RECORD at this point a

copy of the bill, so that the bill may speak for itself.

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

The bill (S. 887) is as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated annually to the Office of Government Reports in the Executive Office of the President a sum not to exceed \$1,500,000, in order to (a) provide a central clearing house through which individual citizens, organizations of citizens, and State or local governmental bodies may transmit inquiries and complaints and receive advice and information; (b) assist the President in dealing with special problems requiring the clearance of information between the Federal Government and State and local governments and private institutions; (c) collect and distribute information concerning the purposes and activities of executive departments and agencies for the use of the Congress, administrative officials, and the public; and (d) keep the President currently informed of the opinions, desires, and complaints of citizens and groups of citizens and of State and local governments with respect to the work of Federal agencies: *Provided*, That, in the expenditure of such funds, section 3709 of the Revised Statutes shall not be construed to apply to any purchase or service where the aggregate amount involved does not exceed \$50: *Provided further*, That the President may fix the salary of the Director of the Office of Government Reports at a rate of not more than \$10,000 per annum.

The PRESIDING OFFICER. Without objection, the request of the Senator from Missouri to have printed in the RECORD the article referred to by him will be granted.

The article is as follows:

[From Collier's Weekly of February 15, 1941]

YOU CAN'T SAY THAT

(By Walter Davenport)

THE PROPAGANDA MACHINERY IS NOW BEING SET UP IN WASHINGTON AND WILL START GRINDING OUT CHOICE WORDS (MOSTLY ADJECTIVES) WHENEVER THE PRESIDENT DECIDES TO PRESS THE BUTTON. ITS CHIEF ENGINEER IS STANDING BY—LOWELL MELLETT, A SHY, SCHOLARLY, ABLE NEWSPAPERMAN, A FRIEND OF THE PRESIDENT AND, IF THIS JOB GOES THROUGH, OF NO ONE ELSE—HEAD MAN OF AMERICAN CENSORSHIP WILL PROBABLY BE THE PRESIDENT'S CONFIDENTIAL ADVISER, LOWELL MELLETT—ONE OF THE AIMS OF THE PRESENT PLAN IS TO SELL THE WAR TO THE HALF-HEARTED AND THE DOUBTFUL—CONGRESSMEN AREN'T GOING TO RELISH SUBMITTING THEIR OFF-THE-FLOOR STATEMENTS TO THE CENSOR

Amid the clangor of the anvils of defense its birth will be a whisper. Your newspaper will dismiss it with an item. Your radio commentator, tearfully solicitous of your feelings, will assure you that it means really nothing. It will be merely that a few publishers, broadcasting impresarios and movie makers will have been invited to the White House to discuss the only topic anybody discusses—national defense. Afterward, both radio and the press will bid you not to be fearful, that both are still free, that you will get the news, fact upon fact. Rumor will have it that both are to be censored forthwith, the magazines, too. But this will be denied.

When you consider what censorship means in Germany, Italy, Russia, and Japan—and even England—the denial will be proper. They'll assure you that at the White House they merely discussed a possibility—oh, well, a probability if you insist—that will happen if and when we get into this war. And then it will be the patriotic duty of print and vocal broadcasters to see to it that important tidings do not reach unfriendly ears.

Nevertheless, when this happens—this conference and the ensuing reassurances—you will be entitled to arrive at three conclusions, all of which will not be far from exact: First, you may assume with complete safety that the White House is convinced that the likelihood of the United States remaining out of the war is remote. Second, that publishers and broadcasters have been asked to consider and adopt a plan of self-censorship. The third is that it won't be long before dispatches from Washington will carry "Censored at source" warnings.

A number of President Roosevelt's earwarmers have been urging him to call the publishers now. They plead that even now the press, the radio, the mails, and the cables are far too free for the good of our side in this fight. The more eager of them have been urging that a journalistic observation post be established at once to study news outlets with a view to discovering before actual censorship sets in who may be trusted and who may not. But Mr. Roosevelt has not warmed to the idea.

Too many mouthpieces

Unofficially, the State, War, and Navy Departments, some members of the Defense Commission, and a few important munitions manufacturers would like to see it happen at once. Actually, all of them have clamped down a semisilence on what they regard as facts, activities, successes, failures, and projects. They tell you that they are anxious merely that such tidings should not trickle into unfriendly ears and that their only desire is that America and Americans should be protected. The State Department is thinking of censorship as a matter of self-protection. Mr. Hull among others being convinced that his office has too many mouthpieces sounding off in too many places on too many subjects. And the Army would be happier were it able now—before censorship, voluntary or enforced—to dictate the style and phraseology of articles on military subjects as well as facts.

But these are mere symptoms. Our job is to tell you that when the publishers are called to Washington they will learn that, lacking a plan of their own, they may avail themselves of a plan already beyond the skeleton stage. It will be given to them as a guide rather than as a proposal. They may rewrite it until sick of it. They may be told that they may pick their own censor or nominate their own director of public information—for such will the gentleman be called. But here, too, they will be informed that failing to agree upon a censor, or failing to select a man who can pass the administration's stern requirements, the administration has its own nomination—Mr. Lowell Mellett, at present Director of the Office of Government Reports and administrative assistant to the President of the United States. Whether the publishers can fix upon a better censor than Mr. Mellett we don't know; it is unlikely that anyone could nominate an abler journalist or a man more passionately devoted to the democratic ideal.

However, we'll come to Mr. Mellett later. Before we go further you ought to know what the plan is in its present outlines—and how it will be introduced. It won't be necessary for Congress to bless it with permissive legislation. The National Defense Act of 1916 still exists and therein are the enabling clauses for censorship. That much for the press. The radio is already in the President's hands, the law stipulating that he may take broadcasting over at any time he deems that an emergency warrants it. All he has to do is to speak to the Federal Communications Commission and the Nation's broadcasting stations will be told precisely what not to do.

All ready with the plan

To begin with, then, the President will call to Washington certain publishers representing the American Newspaper Publishers As-

sociation, publishers of magazines, representatives of radio broadcasting stations and chains, and, so that a delicate job be done as tidily as possible, a few Washington correspondents. The talk will be general, the guests being warned that the problem is all theirs. A few of the bolder ones will pay tribute to the traditions of the American press, to its constitutional guaranties, to the right of the people to know the truth. And they will cite horrible examples of censorship's past. And no one present will applaud this louder than Mr. Roosevelt himself. Presently the conference will dissolve, the participants having agreed to appoint a working committee that will proceed without much delay to evolve a voluntary censorship plan.

As we've told you, a plan already exists. By the time the publishers meet it will be on paper. In its present form it is a compromise between a censorship and a sales campaign—a campaign to sell the war to the halfhearted, the fearful, and the doubtful. Washington is almost unanimous in that never in the memory of the oldest militarist has there been less enthusiasm for war. There is none of the spirit of high adventure that swept the country in 1917. In 1917 America viewed war as a lark. American arms hadn't fired a gun in anger since 1865, the affair in Cuba having been a mere skirmish fought by a few volunteers. There is none of 1917's exhilaration around these days. The ballyhoo has a baneshee motif.

Therefore, an important part of the present plan is to sell the war to the masses. What can be said in the praise thereof will be mortised neatly into what may not be said that the praise be not tarnished. The sales campaign will glorify ship launchings, military parades, camp festivities, naval displays. But revelations of strikes, sabotage, and laggard production will be discouraged—at best minimized. If the spirit that Washington hopes to see prevail, the radio will ring with soldiers' choruses, workers' glee clubs, and patriotic talks by mothers whose sons are in uniform.

That gives you a hint. And the movies will thrill you with martial glory and doughboy humor. The newspapers and magazines will regale you with the brilliance of victories, safe landings, heroisms, and the misfortunes of the enemy. Our own reverses will be belittled and failures ignored. Hallelujah shouters may be missing from the platforms of 1917, but not because they do not exist. The radio has chased oratory indoors.

In conjunction with Hollywood, the Government proposes to resume producing movies. Films as ambitious (and as impressive, they hope) as *The River*, *The Plow that Broke the Plains*, and *The Fight for Life*, three major pictures produced by Pare Lorenz for the Government under the auspices of Mr. Mellett, will be attempted. The scenarios are not yet written, but unless a better idea is found these major productions will treat of the war in a broad, subjective manner, informing the country what it fights for. Simpler will be the movie shorts, which, they hope, will serve the cause of democracy as the many one reelers were supposed to serve the Agriculture, Interior, and Commerce Departments a couple of years ago—until Congress cut out appropriations for them.

You may or may not have seen some of the shorts—*The C. C. C. Down Mobile Way*, *The C. C. C. in the Blue Ridge Mountains*, *The C. C. C. in a Crisis*, *Duck Sickness*, *How to Handle Foxes*, *Know Your Coal*, *The How and Why of Bird Banding*, *Better Days in Dixie*, *Fairy Fantasies in Stone*, *Four Little Mice*, and others.

These quickies will endeavor to tell you how well your favorite soldier is doing, looking, eating, sleeping, playing, and working. They will illustrate the physical benefits enjoyed by the long-necked, narrow-shouldered, and pasty-faced lad who is eased out of the

office, shop, or factory into his country's service. Such major films as *The River* cost the Government \$80,000. The shorts can be ground out for about \$5,000 apiece.

A fast-growing baby

In addition to these films and the radio, special movies and broadcasts will be prepared for Latin-American consumption, the desire being obvious. Not the least of the censor's jobs will be to light the fire in South America and to keep it going. To this end Latin-American playwrights, actors, and scenarists will be hired and charged with flooding our southern neighbors with cementing propaganda against totalitarianism. The whole project will be a huge one; the censor's office might very well become one of the largest of all Government agencies. The present idea is to have it all administered from one central office in Washington, by one man—probably Mr. Mellett. But there will be several hundred field officers who will devote themselves more to straight censorship and observation than to selling.

Details will be left to the publishers, film producers, and the broadcasters—the working committee. But the details will represent a vast amount of labor, to say nothing of much suspicion and discontent. For example, it must be decided whether the central office of the censor will have command over all the publicity agencies and public-information sections of all the existing departments, bureaus, and other agencies of the Government, whether they are directly or indirectly related to the active prosecution of the war. The tendency is in that direction, giving rise to a fear that disturbs the sleep of a number of those Members of Congress who do not love Mr. Roosevelt.

Such a consolidation of press sections might, they contend, give Mr. Roosevelt's own director of public information an exclusive authority over all Government news, propaganda, information, and general ballyhoo. And if private industry, fearful of displeasing the Government, and incidentally of being slighted in Government broadcasts and releases, should prefer to make the censor's office the outlet for their facts, the anti-Roosevelt forces think that the situation might develop into something that even Mr. Hitler's Goebbels and Mr. Mussolini's Gayda might respect.

Quite frankly, there is nothing in the current plan which lends substance to the ghost these resentful gentlemen appear to be seeing. And the completely rational Mr. Mellett merely looks just a little wearier whenever such fears are spoken in his hearing. Were his own inclinations to be served, Mr. Mellett would be just as pleased if he were to have nothing whatever to do with censorship. However, he is the one man in Mr. Roosevelt's confidence best fitted for the job.

Friction is bound to come

Nevertheless, the publishers, movie producers, and broadcasters will have to consider censorship from a number of angles, some of which may curtail their peacetime freedom. They may agree to a central information dispensary system, thus saving time and speeding up news publication. But they are not going to be willing to go along with the Government in the censorship of what they regard as exclusive information—facts and semifacts—dredged up by individual newspapers.

For example, if a reporter by dint of a bit of extra and intelligent leg work digs up a nice, jarring sensation, neither his editors nor his publishers are going to be happy if required to submit the "beat" to the censor. And they are going to be even less happy if the censor, deciding that it would not be in the best interests of the public to publish the piece, should kill it. But we have no room for details. Please take our word for it that the business of setting up a censorship is not going to be a joyous one for anybody.

Among Mr. Roosevelt's private information are a number of reports on censorship as it is operated in England. Among them is one telling of England's chowderhead set-up in the early days of the current war. England's censorship woes were traceable then to the record-threatening stupidity of the men she entrusted with censorship's functions—most of them dullards whose experience in journalism had not extended beyond writing windy mumbles to the Times. If Mr. Roosevelt's wishes are respected—and it shouldn't be surprising if they are—none but experienced newspapermen and radiomen will fill any important position in the office of the Director of Public Information. Moreover, it is upon these reports that much of the idea of a comprehensive and all-inclusive office is based.

There is considerable argument as to whether the central office of public information should have authority over the Army intelligence and the Navy intelligence services insofar as news releases, broadcasts, and pictures—still and movie—are concerned. The central office won't, if the Army and Navy have anything to say about it. Not that they are not sympathetic to censorship, but neither does publicity of the more flattering variety nauseate them. Each will continue to maintain its own intelligence service, set up its own listening posts within its own organization, and apply the reports of its intelligence officers to the military problem immediately at hand. But it is yet to be decided whether the Army, Navy, and air force will announce results of their operations independently to the press or through the office of the director of public information—the censor.

These are merely a few of the aspects of censorship that are now being considered. Others will present themselves. It is our private suspicion that nothing quite as comprehensive or anything so closely related to efficiency will happen—certainly not at first. Or if such hard-boiled centralization is attempted at the beginning, it is not unlikely that it will either buckle under its own weight or that Congress, nagged into action by an outraged press, interdepartmental resentments, and lack of cooperation, will say it's Nazi and the hell with it.

Both the Army and the Navy have efficient intelligence sections. Both have and will assign to these sections officers who have either made a specialty of intelligence work or reserve officers who have had newspaper, publicity, advertising, or kindred training. If censorship becomes as tough as some of its current enthusiasts hope, a number of these officers may be assigned to field offices to keep their wise eyes on the publications within the region of the field offices.

Advocates of this idea do not put it that bluntly; they'll tell you that such officers will be there merely to "advise" editors. What would happen if the editor, perplexed though he may be, rejects the deputy censor's "advice" we don't know. It is likely that most of such regional work will consist of observing the pages of foreign-language publications and standing by with lid in hand lest the more radical press let go with a few unpatriotic remarks.

Housecleaning begins at home

In the beginning—perhaps at the preliminary conference at the White House—the press and radio will be asked to be sure their own houses are clean. The Federal Bureau of Investigation is reported to have made a rather wide inspection of the American press and to have compiled an interesting mass of dossiers on editors and writers. The F. B. I. denies that such members of the community have been given any particularly searching going over—no more, that is, than any other group nor half as much as such chronic nuisances as the German-American Bund and the various malcontent mobs and "shirt" racketeers.

Nevertheless, we have it on authority that we trust that journalism has had quite an inspection by the F. B. I. lads, with particular attention being lavished upon editors and writers who do not always regard the status quo as holy. Anyway, the publishers and broadcasters who will be asked to set up a censorship of their own devising will be asked to make sure that their staffs do not include men and women who have un-American affiliations or who are not wholeheartedly opposed to the German, Italian, and Russian ways of life.

American information services maintained in this country by foreign governments will be closed as a matter of course. This will not apply to offices financed by England or any other ally we may pick up. It is expected that the British Intelligence Service, which has been exceedingly active here for years, will cooperate with our Bureau of Public Information.

At the offices of the Defense Commission they'll tell you that as far as they know there are few men in the United States who aren't convinced that they could do a better job of rearming the country and simultaneously aiding Britain. But as far as we've found out, the country is populated exclusively by men and women who know precisely what to do about censoring the newspapers. Moreover, there's not one of them who isn't sure that, at the lift of a finger, he or she could run a newspaper and magazine far better than the beef-witted rabble who are doing it now.

But Washington is going to do its best to keep the office of the Public Information Service out of the rodeo class. At the moment there are those who would set up a censorship that would make Mr. Stalin's seem democratic and Mr. Hitler's a liberty-loving thing, the only aim of which was to furnish the masses with the ultimate syllable of truth. The job of making censorship in America airtight would be just a little more than democracy could bear. For example, there's Congress itself.

Since the creation of the Defense Commission, several Members of Congress have introduced resolutions demanding that the whole truth of munitions production be made public, or at least given to Congress where such reports are regarded as a constitutional right.

Probably the resolution that has won the most publicity is the one introduced by Senator HARRY FLOOD BYRD, of Virginia. Senator BYRD's demand is for periodic reports in complete detail. The resolution was still languishing in committee when we inquired into it—and had an excellent chance of staying there. Ordinarily the various departments of government and special agencies, too, are scarcely bold enough to deny information to Congress however loath they may be to reveal their secrets. In ordinary circumstances they give in because Congress, to whom they must go for money, is likely to get economical with those who oppose its demands.

But these are not ordinary days and Congress is in no position to deny appropriations for defense building. And the Defense Commission, having appealed to the President to sustain its reluctance, is much less than willing to tell Congress all. The Commission's position is that there are a number of things, statistical and otherwise, that the enemies of democracy would enjoy knowing. To reveal all of its secrets to Congress would be tantamount to giving the story to the public, too many reporters having friends in Congress eager to tell them everything they know.

The total censorship set in Washington is in complete accord with the Commission. They would go so far, in an emergency, as to make Congressmen, too, submit off-the-floor statements to and through the censor. They refer you also to the legal advisers of Con-

gress. And there you discover that while there is no law compelling agencies of the Government to comply with congressional demands for information, neither are there statutes protecting the departments who don't want to tell.

The mysterious Mr. Mellett

There are precedents, however. Several of them are in the form of riders to resolutions demanding facts, the riders stipulating that the President may specify that publication of the information (from the State Department in particular) would not be in the best interests of the public.

But there you have the censorship outlook as it exists before it starts. It is rather generally conceded that when it comes the censor will be Mr. Mellett, who is probably as deeply embedded in the President's confidence just now as any man in Washington. Mr. Mellett is middle aged, gray, scholarly, shy, spare, of medium height, and, in the estimation of a number of competent judges, handsome. He is one of the President's idolaters. On Capitol Hill he is regarded by the opposition as the most mysterious of all of Mr. Roosevelt's mystery men, past and present. By these men he is feared as well as disliked.

In politics and journalism he has been a fearless and uncompromising liberal. He absorbed his first lessons in independent thinking and political liberalism from his father, Jesse Mellett, who was editor of the Free Press in Elwood, Ind., the birthplace of Mr. Lowell Mellett, and a town which came to the surface in the latter half of 1940. Jesse Mellett's Free Press was a Democratic newspaper but not blindly so, its editor being of the opinion that his conscience was a more reliable guide than the Democratic National Committee. In those days it didn't take much to make a sensation. Therefore, when Jesse Mellett refused in 1892 to support Grover Cleveland, because Mr. Cleveland didn't measure up to his ideals, he became a marked man, a renegade, a villainous apostate. If they had been calling them "reds" in those days, Jesse Mellett would have been called a "red."

Lowell Mellett's brother, Don, was murdered by gangsters in Canton, Ohio, in 1926. He was editor of the Canton News. In spite of repeated threats and warnings, he persisted in exposing the tie-up between mobsters and the city government, in particular the police force. He was fatally successful. Don Mellett defied the official and non-official hoodlums to their faces and in his news and editorial columns. One evening as he got out of his car in front of his home, gunmen killed him from ambush.

Lowell Mellett was managing editor of Collier's for 1 year. He served in various editorial capacities on several Scripps-Howard newspapers, the latest being the Washington (D. C.) News. Twice he resigned the editorship of that paper, the second time because he could not agree with the ownership's opposition to President Roosevelt's Supreme Court fight—the furor popularly known as the President's court-packing bill. Flattering inducements to return to his post were rejected by him.

Mr. Roosevelt appointed him head of the National Emergency Council—a misnamed agency which furnished New Deal information (and some propaganda) to the newspapers, radio, the movies, and the magazines. Furthermore, it was a newspaper- and magazine-clipping bureau which was supposed to keep the New Deal informed of how it was doing with the public—for better or worse. As a propaganda agency it was furiously active. For example, it produced or distributed 2,847 Government movies and therefore got itself denounced by Republican Congressmen—Representative DIRKSEN, of Illinois, for one—as "the biggest piece of fakery in the Government Establishment." Nevertheless, even the bitter Mr. DIRKSEN described Mr. Mellett as "a man of ability, a man of capacity."

Mr. Mellett got \$10,000 a year, and his N. E. C. received upward of a million dollars annually from Congress until it asked for a million and a half for 1940 and got itself hamstrung by a fed-up Senate. But Mr. Mellett had done a rather large job in his quiet way. He had set up machinery to coordinate relief and recovery agencies throughout the country, although the machine never quite got going. He organized State lobbies to promote New Deal legislation in legislatures and guide the same to adoption. He did a lot of wire pulling in congressional committee rooms for the White House and was a painstaking researcher for Members of Congress. That gives you an idea, but only an idea.

Not a minor part of his job was to whoop it up for new New Deal projects and enterprises—the Wage and Hour Act, the Home Owners' Loan, and the like. His "confidential reports" to Mr. Roosevelt are still confidential, in spite of many vigorous and frequently angry demands by Congressmen that they be made public. As a propaganda-film producer, Mr. Mellett was unable to finish what would have been his masterpiece and which Mr. Roosevelt wanted more than any other. It was to be called *Ecce Homo*, to cost \$165,000, and, in Mr. Mellett's own words, to be a "documentary film designed to dramatize certain aspects of the unemployed problem—man in the machine age." Congress refused to appropriate the money.

When the National Emergency Council withered for the want of appropriation, it reappeared, considerably abbreviated, as the Office of Government Reports with somewhat similar but less expensive duties to discharge. And to keep Mr. Mellett busy at his work on Capitol Hill, he was made Administrative Assistant to the President—one of those jobs for men with a passion for anonymity.

Thus Mr. Mellett, the very capable gentleman who will very likely be the American censor should the United States slip into this war. Sometime ago Mr. Roosevelt assigned Mr. Mellett to work up a plan. He is still working on it. He says that drafting such a plan is simple enough.

"But the administrator," he adds, "is going to win no popularity contests."

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

Mr. SCHWARTZ. I yield to the Senator from Ohio.

Mr. TAFT. While we are on the subject of press censorship, I should like to read to the Senate a telegram I have received from Carl W. Ackerman, dean of the Graduate School of Journalism at Columbia University, the leading school of journalism in the country. He says:

NEW YORK, N. Y.

HON. ROBERT F. TAFT,
Senate Office Building,
Washington, D. C.:

May I respectfully request your consideration of an amendment to H. R. 1776 specifically prohibiting the establishment of a governmental censorship of the press, radio, forum, pulpit, classroom, or any other facility or instrumentality of communication which will interfere with the free discussion of the issues of war or peace. As the wars in Europe and Asia are characterized by extensive propaganda by all belligerents throughout the world, the term "defense information" in section 2B and the definition of a defense article as any "facility" combined with broad Presidential powers in section 9 would grant the Chief Executive authority to mobilize and direct the facilities of the press, radio, forum, pulpit, and classroom for propaganda purposes at home and abroad. In every country now at war the governments have established censorship or control and direction of public information. Where I

recognize that our Government, in time of war, should establish and maintain censorship at the source of all military and naval information that is of advantage to an enemy for military purposes, we have the experience of all belligerent countries to prove that the centralization of power is followed by censorship or restrictions and official intimidations which suppress freedom of public expression or compel uniformity of public opinion. Unless H. R. 1776 is amended the Congress of the United States, for all practical purposes, will confer upon the President the authority to establish a censorship of news and opinion that exceeds any defense need. In this extreme national emergency when our Government is preparing to defend democracy by aiding or participating in war, it is time for Congress to be vigilant and safeguard specifically the privilege and duty of all citizens of exercising the right of freedom of expression. We need a positive assurance, not a negative assumption, that there will be no censorship. The American people are entitled to this reassurance as are the peoples of Latin America, who may know by our example, that we are not destroying our political, intellectual, and cultural liberties in advance of a war to save them.

CARL W. ACKERMAN,
Dean, Graduate School of Journalism,
Columbia University.

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

Mr. SCHWARTZ. I yield to the Senator from Vermont.

Mr. AUSTIN. While we are in the atmosphere of higher learning, it occurs to me that I should read into the RECORD a telegram I have received today from an institution of higher learning. It relates to the same subject, although it is more or less confined to the Senate. Let me read it.

This telegram has a date line of Champaign, Ill., March 3, 1941, 2:32 p. m. I have not counted the signatures, but I estimate that there are at least 100 signatures:

We, the undersigned members of the faculty of the University of Illinois and of the State Geological Survey, speaking in our private capacity as citizens, earnestly urge all possible expedition in passing lend-lease bill. Every delay supports impression in totalitarian countries that our Nation is disunited and lacks instinct of self-preservation. Minority has right to be heard, but no right to obstruct or prevent legislation demanded by majority as vital to safety of whole Nation.

I also received in the same delivery, or near it, another telegram from Champaign, Ill.—I do not know what stirred this up—evidently having the same objective, because it reads:

Please use your influence for immediate passage lend-lease bill.

That telegram is signed by a great many persons, evidently not belonging to the faculty.

Mr. CLARK of Missouri. Mr. President, let me ask the Senator from Vermont, who has quoted a long telegram from a number of faculty officials, how many telegrams he has received from students at the University of Illinois who might be of military age.

Mr. AUSTIN. I thank the Senator for his observation. I do not care whether he objects or not.

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

Mr. SCHWARTZ. I yield.

Mr. WHEELER. I would agree that in many of the universities the presidents, who are too old and too decrepit to go to war, are anxious to send the students of their colleges to war. But I submit that the vast majority of the student bodies of all the universities in the United States are opposed to the lend-lease bill, and are opposed to our getting into the war.

Mr. AUSTIN. Mr. President—

Mr. WHEELER. Let me say, further, that while the Senator has read this telegram, since the inception of this bill I have received over 100,000 letters, from every State in the Union, including the State of Vermont, and the letters coming to my office at first were approximately 10 to 1, against the proposed legislation, but today the letters coming to my office will run 50 to 1 against it. As I have already stated on the floor of the Senate, the letters and telegrams coming in today are to the effect that the writers would even like to see us filibuster the bill. I have said to the correspondents that so far as I was concerned, I did not intend to conduct a filibuster. But for a lot of college professors, many of whom do not know what is in the bill, and do not know anything about legislation or how to legislate, and who could not be elected to the position of dog catcher in the communities in which they live—for them to send word to us as to when we should stop debate in the Senate of the United States, is ridiculous.

Mr. President, many college professors have come to Washington during the last 8 or 10 years and taken positions in various departments of the Government, and if ever there has been a group who have been total failures in the conduct of public affairs, it has been some of the high-priced professors who have come here. We all know who they are, and no one has pointed to them more than has the Senator from Vermont for their lack of—I will not say what I was about to say [laughter]—for their lack of judgment, let me put it, in the handling of public affairs from a practical standpoint. From the standpoint of teaching, from the standpoint of explaining textbooks, they may be entirely competent, but from the standpoint of the practical handling of public affairs, while I do not know any of them, there are very few of them who have not made a failure of it.

I am amazed to see the propaganda. I expect to see from now on much propaganda coming in through the columnists, and through the editorials of some of the large newspapers. I expect to see it come in from college professors. I expect to see it started by the White committee saying that Congress should vote, that they should vote now, that they should do it now, "And if you don't do it now, it will be too late tomorrow." We heard the same story when the conscription bill was before us, and we will hear it again. But the vast majority of the people of this country want to know, and they have a right to know, what is in the bill.

I admit that when the bill was first introduced, through the motion-picture houses of the country and through the columnists and over the radio by paid propagandists, the country was sold on

the idea that this was a defense measure, and it was sold on the idea that this was only a measure to give some limited aid to Great Britain. These propagandists deceived the people of this country as to what the real purposes of the bill are, in my judgment; they did not know what was in the bill, and most of them do not know what is in the bill today. They merely want to see it passed, because many of them want to see the United States get into the war, and after the bill is passed, if the President does not move fast enough to suit them, they will be propagandizing the President in an effort to push him into the war, as they have been doing all the time for the last year.

Mr. AUSTIN. Mr. President, will the Senator from Wyoming yield?

Mr. SCHWARTZ. I yield.

Mr. AUSTIN. I merely wish to observe that it is the hit bird that flutters. It is not a prophecy which has just been declared; our mail already has changed color. It is not devoted to the question of whether one is for or against the bill; it is devoted to the question of whether we shall continue to waste time, threshing over the old chaff again and again. That is what the mail represents today, and the writers call on the Congress to act. I have an idea that the Congress will have to respond to that public opinion.

Mr. BARKLEY. Mr. President, will the Senator from Wyoming yield?

Mr. SCHWARTZ. I yield.

Mr. BARKLEY. The Senator from Montana has belabored men who happen to be college professors, and has spoken of them sarcastically and ironically as total failures. Most of us have been to college. I think the Senator from Montana is a college graduate.

Mr. WHEELER. But never a professor.

Mr. BARKLEY. I think the Senator started out teaching school.

Mr. WHEELER. Oh, no.

Mr. BARKLEY. The Senator missed a very valuable experience in human life if he never taught school. But what I was about to say was that most of us who have gone to college respect and admire the men who have devoted themselves to trying to lift us out of the mire of ignorance and put us on the solid foundation of some kind of education. Whatever may be said of college professors, they have as much right to express their opinion as has anyone else in this country. They have expressed their opinion in the telegram read by the Senator from Vermont, and because they have expressed their opinion, because they have exercised the right of free speech about which there is so much talk in the Senate, they are subjected to a castigation because they are college professors, and because, as college professors, they have expressed their opinion.

It seems to me to be a poor rule which does not work both ways. It seems to me to be a poor rule which provides that we shall have freedom of speech in the Senate to an unlimited degree, but that certain classes of people in the United States who happen to be college professors, or who happen to disagree with our views

here, should be denounced and criticized and castigated and referred to sarcastically and ironically, or in a derogatory way, because they exercise the same right we claim for everyone else.

No Member of the Senate has to be governed by the opinions of anyone else. I am glad to have the opinions of people, not only of my State, but of the entire United States. I do not agree with many opinions I receive. I do not even agree with many opinions people have of me, according to what they say in letters they write me, and things they say to me when they meet me in the Senate Office Building. I do not even agree with all the things which are said about me by the newspaper fraternity, who exercise the right of a free press, too. Nevertheless, I admit their right to say these things so long as they stick within the reasonable bounds of truth and integrity and good faith.

It seems to me to be unfair for a Member of this body, who insists that he and everyone else shall exercise the right of free speech, to criticize a group because they happen to be engaged in the worthy occupation of trying to teach the youth of our country, if they happen to send a telegram to a Senator expressing their views upon proposed legislation.

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

Mr. SCHWARTZ. I yield, but I hope the Senator from Missouri will not call on the Senator from Montana for reinforcements.

Mr. CLARK of Missouri. I should merely like to say, apropos what the Senator from Kentucky has said, that so far as I know, no one on our side has any objection to any citizen of the United States expressing his opinion, and I assure the Senator from Kentucky that no Senator in opposition to the bill, so far as I know, will ask the F. B. I. to investigate any of the petitioners who send in petitions on either side of the pending question.

Mr. BARKLEY. Mr. President, if the Senator from Missouri gets any satisfaction in referring to the senior Senator from Virginia, to whom he has referred, and whom he has in mind now, he is welcome to all the satisfaction he gets out of such criticism.

Mr. CLARK of Missouri. I thank the Senator for that privilege.

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

Mr. SCHWARTZ. I yield.

Mr. WHEELER. I should like to say to the Senator from Kentucky and other Senators that I have no objection to college professors writing Senators, telling us what we should do. I merely wished to point out that when attention is called to what the college professors are saying, we should also have information as to what the students are saying, because the vast majority of the students of the United States are opposed to the bill.

Mr. President, mothers have written letters to me saying that when they wrote to certain persons they received letters from the F. B. I. saying that their letters had been turned over to that organization. If that constitutes free speech in the United States I do not know what

free speech is. I think it is a shameful thing that when persons write to their Senators, or to the President of the United States, or to departments of government, they should receive letters saying, "Your letter has been turned over to this Department," meaning the F. B. I. That is a sort of intimidation that takes place only in totalitarian governments, and it ought to be stopped.

With respect to the mothers who have come here to protest the passage of the bill now before us, I say frankly that I do not know them; I do not know anything about them; but I deplore the treatment they have received. I can understand the feelings of mothers of this country who have boys who they feel are going to be taken to war, and perhaps maimed or killed. I can understand how those mothers can actually be worked up to the point where they may do things which we may not all condone. I know how other mothers feel, for I have boys of my own, and I know how my wife feels at times. I think it is deplorable how some of these mothers have been treated when they have come here to petition and protest against the passage of the pending legislation. They should not be subject to the treatment they have received. Today we have policemen scattered all about the Capitol. I do not know what for. One would think we were living in Russia, one would think we were living under war conditions when we see many policemen scattered about this building for the purpose of keeping women from calling on their Senators. In my judgment, they have in some instances been treated shamefully.

Mr. SCHWARTZ. Mr. President, I will say to the Senator from Montana that, so far as I am concerned, I have treated very respectfully those who have called upon me. They have tried to convince me, and in the end they have said, "Will you not please go and talk to Senator WHEELER?"

Mr. WHEELER. Well, they are intelligent women. [Laughter.]

Mr. BARKLEY. Mr. President, has the Senator from Wyoming heard of the Senator from Montana protesting against the suggestion of any woman that she talk with the Senator from Wyoming instead of the Senator from Montana?

Mr. SCHWARTZ. Oh, no; the Senator from Montana has them all "Wheelerized," and there is no use trying to change that situation.

Mr. President, I wish to ask the Senator from Kentucky if I may have the floor when the Senate reconvenes tomorrow morning, and not be obliged to proceed tonight. The hour is now late.

Mr. BARKLEY. I realize it is getting late, and, so far as I am concerned, the Senator from Wyoming may have the floor tomorrow morning.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. BUNKER in the chair), as in executive session, laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

RECESS

Mr. BARKLEY. Mr. President, we have no executive calendar. I now move that the Senate take a recess until tomorrow at 11 o'clock a. m.

The motion was agreed to; and (at 6 o'clock and 15 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, March 4, 1941, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate March 3 (legislative day of February 13), 1941:

PUBLIC UTILITIES COMMISSIONER OF THE DISTRICT OF COLUMBIA

Gregory Hankin, of the District of Columbia, to be a member of the Public Utilities Commission of the District of Columbia for the remainder of the term of 3 years expiring June 30, 1941, vice Richmond B. Keech, resigned.

APPOINTMENTS IN THE NATIONAL GUARD OF THE UNITED STATES OF THE ARMY OF THE UNITED STATES

GENERAL OFFICERS

To be brigadier generals, National Guard of the United States

Brig. Gen. Stewart Garfield Collins, Minnesota National Guard.

Brig. Gen. William Allen March, Pennsylvania National Guard.

Brig. Gen. Thomas Edison Troland, Connecticut National Guard.

Brig. Gen. Eric Fisher Wood, Pennsylvania National Guard.

HOUSE OF REPRESENTATIVES

MONDAY, MARCH 3, 1941

The House met at 12 o'clock noon.

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

O Thou Christ of God, Thou who hast been the friend of lonely suffering man down through the ages, come Thou to our waiting hearts and minds as we pray; inspire us with the skyward look that gives hope and faith to our earthly steps. We pray Thee to give us a most hopeful courage for the coming days and a faith that will beat a pathway through all the tides of fear. Thou God of stainless right, of compassion, and of the appealing hosts, cross the red seas of affliction, the forbidding wastes of discouragement, and the dusty deserts of human woe and give food to hunger-bitten lips and to weary-stricken bodies. Almighty God, despite the heart-aching confusion of life, there is a profound, active, shaping power that runs from everlasting to everlasting. We praise Thee that there is a beacon light that still shines on the highways of our world which the crimson years of the nations cannot destroy. Dear Lord, regard in divine favor our Speaker and the Congress, and grant that there may be essential unity of purpose in all deliberations. In our Redeemer's name. Amen.

The Journal of the proceedings of Friday, February 28, 1941, was read and approved.

AGRICULTURE APPROPRIATION BILL 1942

Mr. CANNON of Missouri, from the Committee on Appropriations, reported

the bill (H. R. 3735) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1942, and for other purposes (Rept. No. 176), which was read a first and second time, and, with the accompanying papers, referred to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. TABER. Mr. Speaker, I reserve all points of order against the bill.

Mr. CANNON of Missouri. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. CANNON of Missouri. Will not the gentleman withdraw his reservation of the points of order in view of the fact there are no items in this bill not carried in the current law?

Mr. TABER. I have been over the bill pretty carefully. I feel that if this bill is to be considered without the reservation of points of order it should be done by rule.

EXTENSION OF REMARKS

Mr. LANHAM. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein an article written by Mr. Cecil B. Dickson, a very able veteran Washington correspondent of the International News Service, which article appeared in Town and Country magazine.

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

There was no objection.

Mr. D'ALESSANDRO. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an article relating to the Baltimore city government.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

(Mr. BURDICK and Mr. TENEROWICZ asked and were given permission to extend their own remarks in the RECORD.)

Mr. CULKIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by inserting in the Appendix two articles and to include therein certain brief editorials and excerpts.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. TRAYNOR. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include a speech delivered on February 27.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. PITTINGER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD in regard to a proposed reduction of the W. P. A. appropriation.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. PITTINGER. Mr. Speaker, I also ask unanimous consent to extend my own remarks in connection with aid for small countries and to include therein a short press dispatch and quotations from an editorial.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. RIZLEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a short editorial.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a newspaper quotation from the Galveston News in regard to the shipping of cotton.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

(By unanimous consent, Mr. RABAUT was given permission to extend his own remarks in the RECORD.)

Mr. STEFAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include excerpts and letters written by farmers in my district on the question of shelter-belts.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. WIGGLESWORTH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include certain excerpts from the New York Times regarding the O'Leary bill.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. COFFEE of Nebraska. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a radio speech I made on February 15th last.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LEAVY. Mr. Speaker, I ask unanimous consent to extend my own remarks in two particulars, including an opinion by the Federal Power Commission released on last Friday and a concurring opinion.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an editorial from the Orange Daily News, Orange, Calif., on the subject of Rural America—Hope of the World.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. LELAND M. FORD]?

There was no objection.

RURAL AMERICA—HOPE OF THE WORLD

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. LELAND M. FORD]?

There was no objection.

Mr. LELAND M. FORD. Mr. Speaker, I would like to call attention to an article I am going to insert in the RECORD today, entitled "Rural America—Hope of the World." It calls attention to a conversation that was held in London, England, on November 12, 1918, at the time the last war ceased. The hope was expressed at that time that civilization

would be preserved and that communism would not spread.

It also calls attention to the fact that the same writer states that the average writer in England hopes that we will not be drawn into the present war as a participant on the ground we may not become a socialistic republic and thereby retain the governmental form that we have known in the United States.

May I ask all Members who are interested in these things to read the article, because it certainly is well worth while.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. CANNON of Florida asked and was given permission to revise and extend his own remarks in the RECORD.

WHEN IS A NEW CONGRESSMAN A CONGRESSMAN?

Mr. PATRICK. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Alabama [Mr. PATRICK]?

There was no objection.

Mr. PATRICK. Mr. Speaker, I am sure the entire membership of the House will be delighted to know that the speech I was to deliver last week was not delivered, and that you still have an opportunity to hear it. I am going to speak on Wednesday next, when other matters are disposed of, on the subject When Is a New Congressman a Congressman? I am glad to be able to take care of that matter this week.

[Here the gavel fell.]

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

Mr. LANHAM. Mr. Speaker, I understand that there is to be general debate tomorrow on the agricultural bill. I ask unanimous consent that the Committee on Public Buildings and Grounds may meet during the session of the House tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. LANHAM]?

There was no objection.

EXTENSION OF REMARKS

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a letter.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. VOORHIS]?

There was no objection.

THE POLITICAL CORRUPTION OF POWER TRUST IN THE NORTHWEST

Mr. RANKIN of Mississippi. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. RANKIN]?

There was no objection.

Mr. RANKIN of Mississippi. Mr. Speaker, the Federal Power Commission has developed into one of the most valuable agencies of this Government. I hope every Member will read carefully the majority opinions of that body and also the

minority opinion of Commissioner Scott on the political activities of the utilities in the Northwest—and especially in and around Spokane, Wash.—which the gentleman from Washington [Mr. LEAVY] has just inserted in the RECORD.

Of all the "fifth column" activities of which I have ever heard, they are being perpetrated now by the utilities, these selfish interests, that are trying to steal the waterpower of this Nation.

If you will read these opinions of the Federal Power Commissioners carefully, you will find that what has been happening in Pennsylvania and other sections of the country is no worse than what these selfish interests are now trying to perpetrate in Washington and what they tried to perpetrate in my own district in Mississippi.

This is a war between the American people on one hand and these corrupt, selfish interests on the other over the power resources of the Nation, a wealth greater than that of the diamond mines of Golconda, a resource upon the free and abundant use of which will depend, to a large extent, at least, the future prosperity and happiness of all the American people.

The question is: Shall the people rule or the trusts control?

THE AGRICULTURAL APPROPRIATION BILL

Mr. WHITE. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Idaho [Mr. WHITE]?

There was no objection.

Mr. WHITE. Mr. Speaker, when we are about to consider the agricultural appropriation bill, it is appropriate for me to read a telegram which I received from the master of the Idaho State Grange addressed to Representative COMPTON I. WHITE, as follows:

BOISE, IDAHO, March 2, 1941.
Representative COMPTON I. WHITE,
Washington, D. C.:

Understand England making large purchases of farm commodities from South America and that new contracts being made for increased purchases at this time. We believe a provision should be written into the lend-lease bill that any funds loaned to England under this act which are used for purchase of farm commodities, such commodities must be purchased in the United States. Maintain that it is unfair to American agriculture to loan funds to England under lend-lease bill and then have such funds used to the detriment of American agriculture. Agriculture entitled to the same protection under this lend-lease bill as is given to safeguard profits of industry and good wages for labor. The large surpluses of agricultural commodities now on hand, especially staple crops, should be given first consideration.

E. T. TAYLOR,
Master, Idaho State Grange.

(Mr. LUDLOW asked and was given permission to extend his own remarks in the RECORD.)

STRIKES IN UNITED STATES

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia [Mr. RANDOLPH]?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, now going into the seventh week is the strike at the Allis-Chalmers plant, which is working on a \$40,000,000 defense order for this Government. Some 9,000 workers have been out on strike and valuable time has been lost. The agencies of the Federal Government have been brought into negotiations on this shutdown but still this strike continues, as do other strikes throughout the country, which are closing down factories and plants vitally important to the manufacture of materials going into our preparedness program. Eight hundred and fifty thousand man-hours have probably been lost in February alone in such strikes.

We have committees in the Congress properly considering this important subject. Twenty thousand or more workers are on strike as I speak these words. I trust it will not be many days until this House through some appropriate action will let employers and employees know that national-defense orders must go forward without interruption, and that they must sit down at the council table and iron out any differences, but while doing so the wheels of industry must continue to turn. [Applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a speech delivered by William H. Burke, Jr.

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

There was no objection.

Mr. SPARKMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by including therein a short poem.

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

There was no objection.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar Day. The Clerk will call the first bill on the Consent Calendar.

ADMISSION OF CERTAIN ALIEN WIVES OF UNITED STATES CITIZENS

The Clerk called the first bill on the Consent Calendar, H. R. 591, to permit alien wives of American citizens who were married prior to the approval of the immigration Act of 1924 to enter the United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That part (4) of subdivision (c) of section 13 of the Immigration Act of 1924, as amended by an act of June 13, 1930, is hereby amended so as to read as follows: "or (4) is the alien wife of an American citizen who was married prior to the approval of the Immigration Act of 1924, approved May 26, 1924."

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.

NATURALIZATION OF CERTAIN ALIEN WORLD WAR VETERANS

The Clerk called the next bill, H. R. 590, to extend further time for naturalization of alien veterans of ineligible race who served in the armed forces of the United States during the World War.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1 (h) of the act approved June 24, 1935 (49 Stat. 397), entitled "An act to authorize the naturalization of certain resident alien World War veterans" is hereby amended to read as follows: "The petition for certificate of citizenship shall be filed with a court having naturalization jurisdiction prior to January 1, 1943."

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.

COMPENSATION OF GOVERNMENT EMPLOYEES SERVING ON JURIES

The Clerk called the next bill, H. R. 142, to amend an act approved April 26, 1926, entitled "An act fixing the fees of jurors and witnesses in the United States courts, including the District Court of Hawaii, the District Court of Puerto Rico, and the Supreme Court of the District of Columbia."

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. RICH. Reserving the right to object, Mr. Speaker, has the proper committee approved this bill unanimously?

The SPEAKER. The Chair has no information as to that.

Mr. WOLCOTT. I may say, Mr. Speaker, that this is a unanimous report of the committee, and there is no minority report filed.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of the act entitled "An act fixing the fees of jurors and witnesses in the United States courts, including the District Court of Hawaii, the District Court of Puerto Rico, and the Supreme Court of the District of Columbia", approved April 26, 1926, be, and the same is hereby, amended by adding at the end thereof, the following: "Employees of the Government of the United States in active service, and otherwise qualified according to law, who are called upon to sit on juries shall not be paid for such jury service but their salary shall not be diminished during their term of service by virtue of such service, nor shall such period of service be deducted from any leave of absence authorized by law."

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.

DESIGNATING THE PERSON WHO SHALL ACT AS PRESIDENT UNDER CERTAIN CIRCUMSTANCES

The Clerk called the next bill, H. R. 2532, designating the person who shall act as President if a President shall not have been chosen before the time fixed for the beginning of his term, or when neither a President-elect nor a Vice President-elect shall have qualified.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

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

There was no objection.

EXTENDING THE PRIVILEGE OF RETIREMENT TO CERTAIN DISTRICT JUDGES

The Clerk called the next bill, H. R. 141, to extend the privilege of retirement to the judges of the District Court for the District of Alaska, the District Court of the United States for Puerto Rico, the District Court of the Virgin Islands, the United States District Court for the District of the Canal Zone, and the United States Court for China.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WOLCOTT, Mr. KEAN, and Mr. COLE of New York, objected.

RESIDENCE REQUIREMENTS FOR CERTAIN POSTMASTERS

The Clerk called the next bill, H. R. 1618, to amend the act of June 25, 1938, extending the classified civil service to include postmasters of the first, second, and third classes, and for other purposes.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

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

There was no objection.

EMPLOYEES OF THE FOREIGN SERVICE

The Clerk called the next bill, H. R. 3297, to amend the first paragraph of section 22 of the act of February 23, 1931 (46 Stat. 1210).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the first paragraph of section 22 of the act of February 23, 1931 (22 U. S. C. 17), be, and the same is hereby, amended to read as follows:

"Sec. 22. That the Secretary of State is authorized, whenever he deems it to be in the public interest, to order to the United States on his statutory leave of absence any Foreign Service officer or American employee who has performed 3 years or more of continuous service abroad: *Provided*, That the expenses of transportation and subsistence of such officers and employees and their immediate families, in traveling from their posts to their homes in the United States and return, shall be paid under the same rules and regulations applicable in the case of officers and employees going to and returning from their posts under orders of the Secretary of State when not on leave: *And provided further*, That while in the United States the services of such officers and employees shall be available for trade conference work or for such duties in the Department of State as the Secretary of State may prescribe, but the time of such work or duties shall not be counted as leave."

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.

COMMONWEALTH OF THE PHILIPPINE ISLANDS

The Clerk called the next bill, H. R. 2107, to authorize the Secretary of the Navy to sell equipment and supplies to

and perform work for the Commonwealth of the Philippine Islands.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. KEAN. Reserving the right to object, Mr. Speaker, can the gentleman say whether the lend-lease bill completely covers this matter, and why this bill is necessary?

Mr. MAGNUSON. I may say to the gentleman that the lend-lease bill does not completely cover the matter because of the fact that the Philippines are not yet considered as a foreign country. The language of the lend-lease bill refers to a foreign country.

Mr. KEAN. To the government of any such country, it says.

Mr. MAAS. That is not a country.

Mr. MAGNUSON. It is not a country.

Mr. VINSON of Georgia. It is still a territory of the United States.

Mr. KEAN. Does the gentleman believe this bill is necessary in spite of that?

Mr. VINSON of Georgia. It is recommended by the Navy Department. It is a departmental measure.

Mr. WOLCOTT. Reserving the right to object, I believe for the purpose of keeping the record straight we should not give territorial status to the Philippines merely by saying that it is a territory. It is not a territory. If anything, it is a dependency of the United States. It surely does not have the status of Hawaii or Alaska, and probably never will have.

Mr. MAGNUSON. The reason for the bill is that the status of the Philippines is such that we feel this will definitely cover the matter. The bill merely provides that the Navy can sell to the Philippines certain obsolete equipment to help them develop their off-shore patrol, that is all.

Mr. STEFAN. Reserving the right to object, Mr. Speaker, speaking about the status of the Philippine Islands, is it not a fact that the citizens of the Philippine Islands living in the United States are considered aliens and must register as aliens under the alien-registration law?

Mr. MAGNUSON. That is true.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Navy is authorized, in his discretion, to sell to the Commonwealth of the Philippine Islands such materials, supplies, and equipment and perform such work for said Commonwealth as the Naval Establishment may be in a position to do at prices to be specified by said Secretary, the prices of the work performed, and of new materials, supplies, and equipment to be not less than the cost to the Government: *Provided*, That the amounts received in payment for work performed, or for new materials, supplies, or equipment sold, shall be credited to appropriations or funds as may be authorized by other law, or if not so authorized, so as to be available to replace the materials, supplies, or equipment, unless the said Secretary determines that such replacement is not necessary, in which case the amounts shall be covered into the Treasury as miscellaneous receipts: *Provided further*, That the amounts received in payment for obsolete or surplus materials, supplies, or equipment sold, less the costs to the Government occa-

sioned by such sales, shall be covered into the Treasury as miscellaneous receipts.

With the following committee amendments:

Page 1, line 5, strike out "and perform such work" and insert "and to repair or assist with the design of vessels, armament, or equipment."

Page 2, after line 13, add the following:

"Sec. 2. All contracts or agreements made by the Secretary of the Navy for the sale of the materials, supplies, or equipment authorized by this act shall contain a clause by which the Commonwealth of the Philippine Islands undertakes not to dispose of such materials, supplies, or equipment, or of any plans, specifications, or information pertaining thereto, by gift, sale, or any mode of transfer in such manner that they become a part of the armament of, or available to, any state other than the said Commonwealth.

"Sec. 3. The authority granted under this act shall terminate upon the final granting of independence to the Commonwealth of the Philippine Islands."

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.

INCREASE OF NAVAL AVIATORS

The Clerk called the next bill, H. R. 2953, extending the provisions of the act approved August 27, 1940, entitled "An act increasing the number of naval aviators in the line of the Regular Navy and Marine Corps, and for other purposes."

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the benefits provided by section 4 of the act approved August 27, 1940 (Public, No. 775, 76th Cong.), shall include payment of the gratuity authorized by the act of June 4, 1940 (41 Stat. 824), as amended by the act of May 22, 1928 (45 Stat. 710; U. S. C., title 34, sec. 943).

Sec. 2. The provisions of this act shall be effective as of August 27, 1940.

With the following committee amendment:

Line 6, strike out "1940" and insert in lieu thereof "1920."

The committee amendment was 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.

PULPWOOD INVESTIGATION

The Clerk called the next business, House Joint Resolution 15, to investigate the apparent monopolistic purchasing of pulpwood by pulp and paper mills under a contract-purchase system from farmers and other owners, price fixing of paper and other pulp products under trade-practice rules and regulations, including cost of distribution.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

Mr. KEEFE, Mr. KILBURN, Mr. VAN ZANDT, Mr. CULKIN, and Mr. FELLOWS objected.

TURTLE MOUNTAIN INDIAN RESERVATION

The Clerk called the next bill, H. R. 3362, to amend the act of May 24, 1940 (Public, No. 520, 76th Cong.).

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Mr. COCHRAN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

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

There was no objection.

CECELIA CROW ARQUETTE

The Clerk called the next bill, H. R. 3404, authorizing the Secretary of the Interior to convey the right, title and interest of the United States in certain property.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized, in his discretion, to convey all the right, title, and interest of the United States in lot 3, block 6 of Wannassay's Addition to Toppenish, Wash., to Cecelia Crow Arquette or her heirs or assigns.

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.

EASTERN AND WESTERN CHEROKEES

The Clerk called the next bill, H. R. 1072, for the relief of the Eastern and Western Cherokees.

Mr. COCHRAN. Mr. Speaker, reserving the right to object, the report of the Secretary of the Interior specifically states that the judgment of the Court of Claims was satisfied, that funds in satisfaction of the judgment were appropriated and placed to the credit of the Cherokee Nation, and subsequently, pursuant to the direction of Congress, were expended for the benefit of the tribe. As the report shows that this money has been appropriated once and has been spent for the benefit of the tribe it is hard to understand why we should be asked to again consider the matter and therefore I object, Mr. Speaker.

USE OF NET WEIGHTS IN INTERSTATE AND FOREIGN COMMERCE TRANSACTIONS IN COTTON

The Clerk called the next bill, H. R. 968, to provide for the use of net weights in interstate and foreign commerce transactions in cotton, to provide for the standardization of bale covering for cotton, and for other purposes.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

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

There was no objection.

METHODS OF GRADING COTTONSEED

The Clerk called the next bill, H. R. 571, to establish and promote the use of standard methods of grading cottonseed, to provide for the collection and dissemination of information on prices and grades of cottonseed and cottonseed products, and for other purposes.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

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

There was no objection.

BRIDGE ACROSS THE HUDSON RIVER BETWEEN MECHANICVILLE AND SCHAGHTICOKE, N. Y.

The Clerk called the next bill, H. R. 537, granting the consent of Congress to Rensselaer and Saratoga Counties, N. Y., or to either of them, or any agency representing said counties, to construct, maintain, and operate a free highway bridge across the Hudson River between the city of Mechanicville and Hemstreet Park in the town of Schaghticoke, N. Y.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the counties of Rensselaer and Saratoga, N. Y., or to either of them, or any agency representing said counties, to construct, maintain, and operate a free highway bridge across the Hudson River, at a point suitable to the interests of navigation, between the city of Mechanicville and Hemstreet Park in the town of Schaghticoke, N. Y., at or near River Street in the city of Mechanicville, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906. The proposed highway bridge will replace the existing highway bridge over the Hudson River between the city of Mechanicville and Hemstreet Park in the town of Schaghticoke, N. Y.

Sec. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

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.

BRIDGE ACROSS POTOMAC RIVER, SANDY HOOK, MD.

The Clerk called the bill (H. R. 2495) authorizing the State of Maryland, by and through its State roads commission or the successors of said commission, to construct, maintain, and operate a free highway bridge across the Potomac River at or near Sandy Hook, Md., to a point opposite in Virginia.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes, the State of Maryland by and through the State roads commission, or the successors of said commission be, and is hereby authorized to construct, maintain, and operate a free highway bridge and approaches thereto across the Potomac River at a point suitable to the interests of navigation, at or near Sandy Hook, Washington County, Md., to a point opposite in Loudoun County, Va., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

Sec. 2. There is hereby conferred upon the State of Maryland and its State roads commission or the successors of said commission all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State, in which real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor

shall be the same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

BRIDGE ACROSS OHIO RIVER, WHEELING, W. VA.

The Clerk called the bill (H. R. 3580) authorizing the city of Wheeling, W. Va., to purchase and construct, maintain and operate, bridges across the Ohio River located wholly or partly within said city.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the city of Wheeling, W. Va., as such, or acting by and through a commission as hereinafter provided, is hereby authorized to purchase, reconstruct, maintain, and operate all or any existing bridges for vehicular traffic across the Ohio River between the mainland portion of said city and Wheeling Island, and between Wheeling Island and the opposite shore in the State of Ohio, and may acquire control of any or all such existing bridges by purchase of stock in any corporation or corporations owning any such bridges, or by a conveyance or conveyances from such corporation or corporations, and in any case is hereby authorized to maintain and operate said bridge or bridges subject to the conditions and limitations contained in this act.

SEC. 2. That in order to facilitate interstate commerce, improve the Postal Service, and provide for military and other purposes, said city of Wheeling as such, or acting by and through a commission, as hereinafter provided, is hereby authorized to construct, maintain, and operate a bridge and approaches thereto across the Ohio River between the mainland portion of said city and Wheeling Island and between Wheeling Island and the opposite shore in the State of Ohio, at a point suitable to the interest of navigation, subject to the conditions and limitations contained in this act. There is hereby conferred upon said city, as aforesaid, the right and power to enter upon such lands and to acquire, condemn, occupy, possess, and use such privately owned real estate and other property in the State of West Virginia and the State of Ohio, as may be needed for the location, construction, operation, and maintenance of such bridge and its approaches, upon making just compensation therefor, to be ascertained and paid according to the laws of the respective States, and the proceedings therefor shall be the same as in the condemnation of private property for public purpose in said States.

SEC. 3. Said city, as aforesaid, is hereby authorized to construct such bridge or bridges and to operate and maintain any bridge or bridges purchased or constructed, and to fix and charge tolls for transit over such bridge or bridges in accordance with the provisions of this act, subject to the approval of the Secretary of War, as provided by act of Congress approved March 23, 1906.

SEC. 4. In fixing the rates of toll to be charged for the use of any such bridge or bridges in accordance with the act of Congress approved March 23, 1906, the same shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge or bridges, and approaches thereto under economical management, and to provide a sinking fund sufficient to pay the interest and retire the principal of any bonds that may have been issued for the payment of the cost of such bridge or bridges as soon as possible, but within a period of not to exceed 20 years from

the completion or purchase thereof. After a sinking fund sufficient to pay the interest and retire the principal of any bonds that may have been issued for the payment of the cost of such bridge or bridges shall have been provided, such bridge or bridges shall thereafter be maintained and operated free of tolls. All traffic over the bridge or bridges shall be classified in a reasonable manner so that the tolls shall be fixed and adjusted to be uniform to all traffic falling within reasonable classifications. An accurate record of the cost of the bridge or bridges and approaches, the expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected shall be kept and shall be available for the information of all persons interested. Within a reasonable time after the construction of a bridge or the purchase of any bridge or bridges, a sworn itemized statement showing the cost of constructing or purchasing the bridge or bridges and approaches thereto, and all other expenses incident thereto, shall be filed with the Public Roads Administration of the Federal Works Agency.

SEC. 5. For the payment of the cost of any bridge or bridges as may be purchased, reconstructed, or constructed, as provided herein, and approaches thereto, including any necessary approach highways, said city may issue its bonds, maturing at time or times not exceeding 20 years from their respective dates, in such manner and upon such terms and conditions as may now or hereafter be permitted or provided by the laws of the State of West Virginia. Said city, by ordinance duly adopted by its council in accordance with the charter law of said city, after having purchased or constructed any such bridge or bridges, may thereafter operate and maintain the same by a bridge commission for said city which is hereby created, the membership of which shall consist of the persons occupying the offices of mayor or other chief executive, the city engineer, and members of the city council or other governing body, in office from time to time. The commission shall elect a chairman from its members, may employ a secretary, treasurer, engineers, and other experts, assistants, and employees, all of whom shall be entitled to receive such compensation as the commission may fix and determine, but the compensation of the members of the commission shall be fixed by the city council, and all salaries and expenses of the commission shall be paid solely from the funds provided under the authority of this act.

SEC. 6. That after the payment of the bonds and interest for the account of any bridge or bridges across the Ohio River between the mainland portion of said city and Wheeling Island, or after a sinking fund sufficient for such payment shall have been provided and shall be held exclusive for that purpose, said city may, upon demand of the State of West Virginia or any agency thereof, by deed or other suitable instrument of conveyance, transfer such bridge or bridges to said State of West Virginia or any agency thereof as may be authorized by law to accept the same, upon condition that such bridge or bridges shall thereafter be freed of tolls and be operated, maintained, and kept in repair by said State or agency. In like manner, after the payment of the bonds and interest for the account of any bridge or bridges across the Ohio River between Wheeling Island and the opposite shore in the State of Ohio, or after a sinking fund sufficient for such payment shall have been provided and shall be held exclusive for that purpose, said city may, by deeds or other suitable instruments of conveyance, transfer that part of such bridge or bridges within the State of West Virginia to the said State of West Virginia, or any agency thereof, as may be authorized by law to accept the same and may transfer that part of such bridge or bridges within the State of Ohio to the State of Ohio, or any agency

thereof, as may be authorized by law to accept the same, all under the condition that the bridge or bridges, or part or parts thereof thus transferred, shall thereafter be freed of tolls and be operated, maintained, and kept in repair by either or both of said States, or an agency or agencies thereof, as may be agreed upon; but if the State of West Virginia or the State of Ohio, as the case may be, fails to accept or is not authorized to accept the respective portions of such bridge or bridges located in such States, then said city may by deed or other suitable instrument of conveyance transfer the entire bridge or bridges to the other of said States, or an agency thereof, which may accept and may be authorized to accept the same under the condition that such bridge or bridges shall be thereafter freed of tolls and be operated, maintained, and kept in repair by said State, or agency thereof.

SEC. 7. The Federal Works Administrator, or any other Federal department or agency of the United States Government and the State of West Virginia, or any department or agency of said State, may extend aid toward the construction of any bridge or bridges herein authorized to be constructed.

SEC. 8. The construction of any new bridge under the authority of this act shall not be commenced unless and until the location and the plans therefor shall be approved by the State Road Commission of West Virginia and by the Department of Highways of Ohio, and any such bridge shall be constructed upon the location and in accordance with the plans so approved.

SEC. 9. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider laid on the table.

The SPEAKER. This concludes the call of bills for today.

AGRICULTURE APPROPRIATION BILL, 1942

Mr. CANNON of Missouri. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 3735 (Rept. No. 176), making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1942, and for other purposes. Pending that, I would like to reach some agreement with the gentleman from Kansas [Mr. LAMBERTSON], the ranking member of the subcommittee as to the control and division of time.

Mr. LAMBERTSON. I have quite a few requests for time.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that debate continue during the afternoon, the time to be equally divided, one-half to be controlled by the gentleman from Kansas and one-half by myself.

The SPEAKER. The gentleman from Missouri moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill, H. R. 3735, and pending that asks unanimous consent that debate run during the day, one-half to be controlled by himself and one-half by the gentleman from Kansas. Is there objection?

Mr. LAMBERTSON. Mr. Speaker, I reserve the right to object, to emphasize the fact that debate is not to be concluded today.

Mr. CANNON of Missouri. Does the gentleman expect general debate to continue tomorrow?

Mr. LAMBERTSON. I was so hoping. I think we ought to have at least 2 days of general debate upon the bill.

Mr. CANNON of Missouri. Then, Mr. Speaker, my request is that general debate continue during the remainder of the day, to be equally divided between the gentleman from Kansas and myself.

The SPEAKER. The gentleman from Missouri asks unanimous consent that general debate continue throughout the day, the time to be equally divided, to be controlled one-half by himself and one-half by the gentleman from Kansas [Mr. LAMBERTSON]. Is there objection?

There was no objection.

The SPEAKER. The question is on agreeing to the motion of the gentleman from Missouri.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 3735, with Mr. RANKIN of Mississippi in the chair.

The Clerk reported the title of the bill.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CANNON of Missouri. Mr. Chairman, the bill which we report today marks a new trend in agricultural appropriations. Year after year we have steadily and consistently increased appropriations for the Department of Agriculture. Every session in response to legislation enacted by the Congress we have increased the functions and jurisdiction of the activities covered by this bill until the Department of Agriculture has become the department with the widest field, the largest personnel, and the heaviest expenditure of all of the departments of the Government. This year for the first time within my recollection we are reporting a bill in which we decrease the amount provided for the Department from that of the current year, and in this bill for the first time in recent years we keep total expenditures carried by the bill within the Budget estimates.

The bill this year is \$146,000,000 less than the bill passed at the last session of Congress and is approximately \$5,000,000 under the Budget recommendations. These reductions have not been made at the expense of service rendered. The appropriations provide amply for every essential activity of the Department, but the committee has sought to curtail non-essentials and invoke economy wherever possible without militating against the legitimate objectives of the bill.

Particular care has been given to the preparation of the bill this year because of its relation to national defense. It is the most important measure in its relation to the defense program that could be considered by the House at this time.

The most essential item in the equipment of any army is the ration, and the most indispensable factor in any war is the maintenance of national morale back of the line. In this bill we make adequate provision for both. If the rest of the country, if the other industries of

the Nation discharge their duties as fully and as patriotically as the farmers of this country are discharging their duties in the defense program, there need be no apprehension as to the outcome of the national program.

And it is being provided in conjunction with full provision for all necessary departmental activities. No scientific or technical need of the service has been neglected. The results secured are to be seen in every bureau, but speaking briefly, in the limited time I have, I want to call attention to just one of the many items which justify the expenditures in this department. Only a few years ago one of the most serious problems of the Nation was the wide-spread prevalence of tuberculosis in cattle. No section of the country was exempt. No herd was immune.

In every section of the United States this milk-borne malady led all others in mortality statistics. The number of cases, especially, in which children contracted pulmonary tuberculosis and the number of instances in which children were crippled for life by the disease contracted through dairy products from infected herds could not be estimated. This year, we are glad to be able to report that every county of the 3,071 counties in the United States has been officially accredited as free of the disease.

Through the years we have slowly but steadily controlled the disease and enlarged disease-free territory until for the first time in the history of this or any other country there is not a county in any State of the Union which is not fully accredited and certified as free of bovine tuberculosis. Of course it will be necessary for some time to come to provide appropriations to take care of sporadic outbreaks, but we are now definitely controlling the white specter and have finally eradicated the most prolific source of the contagion—a notable achievement of Federal philanthropy and a typical victory for scientific agriculture.

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

Mr. CANNON of Missouri. I yield to my friend from Indiana.

Mr. SCHULTE. Is it not true that a great many States are refusing to cooperate with the Federal Government in the elimination of tuberculosis?

Mr. CANNON of Missouri. All States have not cooperated uniformly, but the combined support of State and Federal agencies has been so effective that every State is now free of the disease.

But, Mr. Chairman, as satisfactory as such phases of the work have been, there is one major problem that has not yet been solved. It constitutes, without doubt, the most serious economic problem of the Nation today, and grows more menacing with the passing of each day. The inadequate farm income, the low price of agricultural products, the low farm wage, the lack of reasonable return on money invested in farm land and stock and equipment, and the consequent lack of an American standard of living on the farm, marks agriculture as the last remaining industry which is not receiving parity prices. Notwithstanding

the fact that the price of all industrial commodities, all manufactured products, is rising every day and are in some instances more than 200 percent of parity, notwithstanding the Federal department reports wage scales are 20 percent higher in the first months of 1941 than in 1940, that the price of everything the farmer must buy and the price of everything entering into his cost of production and in the maintenance of his family are rapidly increasing, the price of agricultural products has remained at the same low figure, comparatively speaking, that it was in 1937-38.

I want to quote from *Agricultural Situation*, a publication issued monthly by the Department of Agriculture, one of the most significant Federal publications and one which I commend to the earnest consideration of every Member of the House. In this little pamphlet issued by the Department of Agriculture, reporting authoritatively on agricultural conditions, we note that while industrial and labor incomes are vastly above what they were at the close of the World War and are increasing every day, the following quotations from the bulletin which reached your desk this morning, "Wheat is selling lower than last winter." In another paragraph, "Cotton is lower than last year." In still another item, "Hogs are selling at a lower price than in 1937-38." In other words, the disparity between agricultural and nonagricultural prices is constantly increasing, and although there is a slight advance in the national agricultural income and in the prices of some agricultural commodities in the last few weeks, the prices of commodities and services which the farmer must buy are rising so rapidly that relatively agriculture is losing instead of gaining, and the actual market price of agricultural products is farther below the parity price than heretofore.

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

Mr. CANNON of Missouri. I yield to the gentleman from Iowa.

Mr. GILCHRIST. What is the bulletin from which the gentleman just quoted?

Mr. CANNON of Missouri. The *Agricultural Situation*, the bulletin issued monthly by the Bureau of Agricultural Economics.

Mr. GILCHRIST. Mine did not come in this morning.

Mr. CANNON of Missouri. I hope the gentleman will consult this month's issue when received. It is particularly significant.

Mr. SCHULTE. Mr. Chairman, will the gentleman yield for one more question?

Mr. CANNON of Missouri. I yield to the gentleman.

Mr. SCHULTE. The gentleman made a very important statement relative to the fact that the price the farmer is receiving is gradually going down. In the milkshed of the city of Chicago last month we received \$1.91 per hundred-weight for milk. This month we received \$1.61, a price which cut them down to about 3½ cents a quart, yet the same milk is being retailed for 13 cents.

Mr. CANNON of Missouri. And at a time when the cost of every item entering into the production of milk is increasing.

And let me call attention to the fact, notwithstanding this growing discrimination, the farmer is serving the Nation today more efficiently than ever before. He is feeding the Nation more generously, he is providing raw materials more lavishly than ever before. In fact, a vast surplus of every basic commodity is accumulating so rapidly as to assume the proportions of a national disaster.

Quoting from the report from the Bureau of Agricultural Economics, to which I have just referred, it is to be noted that there are 3,000,000 bales of cotton under Government loan for 1940, and 8,000,000 from previous years, making a total of 11,000,000 bales of cotton overhanging the market today, a huge surplus that must be consumed before we can reach the next crop.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield at that point?

Mr. CANNON of Missouri. With pleasure.

Mr. AUGUST H. ANDRESEN. And the unfortunate thing about the cotton to which the gentleman has referred is the fact that the Government has from 16 to 18 cents a pound tied up in it while the market price is around 10 cents a pound.

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

Mr. CANNON of Missouri. I yield to the distinguished chairman of the Committee on Agriculture.

Mr. FULMER. I wish to correct the statement made by the gentleman from Minnesota. They have not that amount of money tied up in this cotton. There are only a few bales carried over from 1937 at the high loan rate, perhaps 12 cents. The cotton now being put in is around 10 cents.

Mr. AUGUST H. ANDRESEN. The Government already owns 7,000,000 bales.

Mr. FULMER. But not at that high price.

Mr. AUGUST H. ANDRESEN. And they have lent from 16 to 18 cents a pound on it, according to the figures which I have.

Mr. CANNON of Missouri. The precise figure is immaterial. The significant feature is that the farmer is discharging his duty to the Nation so efficiently that we have 11,000,000 bales of surplus cotton in storage awaiting consumption.

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

Mr. CANNON of Missouri. I yield to my friend from Texas.

Mr. PATMAN. I am sorry to say that our position is not even as good as the gentleman from Missouri states, for testimony before the Committee on Banking and Currency now discloses we have 19,000,000 bales surplus; 15,000,000 bales in warehouses and the rest on farms and in transit. It all aggregates 19,000,000 bales.

Mr. CANNON of Missouri. That reveals an even more serious situation.

Passing on now to cattle, another industry and indigenous to another section of the country, I read:

The number of cattle on feed as of January 1, 1941, is the largest of record in all time.

So you need never be afraid we are not going to have sufficient beef in this country. The only question is whether you are going to pay the man who raised that beef a fair wage for his labor and a fair return on his investment, or whether you will take from him the products of his toil and sacrifice without adequate compensation when those who eat his chops and steaks are receiving the highest wages in history.

In addition to this vast cotton surplus and in addition to this huge cattle excess, the bulletin reports that "storage stocks of poultry are the largest on record." Never before have we had such large quantities of poultry in storage as we have today. It also reports, "There are 473,000,000 bushels of corn under Government loan and ownership." And mark this statement:

The carry-over of corn—

and I quote from the Report of the Department of Agriculture—

on October 1 next will be largest on record.

Let us go to another section of the country. According to this report just received—and I quote again—

All records from production of milk and dairy products have been broken this winter. Production will increase considerably next month and is expected to be the highest on record.

That phrase "highest on record" seems to accompany reports on practically every major agricultural product.

Let us go a little further:

Production of eggs on farms for 1940 was 38,892,000,000 eggs, the largest in 10 years.

Then if we go up into Maine and out into Idaho we find at this time an unusually large supply of potatoes:

The stock of potatoes on January 1 was 119,000,000 bushels, as compared with 104,000,000 last fall and 102,000,000 average for 10 years, 1923-33—the largest supply of potatoes on record.

Wheat:

There are 290,000,000 bushels of wheat under loan, 280,000,000 bushels for the 1940 crop and 10,000,000 bushels for the 1939 crop.

Also:

There is an increase of 6 percent in sheep and lambs on feed as of January 1. The number of lambs and sheep on feed this winter is the largest on record.

In other words, the farmer is producing today more generously, more lavishly than ever before. He is discharging every obligation that can be required of him in the defense program.

He is ready to feed our own people, the people of every city in America, as they have never been fed before. He is ready to feed any army or armies that may require his services. He is ready to feed any country in Europe this Congress thinks entitled to his largess at any time. And for this service for 7 days' labor in the week beginning before dawn and continuing after dusk—the labor of himself,

his wife, and his children—he receives a wage that puts him in the same category with the forced labor of Europe. The rest of the Nation is living at his expense. Out of their incomes of more than twice parity they refuse to pay him even 75 percent of parity.

And the situation grows steadily worse. Under present conditions there can be no hope of alleviation. Not only is the farmer burdened with unassimilable surpluses, but his markets are more restricted than ever before. Exports have been reduced to a minimum. Foreign markets have been closed, and with the greatest supply on hand we have the smallest outlet.

Mr. ANDERSON of California. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from California.

Mr. ANDERSON of California. In view of the statement that the gentleman has just made, that we now have the greatest surplus in the history of the country, can he explain why the funds for the Surplus Marketing Administration were cut \$35,000,000 this year under what they were last year?

According to the statement made by Mr. Perkins in the hearings, some twenty-odd million dollars are going to be taken out of the fund used for the direct purchase of surpluses in the producers' hands.

Mr. CANNON of Missouri. If I may, I will take up that item in its order, as it leads away from my subject just at this time. If the gentleman will permit me to defer it, I shall be glad to discuss it later.

Mr. ANDERSON of California. Yes, I shall be pleased to do that.

Mr. CANNON of Missouri. We have the greatest surpluses and the most restricted markets in the history of American agriculture. In addition to that, industry is drawing upon farm labor as it has not drawn since 1917-18. So that the farmers have less labor on the farms than they have had since the last war. Again, the draft is just going into effect and is taking from the farm many boys who are just at the age, and who have just the experience to render maximum service on the farm. The result is that while farmers' surpluses are rising and their markets declining, the cost of labor to operate the farms is increasing by leaps and bounds.

In addition, Mr. Chairman, the cost of farm machinery, the cost of harness, the cost of fertilizer, the cost of all items entering into the production of farm commodities on the current market is rising every day. To summarize, the farmer is facing huge surpluses, declining markets, increased costs of material, advancing costs of labor—a rapidly rising cost of production on a relatively dwindling income.

Mr. RIZLEY. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Oklahoma.

Mr. RIZLEY. The gentleman also knows, does he not, that in addition to these huge surpluses that have been built up in all of the basic commodity crops, and despite the expenditure of billions

by the Government to bolster up the farm industry, the reports of the Department of Commerce show an average diminished farm income over the last 8 years, and the latest report having to do with foreign commerce shows that the export of farm products for 1940 was the lowest in dollar value since 1869.

Mr. CANNON of Missouri. That is the situation. And the war in Europe, which many thought would raise agricultural prices, has had quite the contrary effect. It has raised wages; it has raised the prices of all nonagricultural commodities. Building materials, for example, have increased in some instances 100 percent. The cost of shoes is rapidly rising. The cost of everything used on the farm is advancing. Babson estimates—and he is an eminent authority—that if the price of farm products in the open market had kept pace with the rise in the prices of other commodities and other services beef would be selling at \$3 a pound, eggs would be selling for \$2 per dozen, and bread would be selling at 25 cents a loaf, and other foods in proportion.

Anyone will tell you those are unreasonable prices to ask for beef, eggs, or bread. But those figures are dictated by the present prices the farmers are paying. The farmer is paying today for everything he receives prices that are just as unreasonable as \$3 a pound for steak, \$2 a dozen for eggs, and 25 cents for bread.

Mr. O'CONNOR. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Montana.

Mr. O'CONNOR. Will the gentleman give us what wheat would be selling for if sold at a price compared with what the farmer has to pay?

Mr. CANNON of Missouri. At \$7.50 a bushel.

Mr. MOTT. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Oregon.

Mr. MOTT. I have been looking in the report for a break-down of the appropriations for the Forest Service to find out what the appropriation is for forest experimental stations. I do not find it. Can the gentleman say whether that has been changed?

Mr. CANNON of Missouri. I would be glad if the gentleman would permit me to postpone that until we take up the bill in detail.

Mr. MOTT. I will be glad to defer my question.

Mr. CANNON of Missouri. Mr. Chairman, here is the crux of the situation: Why is it that while every other price is rising and all other wages are rising, the farmer alone is failing to secure these general advances in prices and wages? The answer is simple: Other wages and prices are advancing solely by virtue of legislation passed by this Congress. All industrial commodities are selling at high prices because they are protected by laws. All wages are rising because they are supported by laws enacted by this Congress. If you would repeal these laws, wages would drop and the price of manufactured commodities would drop. That is the answer. Congress has passed laws to stabilize the prices, the wages, and the

income of every other class and industry except agriculture.

In this bill we are providing as far as we can subsidies to support agricultural prices—through the parity payments, soil conservation, surplus commodities distribution, loans, grants, and other subsidies drawn from the United States Treasury. Through these expedients we are maintaining the price of agricultural commodities far below parity, but much above what they would otherwise be.

If it were not for the assistance through such subsidies provided in this bill and in the bills which have preceded it, cotton would be selling today for 5 cents a pound, wheat would be selling for 30 cents a bushel, hogs would be selling for \$2 a hundred, corn would be selling for from 12 to 15 cents a bushel, and dairy products and all other farm commodities would be down to a corresponding degree. The only thing that maintains them at present prices is the aid of the appropriations provided in this bill.

The committee realizes, however, and we explain in our report that we are providing such funds merely as a stop-gap to hold prices to some degree of stabilization until Congress can enact legislation, until it can formulate a law which will permanently solve the farm question and put agriculture on a par with other industries. Because there are only two alternatives, if you may be said to have two alternatives. One is to repeal all these laws by virtue of which other industries are today maintaining high prices. Repeal all artificial aids. The other is to give the farmer the same legislation.

Of course, the repeal of these laws is inexpedient. We do not want to repeal them. The farmer, above all others, believes in high prices. He believes in a fair wage. He has supported all this legislation through which his brethren have received, and are receiving, decent wages and fair prices. He would not reduce by one penny any man's wage, any man's price, or any man's income; but he does say that if he must pay a high price for labor and a high price for products which he buys, he also is entitled to an honest wage for his labor and a fair price for his products.

Mr. Chairman, the pending lease-lend bill further complicates the farm question. Congress has by legislation declared that labor and industry shall be paid—adequately paid—for all goods transferred to European nations. Every contract made by the Government for the manufacture of supplies for England and her allies carries these provisions. It is expected, we are informed, that vast quantities of agricultural products will also be delivered, along with other war munitions. But up to this time no intimation has been given that agriculture will receive parity prices. If the Government enforces statutory prices for labor and industry, why should it not enforce a statutory price for agriculture? It is a question that must be determined, and determined shortly. It should be understood now that agriculture expects as fair treatment from the Government in its shipment of farm products abroad as it is extending to labor and industry

in the shipment of manufactured products abroad.

In conclusion, Mr. Chairman, the only factor in the farm question is prices. Until the farmer has a fair price nothing in this bill will provide adequate or permanent relief. But give him a fair price and all other farm problems will solve themselves. [Applause.]

[Here the gavel fell.]

Mr. MOTT. Mr. Chairman, will the gentleman yield? I did not know the gentleman was going to close his remarks so suddenly. Can the gentleman answer, now, the question I asked awhile ago regarding the appropriation for forest experimental stations?

The CHAIRMAN. The time of the gentleman from Missouri has expired. The gentleman will have to yield himself additional time or the gentleman from Kansas will have to yield time, if the gentleman is to have an answer to his question.

Mr. LAMBERTSON. Mr. Chairman, I yield myself 10 minutes.

The CHAIRMAN. Does the gentleman from Kansas yield to the gentleman from Oregon?

Mr. LAMBERTSON. I yield to the gentleman from Oregon, Mr. Chairman.

Mr. MOTT. Can the gentleman now answer my question as to whether there is any change in the appropriation over the amount appropriated last year for the forest experimental stations?

Mr. CANNON of Missouri. The amount carried in the bill for these stations is the same as the Budget estimates and the same as appropriations made for 1941.

Mr. MOTT. I understand the appropriation, then, is the same this year as it was last year for those items?

Mr. CANNON of Missouri. That is true.

Mr. LAMBERTSON. Mr. Chairman, I am not going into this bill very much in detail but I wish to make a few general observations.

In this morning's Post a man by the name of Roswell Magill, a professor of Columbia University, stated that we could easily save \$1,000,000,000 in the non-defense program if we wanted to. That makes me think of what the President said last fall, or perhaps the first part of January, that we were going to save a lot of money on the regular supply bills so that we would have more for national defense in this national emergency.

Let me point out the fact that this bill is just about the same as the one last year. It is about 1 percent different. There have two supply bills ahead of this. One was increased and the other was decreased only by leaving out a few non-recurring items. Therefore, there has been no reduction in three big supply bills, and the Budget did not recommend any reductions.

For the first time in 3 years we now have a Budget estimate for parity. I am not discussing the merits or demerits of parity, but if we were going to begin to save on the nondefense propositions, this would be a good opportunity; yet the President's Budget for the first time endorses parity, which is a large item in this bill. I am just pointing to some of the inconsistencies in things as they are.

It comes to my mind while mentioning the Chief Executive that a week ago Sunday there appeared in the papers of that date the name and picture of one Gene Casey, who owns farms near Rockville, who has been very active in Democratic politics in Maryland for the last 2 or 3 years and who has been in three or four political set-ups. He has been designated to a \$6,500 job as liaison man for the White House on agriculture.

I speak of this case because it is so typical of this administration. They had no authority for his appointment at all, and it does not come under the Department of Agriculture and does not come under the reorganization, but his salary is paid out of a little lump sum given the President, just like the lump sum that is given to the heads of departments for emergencies. Every head of a department in the Government has a small sum for emergencies, and he takes \$6,500 out of this emergency fund to put a man on as a liaison officer to himself on agriculture. During the last year he had just made the Secretary of Agriculture his next man as Vice President of the United States, and he has a lot of people around him who can advise him on agriculture, and yet this new man, who probably does not serve a day of usefulness to anybody or to the President himself, draws \$6,500 under a supposed item of agriculture. With that kind of leadership for economy and for agriculture, where are we going?

There is a lot in this bill that might be talked about, but I want to say that the primary duty of the Committee on Appropriations is to save money. We do not have to go out and justify ourselves, although our 1,800 pages of hearings, Mr. Chairman, are not only full of the arguments of the bureaus and the departments for increases but of statements of Members themselves justifying increases, and even members of the committee take pages and pages to justify what they are going to vote for by way of increases.

Mr. JENKINS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. LAMBERTSON. I yield to the gentleman from Ohio.

Mr. JENKINS of Ohio. The gentleman has indicated that the President has intimated here that we are going to have farm parity. Of course, you cannot effect farm parity in this bill, and you do not try to, do you?

Mr. LAMBERTSON. We are shooting at it a little.

Mr. JENKINS of Ohio. I would also like to ask the gentleman this question. I presume the gentleman will make another speech on this subject, but will somebody discuss that question from the standpoint of what you propose to do by way of appropriations? If someone would do that I would like to make it a point to be here, because I would be very much interested in that kind of a discussion.

Mr. LAMBERTSON. Was the gentleman listening to the very able address of my chairman a moment ago? He was approaching it from another angle.

Mr. JENKINS of Ohio. He covered the whole bill lightly but very effectively.

Mr. LAMBERTSON. He was talking primarily about the problem of agricul-

ture rather than the Department of Agriculture, I think.

Mr. JENKINS of Ohio. But the point I had in mind was that if the gentleman is going to discuss that, or if anybody is going to discuss that question, I think there will be quite a few of us interested.

Mr. LAMBERTSON. I think there are men on the agricultural policy committee who will discuss that with some degree of satisfaction to the gentleman from Ohio.

I want to say that we are not going to approach any economies, and the Committee on Appropriations is supposed to effect as many economies as possible. We are the guardians of the Treasury, and in the language of the distinguished chairman of the Committee on Appropriations, and as he has said many times, if we do not do it, who is going to do it? So that is our job first of all—to protect the Treasury and not to find excuses for spending money.

Three of the subcommittees have failed already this session, and all the rest are going to fail and not one of them is going to bring in a bill with less expenditures than last year. In spite of what has been said about national defense, they are all going to be just as much as they were last year.

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

Mr. LAMBERTSON. I yield.

Mr. PATRICK. When the gentleman says we are responsible as watchdogs of the Treasury, the gentleman is on the Agricultural Committee?

Mr. LAMBERTSON. Yes.

Mr. PATRICK. The gentleman is not referring to the committee, but he means Congress as a whole?

Mr. LAMBERTSON. I am referring primarily to the whole Appropriations Committee.

Mr. PATRICK. The Appropriations Committee?

Mr. LAMBERTSON. The whole Appropriations Committee is my point. The Agriculture Subcommittee, for instance, is not going to bring in a bill here with \$100,000,000 or a quarter of a billion dollars less unless some of the other committees are going to indicate that they are going to do the same thing. They say to themselves, "Why should we, when the others are not going to do it?" and then they all go along in that way. The chairman of the committee and the whole committee have got to sit down before we start in the session and agree that we are all going to reduce expenditures and make that a policy of the committee, and then each subcommittee will feel under obligation to do its part. That is what I am saying, and that is where we have got to start to save.

Of course, the policy committee on agriculture makes the authorizations which we have to follow through to a large extent, and the gentleman does bear responsibility as much as the rest of us, because many times we are helpless after this committee has paved the way.

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

Mr. LAMBERTSON. Mr. Chairman, I yield myself 10 minutes more. If we are

going to effect economies, and if anybody is interested in that, and I do not know whether they are or not, we have to start with the whole committee agreeing that the various subcommittees are going to reduce, and that each subcommittee will follow the whole committee's instruction.

Mr. PLUMLEY. But would it not have to be acknowledged as a fact that so far as the different departments are concerned they are not at all interested in economy but in extension?

Mr. LAMBERTSON. They think that is their function, and it is our function to take care of the other side, but we do not do our duty, and they generally do theirs.

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

Mr. LAMBERTSON. Yes.

Mr. CRAWFORD. Based on the gentleman's general experience in life, and his experience in the House in particular, is there any reason at all why the Committee on Appropriations should assume that any bureau should ever want to retrench or fold up or restrict its operations? Is the Committee on Appropriations justified in assuming that that should be the duty of a bureau?

Mr. LAMBERTSON. Yes; the committee is. Certainly some of their functions should cease from time to time.

Mr. CRAWFORD. I just cannot agree with the gentleman on that, because I must necessarily assume that a bureau wants to grow just the same as an animal or a child wants to grow. I think the responsibility is, first, on the Committee on Appropriations and then on the House in toto to see that bureaus are restricted in peacetime operations when we get into wartime, as at present, and I assume my full share of the responsibility, and I do not expect any bureau to assume any of it.

Mr. LAMBERTSON. In answer to the gentleman, these bureaus in the departments are now finding new ways of adding to the national defense in their own functions, and they are wanting more money for national defense because each is an arm of the national defense.

Mr. CRAWFORD. There is now in session before one of the major committees of the House hearings which have been running now for 6 or 7 days, where enormous efforts on the part of a bureau to effect economy have been contradicted by a bill which has already passed through the other body with full approval, no roll call, by unanimous consent, and that bill is now before this other committee, and within a few days the gentleman will have before him a bill which prohibits one of the big bureaus connected with the biggest agricultural commodity from effecting economies, because Congress is going to tell that bureau that it cannot do it.

Mr. PLUMLEY. I do not understand why the gentleman is undertaking to defend an increase in the number of bureaus and in their extensions.

Mr. CRAWFORD. Oh, not at all. If the gentleman will examine my votes, he will find that I voted against the creation of about 99 percent of the bureaus, and if he will come to the hearings on this particular bill, he will find that I am defending the Government agency for trying to effect some economy.

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

Mr. LAMBERTSON. Yes.

Mr. ROBSION of Kentucky. I am intrigued to know from the gentleman from Michigan [Mr. CRAWFORD] what bureau it is that is trying to reduce its own activities.

Mr. CRAWFORD. The Commodity Credit Corporation has, by sticking out its neck, and by having suffered for months and months, effected an economy of about \$12,000,000 a year, perhaps \$15,000,000, and when I find a bureau that is effecting an economy, I like to publicize it.

Mr. ROBSION of Kentucky. I join with the gentleman. I have been here a number of years, and I believe this is the first bureau I ever heard of that was trying to reduce its appropriation or lessen the number of its activities.

Mr. CRAWFORD. Look into S. 662.

Mr. ZIMMERMAN. Will the gentleman yield?

Mr. LAMBERTSON. I yield.

Mr. ZIMMERMAN. I was interested in the remarks of my distinguished colleague the gentleman from Michigan [Mr. CRAWFORD] with reference to the bill now before the House dealing with the movement of cotton. I just want to say that I hope the House will not accept everything the gentleman from Michigan has said, but I hope the House will keep an open mind and get the facts when the bill comes before the House. I think there will be some interesting things in support of the bill, and I think the gentleman will find himself confronted with some facts that will not bear out his statements today. I just want to put the House on notice that there is another side to this question and that some of us are desperately anxious to see this bill passed—those of us who are trying to help the farmers, the producers in the middle sections of our country.

Mr. LAMBERTSON. I may say right there parenthetically that I am not so sure that all the money we have been spending in the Department of Agriculture has been in the interest of the farmers. I think a lot of it has hindered him and bothered him more than it has helped. If he had been left alone, he would have been better off. But there is no doubt that at times it is in his favor.

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

Mr. LAMBERTSON. I yield.

Mr. CUNNINGHAM. On page 54, I notice a statement that the Army and Navy are purchasing beef from the Argentine and that the President and the Secretary of Agriculture state it is better beef. Now, I understand we are appropriating money for the Army and Navy to buy that beef, and in this bill we are asked to appropriate more money to bolster up the beef industry because of a surplus. Am I correct in that?

Mr. LAMBERTSON. Yes. That is one of the paradoxes which the gentleman from Iowa has pointed out.

I wanted to say about this one Department—it brings to my mind one great Department—probably the oldest and most distinguished—the State Department. I believe it ranks in the Cabinet. It was a little department. They increased very heavily under the trade agreements. Their personnel was very

much increased. Of course, the trade agreements do not amount to anything now, and I do not know what those thousands of persons are doing in the State Department that used to deal with the trade agreements.

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

Mr. LAMBERTSON. I yield.

Mr. STEFAN. We are now conducting hearings on the appropriations for the State Department.

Mr. LAMBERTSON. You are going to reduce them?

Mr. STEFAN. No. I want you to tell me what particular item you have reference to.

Mr. LAMBERTSON. I am talking about the whole proposition of the reciprocal trade agreements and tariffs, which was taken over by the State Department. They are all out of the window now. What has become of that big personnel that was created to take care of them? They have not been discharged yet, have they? Then it has been coming to us also that Hitler is making terrible unemployment in our Diplomatic Service. [Laughter.] People in the Diplomatic Service are out of jobs.

Mr. STEFAN. You will find there will be no reduction in the number.

Mr. LAMBERTSON. Yes; that is what I am saying. They do not reduce even if there is an excuse present for a reduction.

What I was coming to when I was interrupted was this: There are probably 25 big items in this bill that are scientific, technical investigations involving from \$100,000 to \$500,000 that are not changed \$1. We O. K. them. We do not know enough about it to go in and tell the Department they do not need that sort of thing. Yet there are 25 or 50 big items in there that we have to take their word for.

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

Mr. LAMBERTSON. I yield.

Mr. STEFAN. There is one item that you eliminated in this bill as compared with a year ago. You eliminated the item for research in the domestic rubber industry, did you not?

Mr. LAMBERTSON. Probably we did. We have changed a few items, but not many.

Mr. STEFAN. I want to tell the gentleman that while you eliminated that item in the agricultural appropriation bill this year, there will be an appropriation for the development of the rubber industry in South America that you will get later on.

Mr. LAMBERTSON. Well, I think that is a two-sided question. Somebody will answer that later in this debate which will be satisfactory to the gentleman, I think.

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

Mr. LAMBERTSON. Yes, I yield.

Mr. REED of New York. Do you believe that, as an Appropriations Subcommittee, you will ever be able to reduce the personnel in any department until you have some official group of experts under your own control to go into those departments and find where reductions

can be made? You do not imagine for a minute that the Bureau of the Budget is going to do that as an arm of the executive department, do you?

[Here the gavel fell.]

Mr. LAMBERTSON. Mr. Chairman, I yield myself 10 additional minutes. I am making myself feel like I am a Senator for the first time in my life. I never did take so much time on the floor, but I am enjoying it and we have got the time. [Laughter.] I yield further to the gentleman.

Mr. REED of New York. You see the point, do you not? At the present time your subcommittee cannot go down into the department and you do not have the time to check on every recommendation the Bureau of the Budget has made. Is that correct?

Mr. LAMBERTSON. Yes, I understand. We have recommended different things at different times. We have tried to get them to allow our expert assistants over there, secretaries in our offices who are very high-class men, in the off months when they have a little time to be able to go down there. There is an invisible barrier somehow against them. They do not want to go down there and pry around. Why, they do not even let these men of ours, men who are our experts, sit in on the hearings of the Budget. They might do that.

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

Mr. LAMBERTSON. I yield.

Mr. REED of New York. Is not the Bureau of the Budget an arm of the executive? And the executive is spending the money, it is keeping these people there on the pay roll.

Mr. LAMBERTSON. Why could they not let our men sit in on the hearings but keep quiet and listen?

Mr. REED of New York. Why not have a set-up similar to the Joint Committee on Taxation? Why not go into these departments so you can check on the Budget?

Mr. LAMBERTSON. The proceedings of the Bureau of the Budget are not printed. We do not know the Budget Bureau's reasons. They are not printed; and they do not like our men to sit in the hearings.

Mr. REED of New York. What the Bureau of the Budget does is to call in the head of a spending agency and get facts. Then that is incorporated in the report of the Bureau of the Budget.

Mr. LAMBERTSON. I am suspicious of experts bringing about economy, but they should be hard-fisted practical men who are comprehensive and who represent the committee and the taxpayers.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield for another question?

Mr. LAMBERTSON. I yield.

Mr. CRAWFORD. In view of the statement made by the distinguished chairman of the subcommittee, I want to get the distinguished gentleman's judgment on the following proposition dealing with a new Government activity. I say new; practically speaking, it is new as time runs.

A few years ago, through the Committee on Agriculture of the House and the

Agricultural Appropriations Subcommittee and the whole action of Congress, we instituted what we now call commodity loans, operating through the Commodity Credit Corporation. At that time we entered a new phase of governmental activity. Our chairman has pointed out in substance that the Government of the United States today is the greatest holder of commodities on the face of the earth, those commodities being owned by the taxpayers, the citizens of this country, stockholders in this corporation known as the United States of America. My question is this: Does the gentleman believe the Commodity Credit Corporation, after the Government takes absolute fee title to those commodities, does the gentleman believe that this agency, the Commodity Credit Corporation, should effect all the economies possible in the warehousing and insuring of those commodities owned outright by the people of the United States?

Mr. LAMBERTSON. I believe they should do everything that is reasonable to that end.

Mr. CRAWFORD. That is one of the issues in this bill, more or less. We have parity payments. This bill will provide for benefit payments, and perhaps later we shall have another bill which will provide for parity loans, or 80 percent parity loans, and so forth. As the Government becomes owner of these unbelievable quantities of farm commodities the question this Congress will have to decide sooner or later is, What jurisdiction shall the Commodity Credit Corporation have over effecting economies or throwing away the money and insuring those commodities? That is what I referred to a few minutes ago. Now, if the gentleman will permit, if we are to operate in the interest of the warehouseman to the end that he shall prosper because goods cannot move and because goods are warehoused and insured under his agency, piling up profits in his behalf, we shall effectively do two things: We shall discourage the agencies of the Government in trying to effectuate economies and we shall encourage the warehouses to bring about conditions which operate to prevent Government-owned goods from moving into the markets, because the longer the storage period the more money the warehousemen make.

Mr. LAMBERTSON. I think the gentleman is adding a contribution in that thought, and is bringing to our attention one of our big problems.

Mr. ZIMMERMAN. Mr. Chairman, will the gentleman from Kansas yield to permit me to ask a question of the gentleman from Michigan [Mr. CRAWFORD]?

Mr. LAMBERTSON. I yield.

Mr. ZIMMERMAN. The gentleman from Michigan is a member of the Committee on Banking and Currency that is now considering a bill. They are taking testimony both for and against this bill, trying to reach a correct determination. I ask the gentleman from Michigan if he believes it is fair to make speeches against a bill that has not yet been reported, a bill on which a committee of the House is now taking testimony in an effort to arrive at the facts? Does he believe it is proper to come in here at this time

and make these speeches against the bill when the other side has not a chance to be heard?

Mr. CRAWFORD. I think it is fair and in keeping with my responsibility that I represent my district the best I can and at any time I have the opportunity.

We are discussing matters which have to do with the cost of operating bureaus, and that is the question that is up here today. It is the question the gentleman has been discussing; and if it be an accident or a coincidence that some bill gets dragged into the discussion, then it is too bad for that particular bill. The question to which my remarks today have been directed, and solely directed, is whether or not we should encourage Government agencies to effectuate economies, whether or not we should try to take the initiative from these agencies every time they start a move to economize.

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

Mr. LAMBERTSON. I yield.

Mr. ZIMMERMAN. I heard the gentleman make a splendid speech before that committee this morning. In fact, he took most of the time of the committee.

Mr. CRAWFORD. Is the gentleman from Missouri a member of the committee?

Mr. ZIMMERMAN. No; but I was there.

Mr. CRAWFORD. Then what right has the gentleman to stand up here and complain about the time I take in my own committee?

Mr. ZIMMERMAN. The position taken by the gentleman from Michigan is against the farmers and the producers of cotton in my district, and I just want to warn the House that there is another side to the question; that we will answer the arguments the gentleman is trying to make in advance on a bill that has not even been reported to the House.

Mr. LAMBERTSON. Mr. Chairman, I cannot yield further for Members to engage in fights among themselves. If there is to be a fight on my time, I want to be in it.

Mr. PLUMLEY. Mr. Chairman, will the gentleman yield? I have no fight.

Mr. LAMBERTSON. I yield to the gentleman from Vermont.

Mr. PLUMLEY. The same statement was made with respect to the fact that there seems to be no money appropriated for further investigation of the rubber industry. We might just as well mention that now.

Mr. LAMBERTSON. Is the gentleman going to settle that right now?

Mr. PLUMLEY. I will settle it if you will all agree to it.

Mr. FISH. Can I get in on this fight, too?

Mr. PLUMLEY. No. If the gentleman waits until I get through he will not find anything to fight about. The Second Deficiency Act of 1940 made available \$500,000 which Dr. Okter, the man who is spending it, says was an appropriation to be carried over, all of which it was not hoped or expected would be expended until 1943; therefore, they did

not ask for any more and that is the reason we did not give them any more.

Mr. LAMBERTSON. I thank the gentleman for that contribution. Since we have hit rubber, we will now bound back to where we were.

Mr. MURRAY. Will the gentleman yield?

Mr. LAMBERTSON. I yield to the gentleman from Wisconsin.

Mr. MURRAY. The question was brought up here a couple of minutes ago as to the status of these so-called agricultural experts as far as foreign trade relations are concerned. The gentleman may be interested in knowing that I have in my hand the service records of 38 of the leading agricultural people in the Department of Agriculture and the surprising thing is that few of them have ever seen an agricultural college. I do not know how many of them have ever seen a farm. The man who is the head of that, according to his own service record, is a man who received his bachelor of arts degree, then studied at Harvard and I find in looking through the record that Harvard has put itself up as being one of the leading agricultural colleges in this country because they have sent calls out to Harvard frequently.

Mr. GILCHRIST. Where is Harvard? [Here the gavel fell.]

Mr. LAMBERTSON. Mr. Chairman, I yield myself 10 additional minutes.

Mr. Chairman, may I say that many bureaus in the Department of Agriculture are very conscientious, and I do not want to be unfair to them, but it would be a good policy I think to cut every appropriation where there is not a change advocated that would increase it, and when the Budget left it just where it was. We have to begin to do that, and I reemphasize the fact that from the President down we are not saving any money as far as nondefense projects are concerned. We are not saving any money here. We did not save any in the other two supply bills and I challenge any other supply bill to come in here with an actual reduction during this present session. The point is we are not doing it. There is not any incentive whatever to do it. Why should we in agriculture want to start in to cut down on a bill when we have appropriated or authorized \$25,000,000,000 for our supposed national defense or national emergency, and when we were told we were fighting to save appropriations last year because the national credit was about to crack?

Here is the thing that bothers me and makes me discouraged about saving a dollar. We can appropriate over \$25,000,000,000 and talk about \$50,000,000,000 more for national defense, but nobody hints about the national credit. That is all right; it is on a different basis, but it is too much for grasshoppers; it is too much for this or too much for something else. We have to watch the national credit, we are told. However, we can spend this on defense so easily, and there is nobody saying that the national credit is involved. It makes us relax on all these things. It makes us worse than ever instead of becoming tighter than ever. We are easier than ever. I think we ought to cut those items where there is not an actual reduc-

tion. I think we ought to cut out a lot of bureaus bodily which have been created. There are some in this bill I would have cut out if I had my way. They have not added to farming. They do not add anything to the morale or to the general benefit of farming at all. But they get their noses under the tent. They get started. It reminds me of the argument some of you had the other day when you were talking about aid to England. Nobody denied but what they were for aiding England now. They were against lifting the embargo, but since it got to be a policy England was looking for it and they had it coming. Now, nobody would cut off aid to England. It is the same spirit that prevails with the camel that gets his nose under the tent. They pity the poor animal, they do not want to cut him off, they do not want to kill him; but he grows and grows, inflates and gets bigger all the time.

Mr. CLEVENGER. Will the gentleman yield?

Mr. LAMBERTSON. I yield to the gentleman from Ohio.

Mr. CLEVENGER. Under bill 1776 it is designed to make us the arsenal for the democracies?

Mr. LAMBERTSON. Yes.

Mr. CLEVENGER. And the larder also for the democracies?

Mr. LAMBERTSON. Yes.

Mr. CLEVENGER. Does the gentleman from Kansas think that possibly after we become the larder for the democracies and give this corn-fed Ohio, Kansas, and Iowa beef to the Allies we might possibly recover some of this export business in agricultural products; then we can buy the superior Argentine beef to eat ourselves?

Mr. LAMBERTSON. If it is our war, I suppose we should not expect anything back and should buy from Argentina to keep peace.

Mr. Chairman, I want to close with this proposition: All these added duties have put agriculture to a disadvantage. I fought the wage-hour bill from A to Z. A lot of the Members over there and some over here fought to put it through. There is not anything that is stinging us any more today, and the national defense, than the wage-hour law. It was the thing that was going to raise the subnormal people. It raised everybody. It razed State lines. It circumvented interstate commerce, although that is mentioned in the first paragraph. And there are other things like that. We sit here and in the name of humanity we do all these things, like this one I referred to, and many of my friends who complain about this abnormality voted for it. I try to be consistent. I have not voted to raise so many of these things, nor have I voted to give as much to agriculture as many would desire. I find my farmers and my farmer friends throughout the United States are taking parity. They are taking everything they can get, but they hate it. They wish there was some other manner. They do not vote that way, but they take the money. It has not solved the agricultural problem. One of the biggest things for agriculture is for this Government to get down to

economy, get down to where the national credit is going to be secure.

The farm people of the United States are as much interested in that as anything else. Of course, if these other benefits are going to continue, they, the farmers, are entitled to offsets against these things that have been heaped on their heads, the increases in the prices of the things they have to buy.

Perhaps this spending is justifiable as an emergency measure for the time being, but I call your attention in closing to the fact that we are never going to economize until we economize. We have under consideration here a department with 87,000 people on the pay roll. We have almost by the dozens new set-ups that are today as big as departments, yet under an endless spending program of a national emergency, which to my mind is only half real, we are going to spend and spend and spend until this thing will be our ruination. If it is not dictatorship, it is debt. The farmers are as much interested in the national credit as in anything else.

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

Mr. LAMBERTSON. I yield to the gentleman from Utah.

Mr. GRANGER. Do I understand that the gentleman is opposed to the over-all appropriation carried in this bill?

Mr. LAMBERTSON. No. I am supporting the bill. I have opposed many items in it and made motions that have failed. We do not bring in minority reports.

Let me emphasize to the gentleman from Utah that what the whole Committee on Appropriations has to do as an appropriating committee is to sit down together before we ever begin the hearings on any of these supply bills and say that we are going to give them a 10 or 15 percent cut, then leave the Departments some discretion as to where the cuts shall be made. Then if all of us carry it out in the subcommittees, we will be doing our part in the big scheme of protecting our national credit. [Applause.]

Mr. CANNON of Missouri. Mr. Chairman, I yield 30 minutes to the gentleman from Georgia [Mr. TARVER].

Mr. TARVER. Mr. Chairman, this is a rather complex bill—I think perhaps the most complex appropriation bill which comes before the House. It is exceedingly difficult in any reasonable allotment of time to undertake a discussion of its provisions, yet I feel that, as one member of the subcommittee formulating the bill, it is my duty to give to the House such information as I can regarding its provisions and the reasons which may have actuated the subcommittee in making changes in the recommendations of the Budget in some instances and in approving recommendations of the Budget in all instances where changes have not been made.

This bill will be referred to in the newspapers as a bill carrying \$1,427,000,000. It does not carry that amount. The figures will be arrived at by adding the amount of money actually appropriated by the bill, which is approximately \$890,000,000, then the \$11,000,000 of re-

appropriations provided for in the bill, the \$250,000,000 of loans from the Reconstruction Finance Corporation for certain purposes designated in the bill, the approximately \$106,000,000 which is provided by permanent appropriations and which is not carried in the bill, and the approximately \$6,000,000 of trust funds, and the \$162,000,000 for completion of parity payments on 1941 crops which is to be appropriated for in the bill for the 1943 fiscal year, beginning July 1, 1942.

You will observe from this recital of the items that it will be necessary to consider in order to arrive at the \$1,427,000,000 total that a very considerable portion of it cannot be considered as being carried in this bill at all, especially the items of permanent appropriation. In addition to those items, the bill also provides, as stated, for the authorization of \$162,000,000 to be carried in the agricultural appropriation bill for the 1943 fiscal year, to complete parity payments on the 1941 crops, which are due and payable after compliance with the 1942 farm program has been determined.

It is, of course, manifestly unfair that an authorization which is not to be met by appropriation until the next fiscal year should be included in the amount of funds carried by the pending bill, but it would be necessary to so include the \$162,000,000 in order to arrive at the total of \$1,427,000,000 to which I have made reference.

It should be noted by everyone, especially those who are interested in agriculture, that even if we were to consider all of these various items as included in and carried by this bill, the bill total is still approximately \$56,000,000 less than that for the present fiscal year, which was, including all the items to which I have made reference or comparable items, \$1,483,000,000.

Of the money actually appropriated for the present fiscal year, there is carried in this bill \$146,000,000 less than was appropriated for the 1941 year. There is reappropriated \$45,000,000 less. In these two items of appropriations and reappropriations there exist, therefore, a difference in the bill for the present fiscal year and the bill which we are now considering for the 1942 fiscal year of approximately \$192,000,000. The pending bill is smaller by that amount.

The pending bill is approximately \$5,000,000 under the Budget recommendations. It is, therefore, I believe, fairly apparent that in these times of distress, when certainly no economies of any substance are being effectuated in other departments of the Government, the American farmer is being asked to get along with a substantially smaller program than has been carried on for his benefit during the present fiscal year, although his needs have increased rather than diminished.

I desire to call the attention of the members of the committee to the fact that it will be necessary for the Rules Committee to report and for the House to adopt a rule in order that certain very important items in this bill may receive consideration. Application will be made to the Rules Committee at its meeting this afternoon for the granting of such

a rule, and the House will be asked to vote its adoption on tomorrow.

Without the adoption of such a rule it would be impossible for the House to consider the items relating to the Rural Electrification loans, the Farm Tenant Purchase loans, and the Rural Rehabilitation loans from the Reconstruction Finance Corporation. These items aggregate \$250,000,000. Of course, it has been the practice heretofore for items of this kind not to be considered in the House, because they are not legislatively authorized in the form in which they are now presented—that is, in the form of loans from the Reconstruction Finance Corporation. The result has been that the items have always been added by the Senate and the House has acceded to the Senate amendments.

It is the hope of the subcommittee that the House may see proper to approve its effort to change this procedure in the consideration of the present bill, and, therefore, to adopt the rule which would make it in order for the House to consider what amount should be authorized for loans for the purposes to which I have made reference.

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

Mr. TARVER. I am sorry that I cannot yield at this time. After I have completed my statement I shall be very glad to yield to anyone, but I would prefer to complete the statement without being interrupted.

If you want to consider the authorization of loans in some amounts, whether in the amounts recommended by the committee or not, for rural electrification, for rural rehabilitation, for the farm-tenant land-purchase program, it will be necessary for you or a majority of you to vote to approve the rule which has been requested and which it is anticipated will be reported from the Rules Committee this afternoon, so as to make these items now contained in the bill in order and not subject to be stricken on points of order.

I desire to make some brief reference to some of the outstanding items which are carried in this bill. First, I want to discuss the recommendation of the subcommittee contained in the bill for provision for rural electrification. We have for the present fiscal year available through R. F. C. loans \$100,000,000, and through the 24th day of January, of this year, the R. E. A. had allocated approximately \$85,000,000 of that money, leaving a balance of \$15,000,000 with which to meet some \$82,000,000 of pending applications, over \$40,000,000 of which have been approved. The R. E. A. therefore will enter the next fiscal year with a more substantial backlog of pending applications, which it has been unable to grant because of lack of funds, than it has had at the conclusion of any fiscal year since the R. E. A. program was begun.

Under these circumstances it seemed to the committee that there was no reason for acceding to the recommendation of the Budget that the amount of R. E. A. funds to be made available by loan from the R. F. C. should be reduced from \$100,000,000 for the present year to \$40,-

000,000 for the next year, and when officials of the R. E. A. appeared before us and were specifically questioned with reference to the reason for this contemplated reduction, you will find upon examining the hearings, they were unable to give any reason, and frankly admitted that present indications are that the demands upon that organization for loans for R. E. A. purposes during the next fiscal year will be in excess of the demands which have existed during the present year.

These loans are not expenditures of money by the Government. They are being repaid. The number of delinquencies, as you will ascertain from the hearings, is negligible. The program has only been carried on since 1935, and since it has been carried on the rural electrification of the United States has increased from 10.9 percent in 1935 to approximately 30 percent at the present time. I do not believe that there is any appreciable number of the membership of the House who would care to undertake to reduce or restrict this very greatly justified aid to rural America, and it is therefore my hope that the House may see proper to accede to the committee's recommendation that the budget for R. E. A. loans be exceeded by \$60,000,000, bringing the amount to \$100,000,000, the amount available for the present fiscal year.

Another item which has frequently aroused controversy in the consideration of this bill on the floor of the House is that relating to loans for the farm-tenant land-purchase program. The committee recommendation is that these loans shall be made through the R. F. C. in the amount of \$50,000,000, the same amount which was made available for the present fiscal year. I hope that those Members of the House who have felt that this program is unwise may find time to read the hearings. I think they begin, perhaps, on volume II, page 87, the hearings of the Farm Security Administration relating to this activity. During the first 2 years of the program \$35,000,000 was available, \$10,000,000, I believe, the first year and \$25,000,000 the second year, and some 12,264 loans were made. During the last fiscal year, 1940, there was available \$40,000,000, and during the present fiscal year there has been available \$50,000,000. It is true that only a comparatively small number of tenant farmers have been aided. It is also true that the evidence discloses, without any possibility of intelligent controversy, that the loans which have been made are sound and that they are being repaid and every reason exists for believing they will be discharged as they come due. The percentage of delinquencies is only 2.3 percent, a very much smaller percentage of delinquencies than that which exists on loans made by the R. F. C. to business interests of the United States. I direct your attention to the statement on page 105, volume II, of the hearings, showing that delinquencies in R. F. C. small-business loans aggregate 5.3 percent.

The collections, including the overpayments of amounts due by borrowers, are 107 percent of the amounts due. The delinquencies from the 12,264 borrowers

who got loans during the first 2 years of the program aggregate only \$22,000 or \$23,000. It is, therefore, a program which, while it may not be reaching the number of people we would like to see it reach, is nevertheless according opportunity to a considerable number of tenant farmers of the United States, without involving any material loss on the part of the Government, and there seems to be no reason why it ought not to be continued and eventually expanded. There is one thing in connection with the farm-tenant land-purchase program which I desire to call your special attention to by reason of the fact that I have had submitted to me letters written by Farm Security employees in various sections of the country to Congressmen, urging them to eliminate from the bill what they are pleased to refer to as the Tarver amendment. This is an amendment which was inserted in the bill last year to provide that in the purchase of farms for tenants or the making of loans to purchase such farms, the Farm Security Administration should not buy farms of greater than average value; that is, the average value of farms of 30 acres or more in the county, parish, or locality where the farm might be situated. Officials of the Farm Security Administration appearing before our committee last year insisted that amendment would very greatly hamper them in their efforts properly to carry on this program.

It was the insistence of the committee, however, that when the Government beneficently affords to a tenant farmer a loan which will enable him to buy a farm without his putting up any money at all, taking him off an average farm where he has been a tenant, that he ought not to expect the Government to buy for his use a farm of more than average value in that county or parish. In other words, if the tenant is taken off the farm of John Smith, who has a \$3,000 farm, and the Farm Security Administration buys him a \$5,000 farm, then John Smith has a right to feel sore about it, and in many instances that was the policy that was pursued, but we put this limitation to the value of an average farm in the bill, and if gentlemen will examine the hearings they will find that it is admitted that because of this limitation it is possible to make a great many more loans out of this appropriation during the present fiscal year than have been made comparatively during the last fiscal year. For example, during the last fiscal year with \$40,000,000, the number of loans made was 6,172 and during the present year with \$50,000,000, which is 25 percent more, the number of loans to be made it is estimated will be 9,045, or an increase of 50 percent in the number of loans, whereas the increase in the amount of money available has been only 25 percent. So it is substantially admitted by the officials of the Farm Security Administration that this restrictive language has been helpful in the tenant farm purchase program, and no reason has been shown why it should not continue.

In the Soil Conservation Service, your committee has granted a fund beyond the Budget recommendation, of \$5,000,000 to the item of soil-moisture investigations,

demonstrations, operation, and information. I desire to explain to the membership of the House the reasons which justify this rather large increase over the Budget recommendations. The Soil Conservation Service is now performing technical service to 329 soil-conservation districts in the United States. With the increase in its funds which has been recommended by the Budget it would have been able to afford such service during the next fiscal year to 360 such districts, but the facts disclose that it will have 582 districts to service, and therefore at least 222 soil-conservation districts which are as much entitled to service of this character as those which are receiving it would have been without service during the next fiscal year had the Budget recommendations been approved. They indicated that more than \$8,000,000 additional would be necessary to afford this type of service to all conservation districts which are entitled to receive it. The committee did not go to the full limit of what was estimated to be necessary, but they did think it was fair and not unreasonable to ask the House to make available \$5,000,000 more than the Budget estimates provided for in order that, with some economies, the same type of service might be accorded to all soil-conservation districts carrying on this work, which is of such great importance to agriculture, a work which is perhaps nearer to the farmer than most activities provided for in the bill.

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

Mr. TARVER. Yes.

Mr. PATMAN. Will the gentleman tell the House what happened to the one-variety cotton program? Did the committee recommend the same program we had last year?

Mr. TARVER. There is no change in the Budget estimate with regard to the one-variety cotton program. I have been, as has the gentleman, very much interested in that program myself, and the committee has not indicated any desire to interfere with the recommendations submitted by the Budget.

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

Mr. TARVER. Yes.

Mr. CRAWFORD. I have been very much interested in that cotton program. I think it is one of the most constructive programs that the Department has undertaken at any time, and I would ask this question of the gentleman: What has happened insofar as he knows in recent months in the handling of the loans on cotton which has tended to discourage or impose a considerable burden on that phase of the work?

Mr. TARVER. The gentleman will find in the hearings that I went into an extended discussion of the questions involved in the warehousing of cotton, which is apparently the question which the gentleman is interested in, with a witness who appeared before the committee. I obtained contrary information to that which has been expressed by the gentleman in debate here this afternoon. I consider the legislation pending before his committee very essential to the carrying on of a fair program in cotton

warehousing, but I do not concede it to be a question which is related to the questions now being considered by the House in connection with the pending agricultural appropriation bill, and for that reason I must decline to yield to the gentleman for a discussion of that question at this time.

There are many items in the bill which would merit very extended debate. I shall ask permission at the conclusion of my remarks that I may revise and extend them so as to include therein a very much more detailed discussion of all portions of the bill that are of very great importance than I am able to give at this particular time.

I want to call attention to one other item in the bill which has been substantially reduced below the Budget estimates, and that is the item providing for the submarginal-land-purchase program. There has been for the present year, including the reappropriation of some \$924,000, approximately \$3,000,000 available for carrying on that program. The Budget estimates which were submitted to the committee were in substantially the same amount as the appropriations for the present fiscal year. The committee, however, made reductions which, according to my recollection, aggregate some \$178,000 in the amount of the Budget estimates. And so the appropriation for that purpose, as recommended in the bill, will be found to be substantially less than that which is available for the present fiscal year.

Mr. COFFEE of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. TARVER. I yield.

Mr. COFFEE of Nebraska. Will the gentleman tell us where these purchases of submarginal land are now being carried on?

Mr. TARVER. Their purchase is somewhat widely distributed geographically. I think in his own immediate section of the country, where some opposition arose to the program which was being carried on, purchases have been discontinued on account of the feeling of some of the outstanding people in that section that the program was not one which was there desirable. But aside from that restriction which has been brought about by local opposition, I think the program is geographically coextensive with all areas in this country where submarginal lands, incapable of producing a livelihood for families cultivating them with reasonable diligence, are located.

Mr. COFFEE of Nebraska. I would like to say to the gentleman that in my home county an extensive program of this nature was carried out and I was in accord with the objective to retire the submarginal land. But in actual practice the purchases were so scattered that they looked like a crazy quilt after the land had been purchased, and as a consequence, it stands now, scattered and not blocked together. We tried to have them complete it and block the land out so that it could be properly handled, but instead they moved elsewhere and began purchasing in the same manner. Frankly, I cannot believe that this program is worth while. I think that is one

place where we could save some money at the present time, unless it is carried out more judiciously.

Mr. TARVER. I might say that I have observed the operation of the program in my own section of the country, where I conceive it to be exceedingly worth while. If there has been maladministration in the gentleman's State, that ought not to constitute a reason for destroying the program as an entirety. The proper remedy for that would be to correct the maladministration of which the gentleman complains.

There is contained in the bill an item for the use of the Farm Security Administration in the making of rural rehabilitation loans. The amount actually appropriated, as I recall, is approximately \$58,000,000, and the same amount is recommended for the next fiscal year. However, there have been made available for this fiscal year, by loans from the Reconstruction Finance Corporation, \$125,000,000. The Budget estimate for the next fiscal year is for making such loans in the amount of only \$100,000,000, involving a reduction in the amount available of \$25,000,000 for this purpose. The committee has approved the recommendations submitted to it by the Budget in this particular, but in that connection I desire to point out that the statistics submitted to the committee, and which appear in the hearings with reference to these rural rehabilitation loans, show there has been a surprising percentage of repayment, considering the type of loans which have been made.

[Here the gavel fell.]

Mr. TARVER. Mr. Chairman, I yield myself 10 additional minutes.

I believe that the total amounts which have been loaned since the program began aggregate some \$436,000,000, of which some \$169,000,000 have come due for repayment, and that approximately \$140,000,000 have been repaid, being a percentage of repayment of 82.7 percent. If you will examine the statistics contained in the hearings, you will be surprised to note that in quite a number of States—largely in the Southeast—the percentage of repayment has been in excess of 100 percent, running up as high as 105 or 106 percent, while the lowest percentage of repayment is, surprisingly enough, in the District of Columbia. Just why rural rehabilitation loans have been made in the District of Columbia is not a matter about which information was developed before the committee. The statistics showing that fact were called to my attention after the committee hearings had been closed, but according to my recollection the percentage of repayment from these rural rehabilitation loans made in the District of Columbia has been only about 39 percent, as against 100 percent and more in some of the Southern and Southeastern States.

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

Mr. TARVER. I yield.

Mr. MURRAY. Possibly that could be explained from the fact that part of the Farm Security was inherited from the Resettlement Administration and that is where the figures came in, because, as I

understand, the Resettlement Administration was back in the days when we were making America over, but they are recovering about 30 percent of the funds that they spent.

Mr. TARVER. Among the higher percentages of repayment are the following:

Mississippi	106.4
Georgia	105.8
Alabama	105.4
Tennessee	103.8
Virginia	102.8
Louisiana	101.3
Wisconsin	101.2
Arkansas	100.9

Among the lows are:

District of Columbia	39.0
North Dakota	45.2
Oregon	54.2
Washington	55.2
Delaware	55.9
California	58.7
Idaho	58.8

These loans are made for the most indigent type of farmers. It is shown that the increase in income of farmers participating in the program approximates 43 percent and the increase in the worth of the property of these farmers approximates 23 percent.

The parity payment recommendation contained in the Budget has been changed by the recommendation of the subcommittee as outlined in this bill in only one substantial way. We have made available as recommended by the Budget \$50,000,000 for the next fiscal year; and this, may I say, will be sufficient, according to all the evidence, to meet the requirements for the making of parity payments up until July 1, 1942, because while the payments are on the 1941 crop they will not be made until compliance with the 1942 program has been determined, and in the majority of cases that will not be determined until after this fiscal year. There can therefore be no objection to the appropriation of only \$50,000,000 of the \$212,000,000 involved for expenditure during the ensuing fiscal year with authorization for the appropriation of \$162,000,000 more money, a total of \$212,000,000 on the 1941 crop, the same amount we had for the 1940 crop.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. TARVER. I yield.

Miss SUMNER of Illinois. Some of us did not quite understand the paragraph on parity payments as set out in the report. Does that mean that for 1942 a total of \$212,000,000 will be available by transfer from other parts of the appropriation?

Mr. TARVER. No; may I say to the gentleman from Illinois that that is the very thing I was endeavoring to explain. It means that the passage of the bill in the form recommended by the subcommittee will commit the Congress to the payment of \$212,000,000 of parity payments on the 1941 crop, but only \$50,000,000 of that will be needed during the fiscal year 1942 which ends June 30, 1942, and that the remaining \$162,000,000 is to be appropriated for the fiscal year 1943 beginning July 1, 1942, to complete the payments; for which, if you pass this bill, we will have obligated ourselves for the crops of the calendar year 1941.

Miss SUMNER of Illinois. We provide the same amount then as was provided for the current fiscal year.

Mr. TARVER. The same amount. The Budget recommendation contained a provision that parity payments should be on the approval of the President of the United States; in other words, leaving the entire matter in his discretion. In other words, it is the same as saying that the Congress does not know exactly whether we should make parity payments, but we will set up a fund of \$212,000,000 and if the President decides that the farmers of the United States need it, all right; and if he decides he does not want them to have it, then that is all right, too. The subcommittee could conceive of no reason for leaving a subject matter of that importance in the discretion of the President. We ought to provide for making parity payments or we ought not. We know the condition of agriculture in the United States. We know that practically all of the principal agricultural commodities are below parity. We passed the Agricultural Adjustment Act of 1933, providing for parity payments. It is a matter for us to decide as to whether or not we want to try to do anything to bring up the prices of these basic agricultural commodities to something more nearly akin to parity; and for that and other reasons the committee has eliminated the discretionary power which was proposed to be exercised by the President.

In addition to the reason I have mentioned is the following: Payments are to be made on the 1941 crops. The farmers in a few days will begin planting the 1941 crops and certainly the farmers of the United States ought to know now or as soon as possible whether they are going to receive parity payments or not, and the matter ought not to be tossed into the lap of the President for his decision.

I believe this legislation is of more interest to the farmers of the United States than any other legislation which will be considered during this session of Congress. I believe the subcommittee has been able to bring to you a good bill. We have not agreed on all of the items in the bill, but this bill does come before you with more unanimity on the part of the subcommittee which formulated it than has been the case in connection with any agricultural appropriation bill during the period of my membership on this subcommittee, and I sincerely hope the bill as recommended may pass the House without substantial change.

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

Mr. TARVER. I yield.

Mr. MURRAY. I think the House would appreciate the gentleman's further opinions on one subject, and that is, we know the Bankhead-Jones part of the Farm Security Act is handled by the R. F. C. I have just been wondering if the gentleman in his own mind does not think we have got to work out some plan of action that will be the same for the Bankhead-Jones Act as it is for the Federal land bank and the Commissioner loans? I say that at this time because at the present time it does not amount to anything. We have only

\$40,000,000 or \$50,000,000 a year in these loans. But the time is coming when we are going to be subject to considerable criticism.

For instance, under the aid bill we passed last year how are the poor farmers going to feel when they see another man with a fine house getting money and not having to spend a dollar on his farm? Is it not going to be controversial? And is there not going to be further controversy so far as the interest rate is concerned, one farmer having to pay 3½ percent yet seeing his neighbor paying only 3 percent?

Mr. TARVER. There are, in my opinion, may I say to my colleague from Wisconsin, very important reasons why some sort of consistent policy with regard to the several activities discussed by him ought to be brought about, but it is necessary that it be brought about by legislation and not through action of the Appropriations Committee.

I shall continue some further discussion of various features of the bill, which I hope may be of interest to my colleagues.

There are undoubtedly many activities in the nature of research in the Department of Agriculture which have long since completed the useful purposes for which they were originally designed and should be eliminated. It is very difficult for your committee to obtain proper evidence upon which to base such a process of elimination. No witness ever appears before the committee seeking a curtailment in such activities or giving the committee facts upon which to base any substantial program of curtailment. All witnesses appearing before the committee, departmental as well as congressional, are continually justifying every program which is being carried on, and, in most instances, seeking increases in the scope of such programs.

The committee carries in its report recommendations, or rather solicitations, to the Department and the Bureau of the Budget, to make an extensive survey of all research activities of the Department and to determine where eliminations may be made. It is sincerely hoped this recommendation will receive the sympathetic consideration of the officials of the Department and of the Bureau of the Budget and will result in the submission of a reasonable plan for the elimination of unnecessary activities for the consideration of the committee in the preparation of the 1943 appropriation bill.

A great deal of evidence has been submitted to the committee, principally by the Farm Bureau Federation, relating to the duplication of activities in the Department of Agriculture under different bureaus and divisions of the Department. The committee, however, has been unable to find that the suggestions which have been made in this evidence with regard to the elimination of duplication and the consolidation of field activities under the Extension Service carry with them any material prospect for economy, since the plan suggested contemplates the retention of substantially all personnel now employed, but the mere transfer of the control of their activities. Some charges with regard to duplication of activity are rather far-fetched.

A great deal has been said regarding the alleged visits of 17 employees of the Department to one man's farm in West Virginia. It appears, however, that the only basis for this much-publicized criticism is an unsupported statement supposed to have been made by a county agent in West Virginia while delivering a speech to a service club. It is apparent legislative action should not be influenced by this type of hearsay evidence; especially since the Extension Service is to be the principal beneficiary in added jurisdiction and importance if the Farm Bureau plan is made effective. This, of course, is not to say that there is not excellent reason for believing that considerable duplication of effort does exist. Part of it cannot be eliminated without legislative action or action by the President in consolidating bureaus and functions. If there is any consolidation of appropriations which can be made by your committee and the Congress which may eliminate duplication of activities in the Department, action to that end should be taken only after a thorough departmental study, and not based upon newspaper reports as to the possibility of the existence of such duplications.

The committee in considering the Budget estimates has endeavored to effect some economies where it seems to be reasonably apparent that such economies could be made without causing the deterioration of the character of service which the farmers of the country have the right to expect from this great Department. As one of many economies it has deleted the small amount of \$8,000 from the amount estimated for the office of the Secretary proposed as an increase to provide for the employment of an Assistant to the Secretary. At this time the committee has not felt that an addition in the appropriation for the Secretary is justified, but that if the additional official is necessary his salary can be absorbed in the remainder of the appropriation. No change has been made in the Budget estimate for the Office of the Solicitor.

An item which will be of interest to all Members of Congress from agricultural areas is included in the appropriation for the Office of Information, allocating \$25,000 each for the publication of the books *Diseases of the Horse* and *Diseases of Cattle* for distribution through congressional allotment. No books more valuable to agriculture have ever been published through congressional authorization. These books were last published in 1924 and copies are not now available. Considerable expense has been incurred in revising and bringing up to date the texts, all of which would be wasted effort and money unless the revised texts are made available to the farmers of the country. No increase in the appropriation has been provided for this purpose, but it is expected that the amounts will be absorbed in the regular printing allotment.

EXTENSION SERVICE

In the items for salaries and expenses for administration of the Extension Service only two changes have been made in the Budget estimates, the effect of which changes is to bring the appropriation to

the sum of \$550,000 available for the present fiscal year. These two items are proposed increases, which were eliminated, consisting of proposals to expend \$46,000 for salaries and travel expenses of six area supervisors and \$24,000 for the employment and expenses of four specialists, one each in rural engineering, rural housing, cotton marketing, and dairy and poultry marketing. The last-mentioned item of increase was in the opinion of the committee not thoroughly justified under existing conditions and the committee felt that each of these fields is already adequately covered. The first-mentioned item of \$46,000 was to set up a plan which had been tried out once before and abandoned as unsound. The only other item of change in the appropriations for the Extension Service is the reduction of the estimate for payment to Puerto Rico from \$128,000 to \$100,000 which still leaves an appropriation of \$10,000 in excess of the appropriation for the present fiscal year.

OFFICE OF EXPERIMENT STATIONS

The appropriations under this head are exactly as recommended by the Budget, including in addition to other items the same amount recommended by the Budget for the special research fund of the Department of Agriculture.

BUREAU OF AGRICULTURAL ECONOMICS

In the Budget set-up, 19 items formerly allocated from other activities in the Department to the Bureau of Agricultural Economics were transferred to the appropriation for the Bureau aggregating \$2,262,895. The committee believed that it is in the interest of economy to have the entire cost of a program, or activity, considered under the head relating to that activity and, therefore, retransferred these items to the 19 various activities from which they had been taken. It inserted in the bill a total amount of transfer authorization for the Bureau of Agricultural Economics of \$1,762,895, which is \$500,000 less than had been proposed by the Budget. The committee believes that this economy may be effectuated without detriment to the work of the Bureau of Agricultural Economics and has left to the Department discretion in determining from which items in the 19 proposed transfers the \$500,000 reduction will be taken in making the transfers. Thus, all of these 19 activities, together, will have \$500,000 more than was estimated by the Budget, but the Bureau of Agricultural Economics for the purposes for which the transfers are to be made will have \$500,000 less.

BUREAU OF ANIMAL INDUSTRY

Only one minor change has been made in the estimates for the Bureau of Animal Industry, that being the addition of \$7,728 to the proposed item of \$105,000 for hog-cholera control so as to bring the amount of this appropriation to the amount of \$112,728 available for the present fiscal year. Your committee feels that this is an item of very great importance and that the proposed minor economy is not justified. An apparent change of \$245,000 in the amounts made available for the eradication of tuberculosis and Bang's disease is not in fact a change but a mere transfer of that

amount to the item for scientific investigations of diseases of animals, including tuberculosis and Bang's disease as is pointed out in the committee report.

BUREAU OF PLANT INDUSTRY

Only minor changes have been made in the estimates for this Bureau. Two thousand six hundred dollars has been added for cereal crops and diseases to continue experimentation in wheat at the Moro station in Oregon. An item of \$5,000 proposed for experimentation in spices, it is the thought of the committee, can very well be postponed and has been eliminated. Five thousand dollars has been added to the \$5,000 heretofore available for study of the diseases of onions, an increase which is thoroughly justified by the evidence introduced in the hearings. Thirty thousand dollars has been added to continue experimentation in breeding sorgo and related plants as sources of sugar. These experiments have been conducted in Mississippi and in Georgia and the committee was very much interested to learn in the testimony of the Chief of the Bureau of Agricultural Chemistry and Engineering that means have now been perfected for the production of sugar of quality identical with that produced from sugarcane, from sorghum, and by even less expensive processes. The importance of this discovery cannot be too strongly emphasized and, if its further development reaches the point to which it is apparently tending, a revolutionary result by which the United States will be made self-sufficient in sugar production appears to be a not unattainable goal.

FOREST SERVICE

The only deductions below Budget estimates in the Forest Service relate to the funds for forest-fire cooperation and the acquisition of lands for national forests. In each instance the amount proposed to be made available is in excess of the amount available for the present fiscal year. During recent years Congress has very materially and continually increased funds for forest-fire cooperation from \$1,655,007 in 1938 to \$2,200,000 in 1941. The committee is very much impressed with the importance of this work and yet it does not feel that the continuance of an orderly program requires the granting at this time of more than \$150,000 above the appropriation for the present fiscal year. It has, therefore, eliminated \$150,000 of the proposed \$300,000 increase, leaving the amount recommended in the bill—\$2,350,000.

A difference of opinion exists in the committee as to the wisdom of the reduction in the amount of \$2,000,000, recommended by the Budget for acquisition of lands for national forests. Part of the committee felt that the amount recommended by the Budget is in itself insufficient for this activity but a majority of the committee decided to eliminate \$500,000 from this estimate.

FOREST ROADS AND TRAILS

The reduction of \$1,000,000 in the estimate for this item is explained in the committee report and leaves this activity the identical appropriation available for the present fiscal year.

BUREAU OF AGRICULTURAL CHEMISTRY AND ENGINEERING

Three small increases proposed by the Budget under this Bureau have been eliminated. The amounts eliminated total \$27,481, but the Bureau has left the same appropriation for the next fiscal year as is available under the current act.

FOUR REGIONAL LABORATORIES

The committee has reduced by \$500,000 the amount available from A. A. A. funds recommended by the Budget for the four regional laboratories. This does not save any money but leaves \$500,000 more available for A. A. A. purposes. Last year the committee reduced the Budget estimate for these laboratories to \$3,000,000 in view of the uncertainty as to the dates when they would be completed and full complements of personnel required for them. This action was taken despite protestations by the Chief of the Bureau that the work of the laboratories would be retarded thereby. However, this has not only not been true but from the \$3,000,000 made available it is estimated there will be an unexpended balance of \$125,000. It is still uncertain when these laboratories will be fully completed and in full operation. The increase of \$500,000 provided for in the committee bill, together with the unexpended balance of \$125,000 will give the laboratories \$625,000 more than they had for the present fiscal year and should be amply sufficient.

BUREAU OF ENTOMOLOGY AND PLANT QUARANTINE

Under this Bureau's appropriation item, the committee has recommended minor items of reduction fully explained in the committee report and totaling \$103,439 below Budget estimates.

WHITE PINE BLISTER RUST CONTROL

The committee has made available for this program to the Department of Agriculture \$1,044,000, the same amount available to the Department for the present fiscal year, and in addition has provided \$115,000 for transfer to the Department of the Interior on whose lands this type of work has not heretofore been conducted. While this involves a reduction below Budget estimates of \$250,000, it still leaves the Department of Agriculture with the same amount it had available for the present fiscal year and in addition provides for the beginning of this work in the Department of the Interior. The committee is not insensible to the very great importance of this work, but has not felt that under present conditions it would be justified in more liberal action.

AGRICULTURAL MARKETING SERVICE

The Budget estimates for these items have been substantially approved, although justified decreases of \$10,000 under the Federal Seed Act, \$25,000 under the Packers' and Stockyards' Act, and \$25,000 under the Insecticide Act, totaling \$60,000, have been made, with increases under the items for crop and livestock estimates of \$10,000 to provide for weekly reports of cheese production in Wisconsin, and \$6,000 to provide for tobacco inspection at Weston, Mo., leav-

ing a net decrease below Budget estimates under this head of \$44,000.

BUREAU OF HOME ECONOMICS AND COMMODITY EXCHANGE ADMINISTRATION

The Budget estimates for these two activities have been approved.

PARITY PAYMENTS

The necessity for the continuation of parity payments, if the farmers of the country are to receive on their 1941 crops anything approximating the income which they have had on their 1940 crops, which, as we all know, has been pitifully inadequate, is fully and clearly proven by a considerable volume of evidence in the hearing. It is pointless to debate here whether the provision of such payments is a wise part of our farm program or not. Personally, I have always felt that, in accord with the President's position, Congress should make provision for raising revenue to finance the farm program other than through appropriations of general funds from the Public Treasury. However, Congress has not taken such action, and there is no assurance that it will do so prior to the marketing of the crops for this calendar year and determination of compliance in next year's program. Under such circumstances, Congress has no alternative but to make use of the means authorized in the Agricultural Adjustment Act of 1938 for the relief and stabilization of agriculture, and the making of parity payments is one of these means. In view of the fact that parity payments appear for the first time in the Budget, although they have been made for 3 successive years, it is to be hoped that the bitter fights which have heretofore been made against this appropriation may not materialize in the consideration of this bill.

The making of such payments and the extension of all other aid to agriculture in this bill, and in other legislation, are admittedly insufficient to assure parity prices for agricultural products, but they constitute all we can do prior to the enactment of further farm legislation to remedy deplorable conditions which, on account of the war and the loss of export markets, may rapidly become worse, and would certainly be immeasurably worse without the provision of such benefits.

FEDERAL CROP-INSURANCE ACT

The committee bill contemplates a reduction of \$234,488 below the Budget estimate for 1942 of \$5,734,488. There is still left available if the committee recommendation is adopted the sum of \$5,576,800, of which \$76,800 may be transferred to the Bureau of Agricultural Economics, all of which represents an increase for comparable purposes of \$65,512 above the appropriation for 1941. During its 2 years of existence the Federal Crop Insurance Corporation has been a losing venture so far as the Government has been concerned. Its capital, for which the Congress has provided for Government contribution of \$40,000,000 has been depleted through losses by approximately \$6,500,000. According to the hearings during the last year the Corporation paid out benefits to farmers insured amounting to between \$13,000,000

and \$14,000,000, and it cost to administer the program \$5,400,000. The wheat paid in as premiums by the farmers was worth about \$8,000,000. Thus, the Corporation netted a loss of some five or six million dollars besides the expense of administering the program.

There seems to be in the hearings some quality of indefiniteness with regard to some of these figures, but it is, nevertheless, clearly apparent that the Government during the operation of the program has sustained a loss of \$6,500,000 besides appropriations for administration expenses totaling for the last 2 fiscal years approximately \$11,100,000. It is, therefore, a very substantial question which should address itself to the discretion of the Congress as to whether or not the Government can continue to conduct such a program, from which the Public Treasury is sustaining heavy losses without materially increasing the premiums which have been charged heretofore so as to afford the Government greater protection. It is learned that approximately a 7-percent increase in the rate of premiums has now been provided, but, in the absence of unexpected conditions, even this increase will be manifestly insufficient to protect the Government from loss. Certainly if a program of this kind, which so far has involved the appropriation from general funds in the Treasury for the benefit of one class of farmers, is to be continued it should, in all fairness, be so extended as to include all producers of the five basic agricultural commodities.

WATER FACILITIES AND COOPERATIVE FARM FORESTRY

Budget estimates for these items being exactly the same as for the present fiscal year have been approved.

CONSERVATION AND USE OF AGRICULTURAL LAND RESOURCES

Budget estimates for this item approximating \$500,000,000 have been approved. This constitutes, of course, the major part of the agricultural program and extensive discussion at this point is unnecessary.

DISPOSAL OF SURPLUS COMMODITIES

Budget estimates under this item, representing a decrease from the appropriation for the present fiscal year of \$35,000,000 to approximately \$100,000,000, besides approximately \$100,000,000 from section 32 funds, \$200,000,000 in all, have been approved. It is insisted by some members of the committee that this item properly belongs in relief appropriations. It is, however, of benefit to agriculture, and especially that part of it which is used in carrying on the cotton-mattress and comfort programs. The new proposal made effective for this calendar year to still further reduce cotton production by issuing cotton-goods stamps to farmers who reduce below their allotted acreage has yet to prove itself.

SUGAR ACT OF 1937

This appropriation is continued in accordance with Budget estimates, although the wisdom of this program has not been shown to the satisfaction of some members of our committee.

FARM CREDIT ADMINISTRATION

Estimates for the Farm Credit Administration have been approved, including \$100,000 transferred from the Bureau of Agricultural Economics.

FARMERS' CROP-PRODUCTION AND HARVESTING LOANS

These will be adequately provided for through the use of available reappropriated funds, which we have been assured by Governor Black of the Farm Credit Administration will be sufficient for that purpose.

CONCLUSION

This bill, as I have said, is of vastly more interest to agriculture than any other legislation which will be considered at this session. The sum which it carries appears huge, but it is a mere drop in the bucket compared to what would be necessary to give the American farmer parity with industry and business in farm income. This it is not possible for us to do. We have, however, gone as far as we could under existing law and with due consideration to the resources of the Federal Government and the purposes for which other Federal funds are now being expended under emergency conditions. A rearrangement of the whole structure of farm legislation is urgently necessary. Whether farm price fixing is the answer to the farmers' difficulties is at least open to question, and, in my judgment, it would not be a wise solution for his problems. However, if the man who labors in industry is to be assured by law a minimum price for his labor, there certainly appears no reason based upon moral justice why the farmer should not have similar assurance as to the prices of his products which in the main represent his labor. No more important question confronts the American people today than that of the rehabilitation of agriculture and restoring it to parity with industry, business, and labor. To that end it is important that the most diligent efforts of all of us shall be devoted.

Mr. DIRKSEN. Mr. Chairman, I yield 25 minutes to the gentleman from California [Mr. ANDERSON].

Mr. ANDERSON of California. Mr. Chairman, it is my purpose at this time to call the attention of the House to several phases of the agricultural situation in this country that I feel are being somewhat overlooked. Many months have been spent in accumulating the material which I have at hand and the sources of information which have been tapped are thoroughly reliable. Because I feel that the following statement will be of interest to all Members of the House who are genuinely concerned with the welfare of the American farmer, I ask your indulgence and attention.

In order to give a background to my remarks, may I say that my family has been engaged in farming in the State of California since 1865. My grandfather was one of the pioneers in the development of the fruit industry on the Pacific coast, and we are still at it. For the past 18 years, my brother and I have been actively engaged in the production and marketing of fall and winter pears, my only occupation before being elected to the office which I now have the honor

to hold. I mention these facts merely for the purpose of pointing out my connection and interest in the production of some of the so-called specialty crops for which California is noted.

Let me give you a picture of the importance of agriculture in my district, with special emphasis on the production of fruit crops. The following statement is from a letter recently sent me by the Agricultural Marketing Service in the Department of Agriculture:

The relative importance of the fruit acreage in the Eighth Congressional District, as compared with the State totals, is indicated by percentages which have been calculated for each fruit. It is significant that the Eighth Congressional District has 44 percent of the prune acreage, 36 percent of the apricot acreage, 34 percent of the apple acreage, 22 percent of the cherry acreage, and 20 percent of the pear acreage in the State. Such data as we have indicate that your district in California ranks high nationally in the acreage planted to prunes for drying and to apricots. This district probably has two-fifths of the drying-prune acreage and about one-third of the apricot acreage in the United States.

Mr. Chairman, those are rather illuminating figures to those who are not familiar with the tremendous importance of the fruit industry to the State of California. It is also interesting to note that during the 4 years from 1936 to 1939, inclusive, California outranked every State in the Union in the amount of cash income received from crops marketed. During that same 4 years, only one State, Iowa, surpassed California in the total amount of cash income from all farm marketings, including livestock, and then only slightly in 1938 and 1939.

I dislike to risk boring Members of the House with too many figures, but some of them are extremely enlightening and pertinent to the subject at hand. According to the latest figures available, crops were harvested from approximately 321,000,000 acres in 1939, and of this amount between five and six million acres are in fruits of various kinds. That sounds like, and it is, a small percentage of the total, about 1½ percent.

But now let us look at the importance of the fruit industry to agriculture from other angles. The total estimated value of land and buildings on all types of farms in the United States was approximately \$34,000,000,000 in 1940. Fruit farms represent about 5 percent of this total. But now listen to this: The average value of land and buildings on fruit farms is over five times the average value for all types of farms in the United States.

Too many persons, including Members of Congress, are inclined to associate the term "farmer" with those whose livelihood depends upon the production and harvesting of the more staple crops, or so-called basic commodities. The Agricultural Adjustment Administration, parity payments, soil-conservation payments, and so forth, are primarily designed to benefit the growers of cotton, corn, wheat, rice, and tobacco.

And yet there are hundreds of thousands of real dirt farmers throughout the country who are engaged in producing

the many other kinds of farm crops which we produce, and who are entitled to equal recognition if we are to preserve the future welfare of what has long been termed "America's basic industry." In other words, if we are going to pass laws to benefit agriculture, if we are going to appropriate funds to benefit agriculture, we must keep constantly before us the fact that agriculture is a general term. It does not imply, by any stretch of the imagination, that the only farmers who should be considered are the growers of the staple crops.

In calling attention to the fruit industry, I have mentioned only one of the many types of commodities that deserve consideration. Vegetables is another. In 1939, for instance, only two crops—cotton and wheat—earned the farmers more money. If we include dry edible beans, potatoes, and sweetpotatoes, vegetables are the most important source of cash farm income from crops. The production of fruit and vegetables is an annual billion-dollar industry. If these commodities were to suddenly disappear from our retail markets, it would not be long before we realized just how important they are to our everyday life. Then, perhaps, we would be more inclined to give them the consideration which they are not receiving at the present time.

Right now these farmers are confronted with a very uncertain and unhappy future. Faced with shrinking markets and, up until just recently, with steadily declining purchasing power, they have had to turn to the Federal Government for assistance. They are desperately in need of economic aid that will enable them to protect not only their investment in land and farm equipment and buildings, but their very homes and families. What help has been in evidence so far has been spread so thin that it has been of little use to the average farmer.

In order to give force to my argument I find it necessary to cite additional figures, in this instance the amount of Federal benefit payments to various States in the Union that are engaged in the production of agricultural commodities. The following figures prove rather conclusively that those States, in which the basic commodities are the predominant crops, share to a far greater extent in Federal farm funds than do other agricultural States.

In 1939, for instance, the total cash income from farm marketings in California was \$556,000,000. Total Federal benefit payments to California farmers in that year amounted to \$19,300,000, or about 3½ percent of their total cash income. In 1939 Iowa had a total cash income from farm marketings of \$586,000,000, with Federal benefit payments of \$69,000,000, or about 12 percent of its cash income. It might be well to point out here that the bulk of Iowa's farm income is derived from livestock and livestock products rather than from crops.

The State of Texas had a total cash income from farm marketings of \$456,000,000 and received 24 percent of that amount, or \$111,000,000, in Federal payments. Georgia: Income, \$133,000,000; benefit payments, 19.5 percent of that

amount, or \$26,000,000. Alabama: Income, \$88,000,000; payments, \$27,000,000—31 percent. I could cite other instances but they are not necessary.

At the risk of repetition let me show you the picture in another way; still using 1939, the last year for which complete figures are available. California: Cash income from farm marketings \$556,000,000, 3½ percent of that figure or \$19,000,000 in benefit payments. The four States of Georgia, Alabama, Mississippi, and Texas: Cash income \$785,000,000, benefit payments \$196,000,000. In other words, four States with a total farm income which was less than 50 percent greater than California's, received benefit payments from the Government that were 10 times greater than cash benefits to farmers in my State, and yet most of California's farmers are just as much up against it as those elsewhere in the country.

Now, Mr. Chairman, in considering a national program for the welfare of the American farmer it seems to me that equal recognition should be accorded to every type of agricultural product. By that I mean that each farm commodity is entitled to consideration in direct ratio to its comparative position as an economic factor in our annual income from agriculture. It is my purpose to show that the producers of fruits and vegetables, not only in California, but throughout the entire United States, are a very important factor in our national farm economy. However, I refer primarily to the growers in my own State and district, as I am naturally more familiar with their specific problems.

Earlier in my remarks I referred to the fact that the average per acre value of fruit farms was more than five times that of the average per acre value of all types of farms in the entire country. I wonder how many of you are familiar with the many items involved in arriving at this high figure; of the many years the fruit farmer has to wait while his orchard comes into production; of the high-priced equipment he must purchase to operate it and the year around job of maintenance with which he is constantly confronted.

In addition, the sudden loss of export markets and the decline of domestic prices has imposed another staggering burden—that of surplus. The Surplus Marketing Administration is making a determined effort to relieve the situation, but in spite of their assistance the fruit farmers' problem grows steadily worse. One of the principle reasons, of course, is lack of sufficient funds for surplus removal and another reason is the fact that of the total amount appropriated for this purpose not near enough is devoted to the fruit and vegetable industries.

For instance, in 1940, \$194,000,000 was spent on the removal of surplus commodities. Of this amount only \$29,000,000 was spent to help fruit and vegetable growers. The great bulk of the balance was largely used for the so-called basic commodities that already receive the lion's share of the soil-conservation payments and all of the money appropriated for parity payments. Let

me here point out that the fruit growers are no closer to achieving parity at the present time than are the growers of cotton, corn, wheat, rice, and tobacco.

True, a certain amount of the soil-conservation appropriation is set aside for orchardists who comply with the A. A. A. regulations. But what does the orchardist receive in comparison to the amount he has invested? Let me give you an example: A farmer in my district owns a 20-acre prune orchard. He is assessed at \$225 per acre—\$4,500. His trees are assessed at \$1 each and he has approximately 75 trees per acre—another \$1,500, even though trees are more apt to be a liability than an asset right now. Residence and farm equipment are assessed at \$2,400—making a total assessed valuation of \$8,400. His tax rate is \$2.81 per hundred, so he pays annual taxes to the county in the amount of \$236—almost \$12 per acre.

Now, if he complies with the A. A. A. regulations and earns a soil conservation payment he may receive a dollar and a half or a dollar and seventy-five cents per acre from the Government. Think of that—thirty or thirty-five dollars on a farm that is assessed at a value of \$8,400 and probably represents the actual investment of twice that amount. To the farmer who operates several hundred acres of hay or grain land the payment of a dollar or a dollar and a half per acre really amounts to something, but to the man who has a lifetime investment in a fruit farm of 20 or 30 acres it is only a sop.

Not many people in the country are familiar with the many and varied problems which confront the average fruit farmer on the average-size fruit farm. We are all too accustomed to finding our finished product on the grocer's shelf, neatly wrapped, boxed, or packaged, ready to take home. We fail to realize how many countless tasks were involved in placing that product there within easy reach of our hand and pocketbook. Let me take you through the various steps that must be taken by the fruit grower in his year-round job so that you will understand just what I mean by calling it an endless task.

Few fruit producers recognize a fiscal year or a calendar year, to most of them the important measured space of time is a crop year. One year ends when the crop is harvested, in the summer or fall, and the farmer then starts the next year by preparing for the next crop. First, probably, he gathers in the picking boxes, picks up and stacks the tree props and then with a tractor and disk turns under the summer weeds. Next on the list, perhaps, comes the all important job of pruning the orchard, a task that varies greatly in time and cost according to the type and variety as well as the size of the trees. This may consume many weeks depending upon the size of the orchard and the number of men employed, and the cost may range from five or six dollars per acre for prunes, for instance, to eighteen or twenty dollars per acre for pears and apples. The cut brush must then be removed and an application of fertilizer put on the land—if the farmer can afford it, which is not often now.

Some orchards may have to be sprayed in the fall to eradicate insects and insect eggs, and in many localities fall irrigation is necessary to insure a proper setting of buds for the coming crop. It might be well to point out here that a very high percentage of California's fruits and vegetables are produced on irrigated land. Furthermore, let me say that, although the order of doing the many operations which I am enumerating may vary slightly, the general picture is about the same on all well-managed orchards.

If winter sprays are to be used, they must be applied before the fruit buds open too far in the spring. These sprays are usually some type of oil emulsion, used not only to control insect pests but also to invigorate the tree itself. I have seen farmers and their hired hands out in the field after a heavy rain spraying under conditions that would mire a duck. However, timing is the important thing in spraying and it must be done at certain periods, regardless of ground conditions, or not done at all.

Next come the blossom sprays that must be applied to certain varieties of fruits in order to prevent the start and spread of certain types of fungus diseases that become active in the spring. Here, again, timing is of the utmost importance. Spray too early and the good effects are nullified—spray too late and the opening blossoms may be damaged by spray penetration.

As the blossoms open into full bloom in the spring, the most critical period of the year is at hand. Orchard heaters must be set out and made ready for immediate use in those orchards and groves that are susceptible to frost. A heavy frost can wipe out an entire crop overnight and a driving rain may so damage the blossoms that a large percentage of the crop is lost before it has a chance to get started. If you have never had the opportunity of running a smudge-pot line at 2 or 3 o'clock in the morning, in heavy adobe mud up to your ankles, with the temperature at the danger point and dropping rapidly, you have really missed something.

Sometime during this early spring period the annual job of cultivation gets under way. The winter cover crop is turned under, providing future plant food for the trees, and the ground is worked into a mulch in order to conserve moisture. On irrigated farms this task of moisture conservation is an important one. Most orchards will require from one to three irrigations during the growing season, and water is costly; and in many localities extremely hard to get.

During the spring and early summer months certain varieties of fruits require constant applications of sprays in order to combat insect pests and various diseases. Pears and apples, for instance, may be sprayed six or eight times before harvest season. These spray materials must be carefully mixed and applied in order not to injure either the tree or the fruit and, at the same time, they must be easily removable so that there is no spray residue on the finished product when it is prepared for the market.

Eventually the harvest season rolls around and the year's activity on the farm reaches its highest peak. Extra help is put to work and everywhere is evidence of feverish haste. When the fruit is ready to pick there must be no delays. If the weather is warm, and the crop happens to be peaches or apricots, the farmer may have only 5 or 6 days to get his fruit off of the trees and into the cannery or onto trays for drying. Mother nature, like time and tide, waits for no man. Lack of sufficient labor, or a day or two lost at this critical period, may mean the loss of a large percentage of the crop and financial ruin for the grower.

Not all types of fruits have to be harvested as rapidly as this, and in normal years the picking season may be spread over a period of several weeks or, if three or four different kinds of fruits are grown, 3 or 4 months. Some fruits go to the cannery, some are dried, either artificially in dehydrators or naturally in the sun. Some are packed fresh and shipped many thousands of miles to the great metropolitan areas, or stored in warehouses for sale weeks or months later. In the finished product there is very little evidence of the many tasks that I have tried to illustrate and which are an essential part of one of the most important agricultural industries in the country today.

Now, Mr. Chairman, the foreign market has been of growing importance to the fruit grower, for domestic production has been increasing faster than domestic consumption. Increased consumer purchasing power resulting from the defense program will only partially offset unfavorable factors. While the war has seriously curtailed practically all farm exports, it has hit fruit exports harder than most other commodities. This is best illustrated by the fact that while all agricultural exports except cotton were off 19 percent during the first war year, fruit exports were off 44 percent. In the first quarter of the second war year fruits were off 85 percent as compared to 53 percent for all other agricultural exports except cotton.

Constructive action to relieve the situation is necessary, and it should not be long delayed. That Secretary of Agriculture Wallace recognized this fact is best shown by the following statement from his last annual report:

Considerable reductions can be made in the costs of marketing some fruits. Lower-cost containers and motor-truck transportation may still further widen distribution and increase the returns to producers. But fruit producers generally face a difficult problem. They need an increased consumption of fruit in this country at prices not much lower than those received in recent years. Solution of the problem may require some revolutionary changes in production and marketing.

In an article appearing in *The New Republic* not long ago, the present Secretary had this to say:

Raising the total farm income even if it is raised to parity is not the complete answer. There would still be the problem of the lower third.

And he further stated:

Generally speaking, farmers need to grow more for the home market and less for an export market that may remain closed indefinitely.

Let us see what the Government can do to help in solving some of the difficulties. One thing that can be done and should be done immediately is to stop the importation of directly competitive foreign produced agricultural commodities. Give the American farmer the American market. Assist the producer of specialty crops to find new domestic markets for his produce, thus helping to permanently eliminate the various surpluses that appear to exist at the present time. Although the Surplus Marketing Administration is doing as well as can be expected with available funds, we all know that this is not a permanent solution.

Where domestic production of certain crops continues to exceed domestic consumption the Government can assist by furnishing financial aid in the retirement of submarginal land from production. Several comprehensive plans on this subject have been submitted, and certainly one can be worked out that will prove sound and feasible. Furthermore, such a program would be considerably less expensive than some of the schemes that are being tried out at present.

Further progress can be achieved in reducing the high costs of transportation and distribution. Let me call your attention to a special report prepared in 1940 by the Department of Agriculture, *The Wholesale Fruit and Vegetable Markets of New York City*. Therein it is stated:

Nearly half of the consumer's dollar in New York City that is spent for fruits and vegetables goes to pay the cost of getting the products from the city limits to the consumer's kitchen.

In this connection I might also point out that, according to the Bureau of Agricultural Economics, while the farmer's share of the consumer's dollar for 58 foods averaged 42 cents in 1940, the fruit farmer's share was only 33 cents.

I do not claim to have all the answers, Mr. Speaker, and have no desire to approach this matter from a selfish angle. I do maintain, however, that we cannot find the solution to the farm problem by appropriating vast annual sums of money for agriculture and then giving 62 percent of all Federal farm benefits to farmers who produce only 21 percent of the total cash farm income. [Applause.]

Mr. ELLIOTT of California. Will the gentleman yield?

Mr. ANDERSON of California. I yield to my colleague from California.

Mr. ELLIOTT of California. I want to compliment the gentleman from California [Mr. ANDERSON] for the wonderful report he has been able to give to the House this afternoon, and may I add this: A few of us realize that the cost of leveling a piece of land for orchard use runs all the way from \$50 to \$75 an acre, in addition to the cost he has given you for irrigating, cultivating, and performing other jobs on such land. The cut in the Surplus Marketing Administration funds

under this bill amounts to \$35,000,000, and, as the gentleman from California has mentioned, that very materially hurts the growers of apricots, prunes, raisins, and other specialty fruit and vegetable crops.

Mr. ANDERSON of California. The gentleman is referring to the fact that the sum appropriated for the Surplus Marketing Administration has been cut approximately \$35,000,000 under the amount carried last year?

Mr. ELLIOTT of California. Yes; under the amount appropriated last year. Owing to the fact that last year we got little enough, with the cut of \$35,000,000 we will get practically nothing this year.

Mr. ANDERSON of California. As I pointed out to the gentleman from Missouri when he was addressing himself to the bill earlier in the afternoon, that cut, according to the hearings and the evidence which the committee has brought in, is going to seriously affect the very types of commodities that I tried to point out in my remarks as needing help just as much as any of the basic commodities. That is an actual fact, and these are about the only funds available to the growers of all farm commodities, other than the so-called basic crops.

Mr. ELLIOTT of California. They get no parity payments, such as cotton, wheat, and corn?

Mr. ANDERSON of California. No. The parity payments go only to the producers of the five basic commodities, and they also get the lion's share of the soil-conservation payments. The only relief that is left is a share of the Surplus Market Administration funds.

Mr. ELLIOTT of California. Is it not true that the large acreage of California is made up of small growers to the extent of about 85 to 90 percent?

Mr. ANDERSON of California. Yes.

Mr. ELLIOTT of California. Less than 100 acres per grower?

Mr. ANDERSON of California. That is true in California as it is in other parts of the country. It is the average farmer we are trying to help. We are trying to help the small family-size farmer who is trying to protect an investment of two or three generations in his ranch, and we have to shape our policy in agriculture more to that end.

Mr. ELLIOTT of California. The average individual does not realize that it takes 3 or 4 years before his trees or vines are producing, and he has an expense there of \$50 to \$75 an acre each year to take care of these trees and vines before they produce anything.

Mr. ANDERSON of California. I may say to the gentleman, who I know is familiar with California farm problems, that there are very few types of trees that come into bearing in 4 years. With most of them we have to wait a period of 8 to 10 or even 12 years before they come into production, and the investment in the land and an increasing overhead is there all the time.

Mr. ELLIOTT of California. That includes citrus, of course.

Mr. ANDERSON of California. Yes.

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

Mr. ANDERSON of California. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Are the fruit growers of California having any material difficulty in marketing their products now?

Mr. ANDERSON of California. Yes; we are having serious difficulties, because, as I tried to point out, we have lost our export markets. They are gone, and as a result we have a tremendous tonnage of fruit on hand—dried, fresh, and canned—that the domestic market is presently unable to absorb.

Mr. CRAWFORD. I believe the gentleman also referred to the difficulties of some of the other Fruit States of the Pacific Northwest.

Mr. ANDERSON of California. I am interested in the difficulties of any State in the Union that is engaged in producing fruits, vegetables, or other so-called specialty crops.

Mr. CRAWFORD. Has the gentleman looked into the difficulty with reference to the apple growers of the Pacific Northwest?

Mr. ANDERSON of California. Yes; I have attempted to look into all of them.

Mr. CRAWFORD. Can the gentleman tell us what the imports of apples from Canada have been during the past year under the reciprocal trade treaty with Canada?

Mr. ANDERSON of California. Not exactly, but it is something over 800 cars.

Mr. CRAWFORD. During the 1940 season and through January 22 of this year it was 839 cars as compared to 178 cars for the season before. Furthermore, I would like to point out that the duty on Canadian apples coming into this country is 15 cents a bushel, while on apples going from the United States into Canada it is 65 cents a bushel, and our exports have been almost nil. That is one of the difficulties in the fruit belt of the Pacific Northwest.

Mr. ANDERSON of California. I agree with the able Member from Michigan and wish to add that is only one of the many and varied difficulties that face the fruit producers throughout the entire country. [Applause.]

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I yield 20 minutes to the gentleman from Montana [Mr. O'CONNOR].

Mr. O'CONNOR. Mr. Chairman, before taking up the subject I intend to discuss, I should like to answer the question the chairman of the subcommittee addressed to me a while ago with relation to the price at which wheat is now selling. The gentleman pointed out that if the farmer were to receive parity for his wheat as compared with the price of the machinery he purchases, labor, and so forth, he would be receiving \$7.50 a bushel. The best spring hard wheat that is produced today is selling in Minneapolis for 86 cents a bushel, netting to the producer in the neighborhood of 66 cents per bushel. That is where the farmer stands in the present economy.

I congratulate the members of the Committee on Appropriations for bringing this bill into the House. I believe it is one of the fairest appropriation bills for agriculture that has been presented since I have been a Member of the House.

I particularly congratulate the chairman of the subcommittee, the gentleman from Missouri [Mr. CANNON], who has on many, many occasions proved himself to be one of the best friends the American farmer has in this House. I also pay a compliment to a newer Member of the House, but one who is no less ardent in his advocacy of the rights of the farmer, the gentleman from Washington [Mr. LEAVY]. I also congratulate the gentleman from Arkansas [Mr. TERRY] and the gentleman from Mississippi [Mr. COLLINS]. And I do not want to leave out the members of the subcommittee on the other side of the aisle, who are also entitled to congratulations.

Mr. Chairman, indeed, I am not unmindful of the benefits the American farmers have received from legislation enacted by the present administration. I am firmly of the opinion that if these steps had not been taken by the President and Congress the farmer would be in a deplorable condition in this country today. We have begun a program that must be carried on. We must continue conservation of our most precious resource—our soil. We have a duty to ourselves and to posterity to maintain the productivity of the land. We want our children and their children to have a chance to live in comfort. We want them to have a chance for secure incomes and higher standards of living. We want the family sized farm to endure. We must also continue the provisions for an ever-normal granary to protect consumers, as well as farmers, against crop shortage. We have written into the laws of this country so-called parity payments to farmers to bring their incomes nearer to equality with nonfarm groups. The present bill carries parity payments. It is to be hoped that there will not be a single vote against this provision. We must also continue our crop insurance because I know so well the tragedy of crop failures beyond the control of the farmers. We must also make wheat-marketing quotas contingent always upon a two-thirds vote of our farmers in a referendum. Personally, I am, indeed, proud of these forward steps taken by this administration.

I feel, however, that today in our defense program that the American farmer is left out of the picture and that, above all else, his security and stability should be included in our national program for defending our country. You find no representative sitting with Mr. Hillman and Mr. Knudsen. Labor is looked after, business is looked after, but the American farmer must look after himself. Maybe I am too critical, but I know the farmer's problems because I spent my early life in Iowa on a farm, as well as giving the matter thought since. The farmer has to face an uncertain future. When he plows his ground and prepares his seedbed, he knows not what the season will be. He anxiously asks himself the questions: Will there be rain? Will his grain sprout and grow? Will it survive the scorching-hot winds? Will it escape hail? Will the destroying insects get it? Will it ripen before it rusts? What will his harvest be and what the price? The farmer never knows. He takes these

chances. If he is lucky and comes through all of these hazards and raises a good crop, others fix the price. But has he stopped and does he stop? No; on the contrary, my friends, he goes faithfully on, filling year in and year out the bread basket of the Nation. Now, as never before, this man's interest should in some way, somehow, be protected. Suppose the American farmer were to strike and say to the Government of the United States he must be guaranteed a decent living and a profit before he proceeds, as industry and labor have demanded. We all know the most essential of all for a nation in times such as these is food. The farmer grows this food. No; he will not strike; he will not halt or hesitate. He will go on and keep the bread basket filled in the hope that we, the only forum on earth to which he may appeal, will do him justice. Are we going to deny him justice? He has never gotten a square deal in our economy in the past thus far. There may be votes cast against parity payments because they may say that he is being selected out and given something out of the Treasury. Ringing in my ears are the words of ex-Congressman Jones, one of the great national friends of the farmer of this country, when he used these words on the floor of the House a few years ago:

Regardless of how we may view his philosophy of government, Alexander Hamilton, at the time he submitted his report on manufactures, December 5, 1791, when he advocated for the first time in this country the adoption of the principle of protection and suggested that the farmers be paid a bounty as an offset to the tariff, not as a gift but as a restitution, said: "Bounties are sometimes not only the best but the only proper expedient for uniting the encouragement of a new object of agriculture with that of a new object of manufacture."

So much for parity.

I have said that others fix the price of what the farmer has to sell. I now say others fix the price of what the farmer has to buy, and that price is far above parity price which the farmer receives, as already has been pointed out. Now I am going to call your attention to another inequality that the farmer suffers and that is our horse-and-buggy method of the property tax and the farmer tax.

SERIOUS DIFFICULTIES WITH PROPERTY TAX

No other factor in the agricultural situation—indeed, in the economic situation—of the Nation is more important today than are taxes. Forty-nine major tax systems, with thousands of subsidiary jurisdictions, extract tax money quite unsystematically from both bursting and empty purses. The income tax, whether State or Federal, treats kindly the purses of those adept at simulating tragedy in the showing of their joint business-personal financial accounts. It favors the crafty to the disadvantage of the scrupulous.

The property tax commits injustices more personal and direct. Whether the individual property owner has current income or not, whether the property has paid the owner a "return" or cumulated a loss for him, the amount of the tax levy

against it is determined on the theoretical assumption of normal or average income.

The theoretical average person does have income from which he can pay taxes, and for such an individual the property tax need never be disastrous. But few, if any, property owners conform to such an average. During the past decade farmers in particular have been taxed by this method far beyond their ability to pay.

The property tax is regressive—and in two ways. First, it falls with relative severity on low-income classes, such as farmers and wage earners, because these classes have little wealth outside the classes of tangible property regularly found and assessed for tax purposes. This means that the burdensome property tax applies to nearly their entire wealth. Although higher-income groups also own property, they own, in addition, large amounts of income-producing wealth which, first, may be given a special low rate; second, may escape the property tax completely; or, third, may be entirely exempt from all taxes. The property tax is regressive, secondly, for the reason that assessment for tax purposes is almost universally unfair to the smaller, the lower-value, and the poorer-quality properties. Both small farms and poor farms are commonly assessed higher per dollar of value than are the large and the valuable ones.

Furthermore, the difficulty probably cannot, in most cases, be credited to dishonest assessment. There is no clear-cut and definite way of assessing property. There is sale value or market value, yes; but only when a farm is sold. It is estimated that the average farm changes hands only once in 15 years. Further, many transfers are not voluntary sales, and hence fail to determine true market value. Voluntary sale occurs perhaps once every 40 years. In addition, most voluntary-sale records fail to show the full sale price, so that the transactions are useless for assessment purposes—unless coupled with cumbersome and expensive legal methods of requiring true reports of full consideration on every transaction.

Still another charge against the property tax is that its levy is in relation to technical ownership rather than equity. Whether a farmer has his farm free of debt or has 80 percent of its price still to pay, he is taxed on the entire assessment for the property.

Two other serious difficulties with the property tax relate to the revenue requirements which depend upon this tax. Greatest dependence upon the property tax exists in the case of the smallest geographical jurisdictions, the local governments. These local communities, from their very restriction in size, fail to have the diversity of industry, income sources, and taxpaying ability which exist in broader units. This lack of diversity, in turn, means that good or bad times, prosperity or depression, will have a greater effect on the whole community. Need of emergency revenues will occur at relatively short intervals and with relatively great severity. The property tax

is practically the sole local source of the revenue required.

In other words, the property tax, in most States virtually a real-estate tax, furnishes the principal cushion for the whole State and local tax system. It can be claimed conservatively that property-tax levies are largely of the nature of "fixed charges" against the farmer's business. The percentage which such a fixed tax takes from a farmer's cash receipts rises in bad years and falls in good years. Worse than this, levies often increase in bad times and cause even greater variation in the proportion of receipts taken by the State and local governments.

It has been estimated on the basis of data collected by the Bureau of Agricultural Economics for 700 counties in 48 States that nearly one-half of the farm acres in the United States have been tax delinquent at one time or another since 1928. On the levy of 1932 over 25 percent of the rural area in the counties surveyed went delinquent. In some rural townships delinquency on certain recent levies has exceeded 90 percent of the total levy and percentage of area delinquent probably has been at least as high.

The land going delinquent is of low quality. Indeed, the fact that delinquency virtually all occurs on low-quality property holds so universally true that it is commonly accepted as normal. Yet this fact obviously points to unfair assessment of such land. If truly assessed in uniform ratio to value, one class of land should face no greater difficulty than another in meeting its tax levies; then high-quality land could normally be expected to be delinquent as frequently as could low-value land.

Often it is charged that real-estate-tax delinquency represents only the property owner's evasion of taxes which he could and should pay. Variation of the amount of farm-tax delinquency with economic conditions, however, should dispel any delusion on this point. Between 1928 and 1932 rural real-estate-tax delinquency trebled, as shown by data collected by the Bureau of Agricultural Economics. Since 1934 the amount has decreased. This does not look like voluntary, or willful, delinquency, but like hard economic necessity.

THE FARMERS' TAX POSITION

Where does the farmer stand in this tax situation? One indication is the relationship between taxes and rents. The Bureau of the Census has reported that in 1929 farm real-estate taxes took 22 percent of the gross rents on cash-rented farms. For one whole geographic division, however, the Middle Atlantic, the average was 41 percent; and for one State, Michigan, 56.6 percent of gross cash farm rents went to pay general property taxes on the farm real estate.

These taxes are not the only ones which farmers have to pay. Personal-property taxes add from 10 to 15 percent. In 1929, these total farm-property taxes, including both real estate and personal property levies, made up 81 percent of the principal levies falling directly on farm-

ers. In 1932 the percentage had fallen to 76.

For several decades property taxes have risen faster than have incomes. But this trend of tax increases representing continual development of governmental services fails to show the main difficulty in point. From year to year the tax levies fail utterly to reflect income changes. In the eyes of the law and the tax collector, the farmer with a complete crop failure can, under the usual property tax, be granted no favor as compared with the farmer with a bumper crop. Even if his efforts are destroyed year after year by hail, flood, fire, or other disaster, even if he is forced to accept charity to obtain food and clothing, the farm owner must meet a tax levy based on a theoretical concept of the value of his property, at pain of paying a tremendous penalty or of losing his farm.

The situation would be less serious if property taxes today were on the low level of a generation ago. Property taxes levied on the average farm acre in 1939 were 90 percent higher than those levied in the period 1909-13; they were higher by 202 percent than those levied in 1890. From 1929 to 1934 farmers' real-estate taxes declined by about 37 percent, but during that period the farmers' receipts as cash income fell by 44 percent and farm real-estate tax delinquency trebled. From these comparisons it is perfectly clear that property taxes declined between 1928 and 1934 only because it was impossible to collect the levies.

An erroneous impression in regard to property-tax delinquency has become too nearly universal. Stimulated by the viewpoints and interests of fiscal officers and of those who would minimize taxation on their own income, the idea has been spread abroad that property-tax delinquency represents preponderantly a willful disregard of tax-paying responsibility. One difficulty with the concept, however, is that delinquency trebled in the depression years beginning with 1929. Neither tax legislation nor human nature can be accredited with sufficient change in 4 short years to account for this. The one change which we know was of sufficient magnitude was the deterioration of the farmer's business and a decrease in his receipts of income.

The proportion of the farmer's gross cash income which he had to pay as property taxes was 3 percent in 1910, 4 percent in 1920, 6 percent in 1930, and 10 percent in 1932. The 1939 percentage had dropped to 5. The variation in this series runs precisely opposite to farmers' ability to pay taxes. This is illustrated even more clearly by the figures for 1937 and 1938. Between these 2 years farmers' real-estate taxes were practically unchanged, but the proportion of their gross income which went for taxes rose from 4.5 percent to 5. This resulted, of course, purely from a drop in income.

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

Mr. O'CONNOR. Yes.

Mr. LEAVY. The gentleman is making a new and somewhat novel approach to the farm problem, but one, of course,

that the Committee on Appropriations could not in any way aid in solving.

Mr. O'CONNOR. That is correct.

Mr. LEAVY. But it is one that is deserving of most serious consideration, particularly in the light of the figures the gentleman has presented to us indicating that the tax burden of the farmer has little relation to the income of the farmer, and I assure the gentleman that greater consideration should be given in fixing a tax structure so that there would be a closer relation between farm income and the tax burden on the farm.

Mr. O'CONNOR. The gentleman is correct. I point out in that connection that we are trailing nearly every other country. Our system of taxing real estate is really in the horse-and-buggy days. England and Canada are ahead of us. Canada has a system of a gross-income tax, known as a tax of manufactured and imported commodities that replaces about 80 percent of the tax on real estate, and that is what we must come to if we are ever going to give the American farmer any substantial relief. If we could place the farmer, paying his taxes on a basis of income, the same as every other person pays, then he could probably survive, even under our present economic conditions.

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

Mr. O'CONNOR. Yes.

Mr. SOUTH. But that is a matter over which the Federal Government has no control. The States and the counties and the lesser political subdivisions fix the tax on land. The Federal Government does not tax the farmer.

Mr. O'CONNOR. The gentleman is half right, excepting in this respect: A uniform and a unified system of taxation may be promulgated by the Federal Government, and collections made by the Federal Government, based on income, then allocations could be made to the various States that cooperate and go along with the Federal Government. By that means you would have a uniform method of taxation throughout the United States, based on income rather than on an arbitrary cash value of land.

Mr. SOUTH. But that is still a matter the States would have to work out.

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

Mr. O'CONNOR. May I have an additional 2 or 3 minutes?

Mr. CANNON of Missouri. I yield the gentleman 3 minutes more.

Mr. O'CONNOR. Just to say this: There would be no way of forcing the States to come in under the Federal plan excepting in this way, that once the taxes are collected, allocations would not be made to the States that did not cooperate. That would be the method of bringing all the States within the purview of the Federal statute. This thought is not entirely new to me, in browsing around, in looking for a form of bill to bring our system of taxation along the Canadian system, I found that in 1935 the gentleman from Massachusetts [Mr. TREADWAY] introduced a bill providing for a Federal taxation system almost identical with the Canadian system. I conferred with him the other

day about the matter and he told me the bill was the result of an investigation made by some supposed experts sent into Canada to study the Canadian system of taxation. I am now cribbing, so to speak, something out of that bill, and trying to formulate a bill along the line of the Canadian system, to provide a method of taxation based on income rather than on the arbitrary cash value of the land.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR. Yes.

Mr. VOORHIS of California. I am very much interested in what the gentleman says, and basically I agree with all of it. How would the gentleman feel about a proposition where the rate of taxation on farmers depended somewhat on the measure of their holdings?

That is where the little man with the family-size farm would be taxed at a lower rate than the great big holding, where you were running into a situation that amounted to a large-scale operation.

Mr. O'CONNOR. Of course, the little fellow has always been hurt for this reason: The big farmer usually has some other property from which he receives income, but the little fellow has nothing to pay his taxes with except his farm. If we can ever establish the payment of taxes on the basis of income, the little fellow will be helped because he has little income.

I fully appreciate that the Appropriations Committee has nothing to do with this subject at all. This is a matter that has to be done by Congress, independent of the Appropriations Committee, but I simply took this occasion at this time to point out one of the reasons for the failure of our agricultural system, one of the reasons why our farmers are gradually going broke.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. O'CONNOR. I simply want to point out again that is one of the primary reasons why the American farmer cannot survive under the present system, because, as I said before, when he goes into a store he must pay the other fellow's price for everything he buys. When he raises a steer or a bushel of wheat, or whatever he raises and takes it to the market, he must accept the other fellow's price for that. He is caught between the two forces. Consequently he is in a mighty difficult situation.

Now the Government of the United in this defense program, as I said a while ago, has taken care of industry, has taken care of labor, and if wheat was to be on the same basis as labor and the materials that the farmer purchases, he would be receiving the ridiculous figure of \$7.50 a bushel for his wheat and \$3 a pound for his beef. Now, that does not make sense, but on the other hand consideration should be given by the powers that be to protect the American farmer in this defense program, because after all he produces the thing that is most essential in carrying on in this crisis, namely, food. [Applause.]

[Here the gavel fell.]

Mr. DIRKSEN. Mr. Chairman, I yield 15 minutes to the gentleman from Pennsylvania [Mr. DITTER].

Mr. DITTER. Mr. Chairman, I had intended to attempt to paraphrase an article which appeared in one of the recent issues of the Reader's Digest, but as I read the article yesterday it occurred to me that every sentence contributed something to that article. I am therefore going to ask the indulgence of the House while I read this article. I believe that it is a real stimulant to all of us as we think about the problem of making America strong.

The article is by John Patric. You will remember that John Patric for a number of years was associated with the National Geographic, and did a splendid piece of work as a contributor to that magazine. More recently he has been a free-lance writer, picking up incidents which represent the spirit of America.

The article that I refer to is not fiction, but fact. It is entitled "Enterprise and Old Iron." I pay my respects to John Patric and to the Reader's Digest for the privilege which I have at this time:

On a fertile plateau above the raging Snake River near Jackson, Wyo., Ora Grisamer owned a ranch. Until last year, he and his neighbors were virtually marooned there. Their only way across the turbulent Snake, 300 feet wide, was riskily by skiff or along a swaying footbridge sagging from a half-inch cable.

And now Ora Grisamer's tractor had broken down. There was no way to get it to a repair shop, now that the old scow once used as a ferry had been washed away. But Grisamer heard that a strange fellow named McCrary—a wizard mechanic—was camping in the canyon across the river. People said that Charles McCrary could make or repair anything—out of junk; that he had gathered around him the queerest caravan of old iron ever assembled west of the Missouri.

Grisamer hunted him up. In a clearing, he found the McCrary caravan, a bizarre collection of gadgetry on wheels, a traveling Valhalla of noble junk. There was a mammoth but decrepit coal truck loaded with a donkey engine, tools belonging to all trades and professions, and a mountainous assortment of cogs, ratchets, springs, and unclassified gear that McCrary had collected in his wanderings. Nearby was the family jalopy and small trailer where the family ate and slept. The family included Mrs. McCrary, four children, and a white goat. Strangest of all was a home-made contraption that McCrary proudly called his drag-line rig—another old truck bearing a sort of power shovel whose bucket hung from pulleys at the end of a derrick.

Yes, McCrary would be glad to earn a few dollars by repairing Grisamer's tractor. The two men carried McCrary's tools over the narrow catwalk of the footbridge. "A wagon bridge would be worth \$1,000 to me and my neighbors," said Grisamer, "but there's no use talking about it. Government engineers say that it would cost at least \$10,000 to swing any kind of a bridge across this river."

McCrary said nothing. But while he worked on the tractor, he did a little figuring in the back of his mind. Finally he said, "I'll build you a bridge for \$1,250. And I'll guarantee it to hold 3 tons."

It sounded good to Grisamer. A bridge would make his farm more valuable. He knew his neighbors would chip in, too. So that night in a simple contract McCrary agreed for \$1,250 to build—of second-hand steel and old cables—a suspension bridge 8-feet wide, with railings across the Snake. Grisamer agreed to advance \$400 when construction began, and the remaining \$850 when

he could drive a 3-ton load over the completed bridge.

McCrary walked home to his trailer camp, tingling with confidence. All his life he'd been making his own way, despite hard times, with never a penny from charity or relief.

And I paraphrase on this a moment by saying that probably he never knew there were such things as subsidies.

When his little repair shop in Missouri had burned in 1933 he had started West with his family. He made a living by reconditioning junked cars and selling them; by clearing fields and building roads with his drag-line rig—made from junk. Why shouldn't he build a bridge from junk?

McCrary's only cash was the \$6 he had charged Grisamer for repairing the tractor. But he did have his drag-line excavator. Its 900-pound bucket, made of old bridge girders cunningly welded together, would scoop up half a ton of gravel at a single bite. The rest of the machine consisted of such things as scrambled bits of gas pipe, a bicycle chain, a hay-rake seat, a locomotive coupling, and parts from automobiles and farm machines that McCrary had found on junk heaps. With this contraption he was going to dig the foundations of his bridge.

McCrary knew nothing of engineering, but he had a picture postcard of the Golden Gate Bridge; that would serve him in lieu of blueprints.

One morning he leveled off a shelf on the Jackson side and set up his beloved drag-line rig. He climbed to the old hay-rake seat, started the engine, and dropped the bucket for the first load of dirt. Days later two deep holes yawned darkly. McCrary could dig his pits no deeper; the bottom was solid rock.

To find steel for the huge supporting towers of his bridge would have stymied a less ingenious fellow. But McCrary remembered a twisted heap of bridge ruins washed out in a flood of the Gros Ventre River. The mangled bridge still lay buried in the swirling river. Wading out to his armpits, he cut off four girders with his acetylene torch. Then he dragged them on a rude trailer to the bank of the Snake River and laid them in approximate position near the holes he had dug.

Now for the cables! McCrary set out in his old truck for the oil fields, a trip of several hundred miles. He knew that the long cables used in well drilling are discarded when they develop kinks. Oil men gave McCrary all the discarded cable he could haul away. Soon, at the bridge site, he had eight flawless pieces of cable, each 400 feet long. He was ready to begin actual construction of the Jackson end of the bridge.

Erecting the steel uprights was a grueling job that required patience and precision. Aided only by his 13-year-old boy, Buster, and two jobless wayfarers, hired at 40 cents an hour, McCrary picked up a pair of bridge towers with his drag-line rig, now transformed into a derrick, and lowered them into the hole already dug.

And I assume those two fellows had never been to any of the camps that have been recently set up by the Federal Government.

With the \$400 advanced by Grisamer, he bought cement and poured tons of concrete, reinforced by scrap iron, around the bases of the towers. Behind the towers he sunk a 10-foot section of steel I-beam, and buried it in concrete under 100 tons of rock and earth. This was the shoreward anchorage for eight cables which were to be festooned across the river.

The quartet now began the task of stringing the eight suspension cables across the

river. First they pulled a light cable to Grisamer's side and with that, tugging like demons, they dragged each of the heavy bridge cables through the foaming waters of the Snake.

Then McCrary devised a sort of cable car that ran along the cables on pulleys, with the drag-line rig supplying motor power. On this cable car, tools, cement, and cement mixer went across. But next came the herculean job of transporting the 7,000-pound tower to the farthest side of the river! Would the cable car support it?

The cables sagged perilously under the burden. McCrary's face was gray with strain. But the cables held fast; the tower reached the other side. Then the four bridge builders tipped it into holes already blasted for it.

But now McCrary had ominous visitors—

And I like that word "ominous"—

two United States forest rangers. "You should have gotten a permit before you started this work," they said. McCrary hurried to Grisamer. "Have we got to stop work?" he asked.

"Not unless you want to, Mac," the farmer replied, "and I don't figure you will when you hear what they're saying uptown. They're saying 'Grisamer's hired a boy, a couple of tramps, and a dumb mechanic who never saw a suspension bridge in his life, to build him one with stuff from the town dump.'"

"I'll show 'em," said McCrary.

A few days later, as the concrete tower bases were slowly hardening, the county engineer—

Another one of the people representing officialdom, in other words—

The county engineer came up to McCrary: "You fellows are undertaking something pretty serious here," he said. "May I see your blueprints?"

"Ain't got any."

"But man, you must have something."

From his pocket McCrary pulled his postcard of the San Francisco bridge. "I'm making it something like that," he said. "But"—apologetically—"not so big, of course." The engineer shook his head and turned to gaze at McCrary's bridge admiringly. "I don't see how you did it. But there she stands."

After a careful inspection, the engineer passed judgment. "McCrary, if you'll make a few minor changes, I'll O. K. your bridge for a 3-ton limit."

I am not going to ask the House to listen to the rest of the details of that construction but I do want to read the last sentence, the epilogue to this story of fact, not of fiction:

I last saw Charles McCrary sitting in the hay-rake seat digging a water-main ditch as he swung his buckets to and fro. I saw him as the living symbol of American ingenuity and resourcefulness.

The bridge had been completed. The job which McCrary had set out to do was finished. The bridge over the Snake River was a reality.

American ingenuity and resourcefulness. We have been concerned and seriously concerned for some time past about making America strong. I am wondering as I think of that task, whether this episode out of the life of McCrary does not have a place in the plans which we are making. I doubt very much that McCrary ever had a part in these social experiments which have tended to emphasize the value of dependency on Government as the only way of

life—these experiments which have weakened the fiber of self-reliance and softened the spirit of independence. I doubt whether McCrary would submit to the sophistry that experience can be cast aside, and that in its stead experiments of every kind may be substituted.

I believe there are Charlie McCrarys, thousands like him, who stand for the things America needs today more than all else if we are to be made strong. I believe he represents, for instance, the spirit of ingenuity. I believe he and those like him represent the spirit of resourcefulness by which we as a people have taken the materials at hand and used them to build a nation of free and independent people.

I believe he is more than a symbol. I believe that Charlie McCrary is a challenge today to America as it seeks to find new sinews, as it seeks to find renewed strength for the job it has to do. It will not be done by billions; it will not be done by subsidies; it will not be done by fostering dependency. That renewing of strength and recharging of vitality will come when the spirit exemplified by that story—not fiction, mark you now, but fact—somehow gets hold of the imagination of the American people. It will come when that spirit gets hold of the imagination of the Members of the House, somehow gets hold of some other people in high places where social objectives, desirable as they might be, seem to be of greater value than the immediate task of girding our loins for the critical times which we face.

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

Mr. DITTER. I yield.

Mr. KNUTSON. Under the pap-fed system of the New Deal we are getting fewer Charlie McCrarys and more Charlie McCarthys.

The episode the gentleman read occurred 9 or 10 years ago. The job was completed in 10 or 12 days. Under the modern system this man would have called in the W. P. A., and the W. P. A. would have drafted everybody in that township and the adjoining township, and they would have made a year's job of it. There is the difference.

Mr. DITTER. I thank the gentleman for his contribution. I intended in no way to make the declaration I have made, or the reading in which you have indulged me, a matter of partisanship.

Mr. KNUTSON. That was not partisanship.

Mr. DITTER. It was not intended as a partisan attack upon any of the experimental excursions which we have made in recent years. It was intended rather for the purpose of stimulating the faith of men on both sides of the aisle who still believe that there is a pioneer spirit, that there are frontiers to conquer.

Mr. KNUTSON. Will the gentleman yield?

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

Mr. KNUTSON. The gentleman misunderstood me. There was no partisanship in my observation. I was merely comparing the old days with the new times, the old deal with the New Deal.

Mr. DITTER. If the gentleman from Minnesota will permit, I in no way intended to insinuate that the gentleman was indulging in partisanship at all.

Mr. KNUTSON. I thank the gentleman.

Mr. DITTER. I was saying that apologetically for myself, lest there might be those, who because of intolerance, might feel it was partisanship which prompted my contribution. It was in no sense an accusation or even a veiled innuendo, that my friend at any time indulges in partisan debate.

My last word to you is this: I hope that somehow or other we can get from this homely bit of fact a thought which will give us, oh, a new vision, a vision that is not an idle dream, but a vision which challenges us to take up the tasks at hand and do them—challenges us to a new courage in our hearts, a new strength in our hands, and a new devotion of soul to make America strong. [Applause.]

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I yield 15 minutes to the gentleman from California [Mr. Voorhis].

Mr. VOORHIS of California. Mr. Chairman, I am sure that those of us who come from the western portion of the country very deeply appreciate the remarks of the gentleman from Pennsylvania and especially the fact that he has cast this very important story in our section of the country where it has the best chance of happening, in my opinion. I listened with intense interest to the article read by the gentleman from Pennsylvania, and as I did so there were one or two things I wondered about.

I presume that McCrary, who built this bridge, had somehow or other to realize some income from his efforts in that regard. I presume he had to realize that income from the farmer who hired him to build the bridge. I believe that almost everyone will agree with me that the capacity of that farmer to pay McCrary for his work was dependent upon the selling price of the commodity that the farmer produced. I believe you must agree with me that that particular individual, the farmer, under modern conditions probably had very, very little to say about what that selling price was going to be.

So, it seems to me when you come to consider the real problem that we are up against, wish as we might that every man in America might engage in an experience like that, we have to recognize the fact that there are certain duties devolving upon us here in this Congress if we are to preserve the opportunity of people to develop their talents and abilities.

There is only one thing about that that I am going to speak about today, because it is appropriate at this time. I doubt that there is any place or any kind of life in the world that offers to human beings as much opportunity for the development of all-around talent and abilities as does farm life. I believe that farm life offers that opportunity to a much greater extent if the family owns its own farm than otherwise. I used to run a school for boys that was located on a ranch in California. I know that

the fact our boys grew up in the country meant that I had an easy time, compared to what would have been the case had our school been in a city. Our boys, almost every last one of them, turned out fine. I do not say that to brag, to illustrate what happens where you have a place where there is room for young Americans, without treading on people's toes, to develop the things that are in them.

The reason I am making this preface is because in my judgment the future continuation of a substantial population of independent farm-owning, farm-operating families in America hangs today in balance. I think it depends in great measure on what this Congress does.

Between 1929 and 1932, which was before any of the present agricultural programs were put into effect, so conditions at that time certainly cannot be blamed on our present program but were rather the result of the "program" of the twenties, I find by glancing at the figures that the following thing took place. You will remember that 1929 was the year of great prosperity and that 1932 was the bottom of a depression. Between those 2 years certain things occurred. The average level of farm prices declined 56 percent. The output of farm commodities declined 6 percent. The price of farm implements declined 12 percent, and the output of farm implements controlled as it is by one or two great corporations, 80 percent.

Mr. Chairman, there is the situation, so fundamental to the industry and economic life of the United States. It has nothing particularly to do with a Republican or Democratic administration or anything else. It is a fundamental fact; and it makes me glad to observe that today, for the first time in history, we are actually trying to enforce the antitrust laws. It is about two-thirds of the story of what is the matter with the American farmer today. He is a part of a great competitive industry where every farmer must necessarily compete against his fellow farmer in methods of production and in output, and where every farmer, when the fall of the year comes, must dispose of his crop for cash. He is up against a situation in industry where, because of faint heart in people who gave lip service to a system of free economy but did nothing to preserve it against the encroachments of monopoly, we have seen the growth of a gigantic structure of monopolistic industry so great that in time of depression it was possible to cut production 80 percent and maintain the price at only a small and nominal decrease from what it was before. That kind of economic power exercised in almost every field where the farmer must purchase and not exercised by the farmer is all you need to know about to see what this problem is.

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

Mr. VOORHIS of California. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Does the gentleman feel that it is in keeping with a sound economy for the industrialists to reduce employment materially and cut production in order to maintain prices?

Mr. VOORHIS of California. No; I may say to the gentleman that I do not, but I should like to add quickly that when I say that I do not mean to impute evil motives to an individual industrialist who does that, because I readily recognize that an individual industrialist who does not do it is merely going to cut off his own neck when his competitors, he knows, will do it. I think it is a problem too big for an individual industrialist to meet—except possibly in a very few cases—but I think that it is economically bad for the rest of the country.

Mr. CRAWFORD. I agree with the gentleman in that statement. Would the gentleman agree with me that it is bad for our economy for the farmer to reduce his production 20 or 30 or 40 or 50 or 60 percent in order to push up the price?

Mr. VOORHIS of California. I would make the same reply as I did to the former question, but I would add in this case that the difference between the farmer and the industrialist is that the farmer is not in a position to do what the industrialist does. And I should like to add in defense, perhaps, of the present program that it is largely an attempt to put the farmer more nearly in a position to do what industry does.

Mr. CRAWFORD. I agree with that. Now, will the gentleman agree with me that the responsibility largely rests in this day of legislated economy with the Congress?

Mr. VOORHIS of California. Let us say in this day of interdependent economy, this day when the selling price of the farmer's product and the opportunity of all sorts of business people to dispose of their goods and the opportunity of millions for employment depends on great world conditions and national conditions.

Mr. CRAWFORD. That is one phase of it, but there is another phase, I believe the gentleman will agree, namely, that we have largely legislated the present internal economy.

Mr. VOORHIS of California. We started long, long ago, I may say to the gentleman; we started when the first protective tariff was enacted.

Mr. CRAWFORD. I agree with that. Will the gentleman also agree with me that the responsibility rests upon the Congress to use its utmost effort to see that it is unnecessary for either the industrialist or the farmer to reduce his production in order to push up the price, at least until we get a lot more goods distributed in this country than at the present time?

Mr. VOORHIS of California. I agree with the gentleman more than wholeheartedly, if that is possible. It is to bring about a situation like that, where no restriction of production will be necessary, that I try my best to think day and night. May I say that that is the reason I am interested in an even, regular, and dependable flow of purchasing power in the Nation, why I am interested in the subject of old-age pensions, why I am interested in a stable and abundant money supply, why I am interested in all sorts of things. I earnestly hope for the condition outlined by the gentleman, because upon it depends the general eco-

conomic strength of any nation and upon it depends the possibility of our being strong from a defense standpoint.

Mr. CRAWFORD. Does the gentleman believe that as the set-up now exists—this is a hypothetical question, somewhat—if hostilities in Europe should finally cease and if we decide to shift out of the defense approach, we would again see industry repeat what it did in years gone by, to which the gentleman has referred, and agriculture would again be subjected to the same punishment, unless vast grants were made out of the Federal Treasury?

Mr. VOORHIS of California. I certainly do. It is to prevent that that I have a resolution before the House at this very moment to create a bipartisan commission, composed of Members of the House and Senate, representatives of the executive departments of the Government, and representatives of agriculture, industry, labor, and the church, to get together and work out a constructive long-range program to plan against that day, so that we may act now to protect ourselves against that situation, which I fear is going to be disastrous unless we do it. I may add that the danger the gentleman points out is also the main reason many of us are meeting in our House Members conference on unemployment.

I am very grateful to the gentleman for mentioning it. He has helped me, by his questions, to make a better speech than I would have made otherwise.

I believe it can be proven that the history of every great nation that has ever had democracy shows that in that nation there was always a substantial group of people, not people who just tilled the soil, not people who worked for wages on the land, not people who were tenants, but people who had ownership of a part of the soil of that country. In my humble judgment, no agricultural program will be adequate and sound if it just regards agriculture as a certain economic interest. It seems to me it not only has to do that and seek parity between agriculture and industry but it has to aim at the protection and the upbuilding of the numbers of people who own a part of the land of America and who work that land. In my judgment, we have been weak in that respect.

I do not need to go into any further discussion than what I have already indicated, I believe, to show you that the farmer as a seller is in one kind of an economic world and the farmer as a buyer is in an entirely different world. I might point out and suggest to you, however, because it has not been suggested today, the alarming growth of farm tenancy, the alarming transfer of people who used to be independent workers of land, either as owners or as tenants, into the ranks of farm laborers. I think these trends are among the very most serious things in our whole country today, I think we must solemnly resolve to stop these trends and turn them in the opposite direction. I believe that can be done if we want to badly enough.

We talk about finding a solution to the farm problem, but may I say that there are at least four major factors we

have to consider in bringing about a solution of the farm problem. The first one is a capacity on the part of this whole great Nation to consume in proportion to its needs. Do you know that if every American family that has an income of less than \$100 per month did have \$100 per month income it would require all the acreage we now have in farms, plus an acreage equal to that of the State of Iowa, to supply that market.

The second thing is that unless you can protect the prices that the farmer gets as well as industrial prices are protected, I do not see how you are going to solve that problem. As one who is not afraid to make constructive proposals occasionally, may I say that I am ready to put forth as my opinion, that one of these days we are going to be voting on a proposition of saying that below a certain fair parity price trading in agricultural commodities will not be permitted in the United States. In other words, we will be voting on the passage of a bill giving the farmer a protected price for his crops sold for our home market.

When we do have that, however, I think we have got to do one more thing. I think we have also got to say that until every farmer producing that commodity has had the privilege of marketing at that price a certain reasonable amount of that commodity, that no other person shall market more than that. For unless this is added, we shall not be working in the interest of the small family-sized farm operator, and he is the one I am concerned to help.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. GORE. Mr. Chairman, will the gentleman yield there?

Mr. VOORHIS of California. Yes.

Mr. GORE. There is much to be said for the gentleman's point of view which he has just expressed. Is the gentleman prepared to accept the degree of regimentation that would be necessary for such a planned and managed program?

Mr. VOORHIS of California. Well, the gentleman has seen—

Mr. GORE. I hope the gentleman will realize I am not criticizing; I am asking for information.

Mr. VOORHIS of California. The gentleman has seen regimentation of more than one sort. For example, I think it is practically a matter of regimentation when the farmer has to kiss his crop goodbye and then read the papers for the next week to find out how the people on the Chicago Board of Trade have pushed up and down the price of that commodity. Maybe that is not regimentation, I do not know, but when it is followed up I think it leads to the loss of ownership of farms and I think sometimes we have to take our choice of evils. Now, it is not supposed to be regimentation when we set up the Interstate Commerce Commission and say to the Interstate Commerce Commission that it shall do what it can to provide a fair return to the railroads and it is not supposed to be regimentation when we do the same thing for public utilities.

Mr. GORE. Or set up a commission to fix the price of coal.

Mr. VOORHIS of California. That is right. I recognize there are dangers involved in almost any course you take, and what I said was that I was ready to put it out as a basis of discussion that one of these times we would have to decide that below a certain price there could not be trading in agricultural products. I think my position will be much better understood if I can go along a little further. But may I say here that with such a provision as I have suggested there would be removed much of our farmers' present fear of so-called "surpluses," which brings us back to the point the gentleman from Michigan made. I may say I believe we would still need a soil-conservation program much as we have now.

Mr. GORE. May I say that I recognize the gentleman as a student and in a feeble way I join him in a study of this problem. But the thing which has been a barrier to me is the willingness to submit and to cause the people to submit to that degree of regimentation and governmental control which we ordinarily refer to as bureaucracy, which would be necessary to plan the kind of agricultural economy which the gentleman suggests in such a way as to make it feasible and practicable.

Mr. VOORHIS of California. I am not a bit sure you have to go as far on that kind of thing under a program like that as under a program of production control. I think the gentleman and I ought to set aside a couple of hours sometime to discuss that point.

Mr. GORE. May I say to the gentleman I will be pleased to do that.

Mr. VOORHIS of California. But the point is to exert your Government influence at a certain critical point and say, "Here we will see justice done." Sometimes it is more good than exerting your governmental influence at 101 different points, where you have just as much governmental interference, but where you are not affecting beneficially the one central key to the situation.

Mr. GORE. Will the gentleman yield further?

Mr. VOORHIS of California. Yes; but my 5 minutes is going to be up, and then I am in the position where I have not explained what I really wanted to give as my opinion.

Mr. GORE. I think the gentleman is absolutely sound in taking the position, if it is his position, that we cannot continue to stabilize and to fixate other industry groups and leave the farmer the "free and unhampered" man to suffer the consequences of other regimentation and stabilization without practicing great injustice upon the farmer.

Mr. VOORHIS of California. That is right.

Mr. PIERCE. Mr. Chairman, will the gentleman yield there?

Mr. VOORHIS of California. I yield to the gentleman.

Mr. PIERCE. I think on that question of fixed prices we should always bear in mind that we have a minimum fixed price now.

Mr. VOORHIS of California. The gentleman means under the loan program?

Mr. PIERCE. And the extension of that may help.

Mr. VOORHIS of California. It seems to me, Mr. Chairman, and I want to say this before I go a single step further, that those who criticize the present program of the Department of Agriculture, it seems to me, miss this one essential point, that the whole basic effort of that program has been to try to put agriculture in a position where it could protect itself under the circumstances that I described in the first place, and I have had many men, some of whom have criticized the program, tell me they did not know what would have happened or how their farmers could possibly have got along without it.

Now, the chairman of the committee, in speaking about this bill, has said that the provisions of this bill were absolutely essential under present circumstances, but that in his judgment they were a temporary proposition.

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

Mr. CANNON of Missouri. Mr. Chairman, I yield the gentleman from California 3 minutes more.

Mr. VOORHIS of California. Mr. Chairman, I may say in that connection that there are certain features in this bill which in my judgment are of great importance. One was mentioned by my colleague from California, Mr. ANDERSON, this afternoon. It is the item for the disposal of surplus commodities. This is the one item most important for our California farmers. It is also the item upon which rests at present most of the effort to increase the consumption by the American people of food they need for health and strength. It seems to me that any nation is going to have a difficult time explaining to its people why it can spend \$40,000,000,000 for military defense purposes, but it has to count pennies in deciding whether it is going to see to it that one out of every five or two out of every five or three out of every five undernourished children are to be enabled to eat up the food already produced by the farmers of the country who in turn need desperately an expanded market. It seems to me that the time ought to come very soon when we are ready to view this question of the so-called surplus commodities—which in my opinion are mostly not really surplus at all—and see to it that there is not going to be any more "danger" from "surplus," as long as there is need in the Nation. I may add that it would cost \$280,000,000 to see to it that every family presently below the poverty line with regard to consumption of food would be able to have a 50 percent increase in its purchasing power for food commodities through the stamp plan. I regret exceedingly, Mr. Chairman, that this bill carries actually \$35,000,000 less for these worthy purposes of the Surplus Marketing Administration than was carried by the bill last year.

Mr. Chairman, I do not believe that you can solve this farm problem until you say that you are going to see to it that no farmer in America has to pay more

than 3 percent interest on money. This is my third point of the four I mentioned some time ago. One trouble today, and the reason there is some resentment against the farm-security loan program, is that you have a group of farmers in America that will pay more than that, substantially more than that, on the debts they owe. I think all loans to farmers ought to be at not more than 3 percent.

Neither do I believe that you will ultimately solve the problem of agriculture or more precisely the problem of the independent farm owner until such time as we establish a monetary system that makes it impossible for the value of farms and farm commodities and everything else the farmer produces to be manipulated behind the scenes by the artificial withdrawal and creation of privately manufactured bank-credit money. In other words, I think you have to come to the point where you have a monetary system in the Nation upon which the farmer can depend so that it is not possible for billions of dollars of loans to be made by purchasing farm mortgages with bank credit and then later on, as in 1920, for a lot of that credit to be withdrawn from circulation by the calling of loans suddenly, so that the farmer must pay two dollars' worth of his products back for every dollar that he borrowed.

In conclusion, permit me to say that I think this committee has done a very good job on this bill. I congratulate the committee especially on its inclusion of authorization of \$100,000,000 for rural electrification loans; for if there is one thing that will help to make farm life more attractive to our people, it is electricity. I am sorry we do not have as much money in this bill as we had last year for farm-security loans. I think that program has been one of great benefit to a group of our people who needed it more than almost any other group. I know such loans have been one of the few factors that have helped to check the flow of migration of farm families to the West. Moreover, in connection with every such loan there goes an encouragement to diversification—one of the things we need so much in certain sections. And I am frank to say that, from my point of view, there ought not to be any limit on the number of such loans that could be made, except only the limit of the extent to which they can really help to put some of our farm families on a better, more economically sound basis in their work.

I am afraid, Mr. Chairman, I have tried to cover too much territory this afternoon. But if I have made even a little progress in bringing to my colleagues' attention the necessity of fundamental thought and action in protection of the American family farm, then I have accomplished my main purpose.

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

Mr. CANNON of Missouri. Mr. Chairman, I yield 15 minutes to the gentleman from Alabama [Mr. SPARKMAN].

Mr. SPARKMAN. Mr. Chairman, I am very much interested in this bill, and want to add my word of praise to that of

those who have gone before me, to the chairman of this subcommittee, and the members of the subcommittee who have worked so faithfully in bringing out this bill and handling it in the fair manner in which they have handled it. The particular part of the bill I want to talk to you about today has to do with the Farm Security Administration, and particularly with the rural rehabilitation program of the Farm Security Administration. I appeared before this subcommittee in the hearings urging that the \$25,000,000 decrease that had been allowed by the Budget Bureau be replaced in the bill when it was reported to the House. Last year the Farm Security Administration was allowed \$125,000,000 for these rural rehabilitation loans. This year that amount is reduced to an even \$100,000,000.

Let me make this point clear now, that these funds are not direct appropriations. The Reconstruction Finance Corporation is authorized to loan this money to the Farm Security Administration to be used for the making of these loans, and in turn the Farm Security Administration pledges to the Reconstruction Finance Corporation the paper taken to secure the loans.

The special committee of this House investigating interstate migration of destitute citizens, of which I am a member, has been studying for the last 8 or 9 months the problem of migrancy. We had hearings all over the United States, representing all of the various sections of the United States, representing all of the various farming interests of the country. We have tried to study the causes of migration. Naturally we have run into the poverty attached to the farm as one of the great causes of interstate migration of destitute citizens. We have not filed our report yet, but I think I am not breaching any confidence when I say to you that our committee was unanimous in its decision, that one of the finest agencies of the entire Government at work toward cutting down these causes of migrancy is the Farm Security Administration. We were prepared to recommend to the Congress that the Farm Security Administration's work be continued and extended because of the helpful effect it was having in rooting these people to the soil, keeping them at home, making it possible for them to eke out an existence where they are, without going upon the road and becoming roving migrants. When we learned that the Budget Bureau was recommending a reduction in the amount that could be obtained from the R. F. C., our committee voted as a unit to go down to the Budget Bureau and discuss the matter with the officials. This we did. We were told that the reduction was being made in keeping with the idea that they had, that the defense program would give 20 percent relief in unemployment and in farm distress. They admitted to us that they had nothing tangible upon which to base that particular idea, but simply that it was an arbitrary decision they had arrived at. They admitted that they knew the Farm Security Administration clientele would be the last affected by the defense program. As a matter of fact, if you will study the map

of the United States and observe the parts of the United States enjoying the largest defense contracts, you will see that those areas do not coincide with the areas where the Farm Security clientele is heaviest. The States where the Farm Security clients are greatest in number are those States of low economic opportunity, and in nearly every instance you will find that the defense industries, in spite of this professed desire at decentralization and disintegration, have a tendency to group themselves around densely populated areas, areas that are already industrial, areas with an abundance of skilled labor.

So it seems to me that any reasoning to the effect that any 20-percent relief will come from the defense program to the people who get these rehabilitation loans from the Farm Security Administration, is not well founded. I think we must admit that rural poverty is still with us and it is going to continue to be with us for a long time to come. The Farm Security Administration is doing a great job toward removing it. I invite your attention to the hearings contained in part II, beginning on page 57 and continuing for a great many pages, and a study of those tables, and particularly the tables having to do with the rehabilitation loans. I would like to call your attention to a table on page 153, table No. 8, showing the total amount of these rehabilitation loans that have been made up to the end of the last fiscal year, namely, \$436,066,391; maturities to that date, \$169,721,033; collections to that date, \$140,311,253; percentage of collection, 82.7 percent.

I say to you that if an agency of the United States doing the type of work that the Farm Security Administration is doing, doing the good that is resulting from this program, can take care of those families and collect back more than 82 percent of the money as it comes due, certainly, instead of curtailing the activities of that agency, we ought to be willing to say, "More power to you."

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. SPARKMAN. I yield.

Mr. VOORHIS of California. Does the gentleman have the figures on how much the net worth of those families has been increased as a result of that program, on the average?

Mr. SPARKMAN. I have the figures somewhere.

Mr. VOORHIS of California. Is it not a couple of hundred dollars, or something like that?

Mr. SPARKMAN. I am sure it is some such figure as that. I cannot put my finger on the figure just now—yes; here it is—\$230 per family.

Mr. VOORHIS of California. The only point I wanted to make was that it seems to me it is a most significant thing that as a result of these loans some of our people who have been hardest pressed have actually got a couple of hundred dollars' more of livestock and farm buildings and things like that on the average per family than they had before. Did not the gentleman's committee find that this program was one of the programs that

was helping to prevent further uprooting of families?

Mr. SPARKMAN. Oh, absolutely. I said in the beginning that we found it to be one of the most helpful agencies.

Mr. CARLSON. Will the gentleman yield?

Mr. SPARKMAN. I yield.

Mr. CARLSON. I want to compliment the gentleman for calling this to the attention of the House. Is it not true that these collections were made when conditions were very bad in the drought-stricken areas and that collections in the future would be better than in those days? I live in a district that received great benefit from this program, and I think the collections will be better in the future than they have been in the past.

Mr. SPARKMAN. That is true. The gentleman's own State has had a record of 81.2, which is a little below the national average. My own State was 105, much better than the average.

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

Mr. SPARKMAN. I yield.

Mr. MURRAY. I should like to ask the gentleman how he reconciles his conclusions with the conclusions of Mr. O'Neal, President of the American Farm Bureau Federation, who wants to divorce agriculture from the relief problem?

Mr. SPARKMAN. I have not studied Mr. O'Neal's statement. I may say this, however, that Mr. O'Neal comes from my congressional district and I have a great deal of respect and high regard for him as a farm leader and I think I understand his attitude. I have not heard him mention it with reference to the Farm Security Administration but I have in reference to the stamp plan. I have heard him say that he is for the stamp plan but thinks it ought to be regarded as relief rather than agriculture.

Mr. MURRAY. Does not the gentleman think that way, too?

Mr. SPARKMAN. Yes; I think so. The only benefit it is to agriculture is more or less incidental in that it does help to dispose of some surplus commodities. It does give some relief to agricultural workers.

Mr. MURRAY. In certain places.

Mr. SPARKMAN. Yes.

Mr. MURRAY. The other side of Mr. O'Neal's question would be that every time you start a man in the farming business you put him in competition with those already struggling to make a living in that business. In my home county, for example, when you give men 653 cows you set him up in competition with men already working in the dairy business.

Mr. SPARKMAN. But let me call the gentleman's attention to the fact that the Farm Security Administration restricts its rural rehabilitation loans to those people who are already engaged in agriculture. It simply seeks to take the man who is on that little old piece of land who deserves a chance in life and to help him to stay there and take care of his family instead of getting on the road and roving around over the country hunting for something to do, and failing to find it, going on direct relief.

Mr. MURRAY. I wish to say to my colleague from Alabama that so far since

I have been here I have refrained from taking the floor on matters that I was not familiar with, but as far as farm security is concerned I had many years' observation of its workings before ever I came down here. They started out pretty well, but this policy of setting people up in competition with existing farmers is one of the objections we have to it, taking people off relief and starting them up in the farming business, people who did not have any acreage or any background to warrant their engaging in the farming business. Why do we not go in the cities and set up a lot of men in the law business to compete with established lawyers, or put a lot of people in the dental business in competition with established business? It is just as logical to do that as it is to continue putting people into competition with farmers already suffering from low prices.

Mr. SPARKMAN. This may have been true in the early stages of the program. I am sure it was true with some of the resettlement projects and some other projects, but we have come a long ways and learned many things. What I am talking about is the program of the Farm Security Administration as it functions today. There are some 2,000,000 farm families that ought to be helped, farm families that cannot get help from their bank, farm families that cannot get any help from private financial institutions. I believe the evidence shows they have helped 800,000 families already and if allowed to continue at the rate of approximately \$125,000,000 a year to be furnished by the R. F. C., they can take care of this additional 1,200,000 families, I believe, in about 10 or 12 years in the future. They have rehabilitated these families. I have seen them with absolutely nothing to start with. They have taken care of them and helped them until they became worth something in capital assets when they have become free independent citizens of their own communities.

Let me continue my statement as to the need of this program and the manner in which the Farm Security Administration is doing its work.

RURAL POVERTY

Rural poverty is still with us. In fact, despite the efforts of the Government, rural poverty has become more extensive in recent years even though thousands of formerly distressed families have become better off. Many of the forces which are working to make and keep farmers poor are still pressing against the bottom third of the rural population. As some farmers take a step forward with the help of the Government, others fall backward under the pressure of forces they cannot meet.

The tremendous impact of these forces upon the bottom third of the Nation's farmers is verified in startling fashion by the 1940 Census. Figures recently released show that the number of farms in America decreased by 3.1 percent between 1930 and 1940, although the total acreage in farms increased by 7.5 percent. Over the decade the average size of farms increased from 156 to 174 acres, or 11.5 percent. More and more farmers were

being pushed from the land as farm units became bigger. For the 30-year period between 1910 and 1940, although the land in farms increased by 20.7 percent, the number of farms decreased by 4.3 percent, and the average size of farms was 26 percent larger in 1940 than in 1910.

This displacement of people on the land has continued to a startling degree in the last 5 years. During the depression jobless people tried to recover a place on the land. There was actually an increase in the number of farms from 1930 to 1935. But the pressure on small farmers was too great, and between 1935 and 1940 more than a tenth of all of the Nation's farms disappeared, a decrease of more than 700,000 farms, one of the most drastic changes ever recorded in the number of this Nation's farm operators. While this decrease in farms was taking place, the total acreage in farms increased by 6,000,000 acres and the size of the average farm increased by 12.4 percent over the 5 years.

The Government's efforts to reestablish people on the land, despite the fact that they have assisted more than 800,000 families to become rehabilitated through the Farm Security Administration alone, are still not sufficient to cope with the forces of displacement. These efforts have touched less than one-half of those whose slender resources and small incomes made their position a precarious one at best. Thousands of additional farm families must be given the chance to anchor themselves to the land.

I. THE EVIDENCE

There are certain manifestations of rural poverty with which we have become familiar. There are visible signs of suffering and disability which give concrete evidence, on the farm site or on a page in a statistician's ledger, that rural poverty is a widespread reality. The presentation of this evidence is equivalent to saying that adequate doses of the three traditional factors of land, labor, and capital are lacking to the lower third of our farmers—lacking so that without help these farmers can never get ahead.

1. Low income

The disparity of income of farmers as a whole is well known. The farm population, comprising about one-fourth of our total population, is receiving slightly more than one-tenth of the aggregate national income. Even including the value of farm-produced products for home consumption, the income per farm person is not more than \$230 to \$250 a year, whereas the nonagricultural income per nonfarm person averages about \$650 a year.

It is not averages that tell the story of rural poverty, however. In 1936 there were nearly 1,700,000 farm families trying to live on a net income of less than \$500 a year—and that \$500 included all the food and other products which they raised for their own use. In other words, more than 8,000,000 farm people were trying to exist on an average income of about \$2 a week per person or less. In the same year it was estimated that there were more than 1,000,000 additional farm families with incomes of less than \$750—

another 4,500,000 persons with weekly incomes of about \$3 each.

In 1932, when agricultural income was at its lowest, the lower-income half of farm families probably received only about \$200 apiece. The large increase in total agricultural income over the 8 years to follow did not appreciably improve the lot of many of these families. It has been estimated that probably one-fourth of our farm families in 1940 made \$500 or less a year, an income level which spelled dire physical hardships to 7,000,000 or 8,000,000 people.

2. Poor health

Naturally, low income and all that goes with it mean poor health for the lower third of our farm population. Dietary deficiencies, insanitary facilities, poor housing, and lack of adequate medical care make poor health inevitable.

Health surveys of 100 low-income farm families in two southern counties recently indicated the extent of the problem. In the 100 families there were 575 persons. Among the physical handicaps discovered were 132 cases of rickets among children; 35 or 40 percent of those from one county had hookworm infection; 288 had diseased tonsils; 360 individuals had defective teeth; and 124 had defective vision.

Among the 109 women in the group, the physicians who made the study found 79 suffering from tears resulting from childbirth and 21 with suspected cancer of the genital organs. Most of the childbirth tears could have been avoided by proper medical attention at delivery.

Physicians recently examined the male members of 15 years of age or over who were members of families receiving rehabilitation aid from the Farm Security Administration in a typical rural county. Nearly 20 percent showed physical defects or diseases which definitely hindered their efforts. But in 90 percent of these persons, the defects were diagnosed as correctable by the physicians.

In another study of rehabilitation families in Texas and Oklahoma, it was found that of the 43,000 families who were surveyed, one out of every three births had not been attended by a physician. Of the 16,000 cases of serious illness reported for the year, more than half lacked physicians' care.

The total amount of unpaid doctors' bills was nearly a half million dollars.

Even among the relatively well-to-do farm families, physicians' care is something of a luxury. Farm families with incomes of from \$1,000 to \$1,250 can spend on the average only about \$50 for medical services. More than half of the farm families of the Nation cannot afford to spend this much. Families with income between \$250 and \$500—there were about 600,000 of them in 1937—can afford only about \$15 per family per year for medical care.

3. Poor housing

The national farm housing survey conducted in 1934 disclosed that 9 out of every 10 houses had no indoor toilets and nearly 27 percent had no screens in the windows and doors—over 65 percent were inadequately screened, if at all.

Of the 595,855 typical farm houses covered by the survey were old, more than half of them, then, were over 25 years old. Only 51 percent were owned by the families that lived in them.

In 1930 over a third—36 percent—of the farmhouses in the Nation were worth less than \$500 apiece. Moreover, about 1,500,000 tenant families were living in houses valued at less than \$475. The South, which contains more than half of the Nation's farm population, contains the Nation's poorest rural housing. The average farmhouse in the South is estimated to be worth only about \$650. Nearly one-fifth of all southern farmhouses have no toilet facilities whatever, even of the most primitive sort. The 1934 survey revealed that more than a third of all southern farms had no screens, and in some States two-thirds of the houses were not screened.

It has been estimated that it would cost about \$8,500,000,000 to put the farmhouses in the United States in good repair, if all materials were purchased and all labor hired at prevailing rates. If farmers did some of the work themselves, and also furnished some of the materials, it would cost between \$5,000,000,000 and \$6,000,000,000. Thus, it would cost as much or more to put our farmhouses in good condition as they are worth, which, according to the 1940 Census, is about \$7,000,000,000.

4. Poor soil

The loss of the Nation's farm soil is one of the most dreadful manifestations of rural poverty. The amount of farm land available for farming has been shrinking rapidly, as the result of erosion. Already 50,000,000 acres of cropland have been ruined, and 4 times that many acres of cropland have been badly damaged. This means that an area as big as six States—Iowa, Ohio, Illinois, Indiana, Wisconsin, and Missouri—has been ruined for farming, or robbed of much of its fertility.

Erosion is still whittling away our cropland. Every day enough soil to make 200 40-acre farms washes or blows away.

The National Resources Committee has estimated that there are 75,000,000 acres of cropland that should be taken out of cultivation immediately if it is ever to be saved.

5. Poor equipment

Thousands of farmers are without the tools and equipment that they need for adequate farming. They are not able to buy what they need because they do not have the money, and they do not have the money in many instances because their farms are not productive enough and they are unable to operate them efficiently enough to provide the necessary income. It is true that some farmers fell into distress in the depression because they were overcapitalized rather than undercapitalized, but these farmers constitute only a small proportion when compared with those who never had the tools they needed.

It is estimated that about 60 percent of all the savings made by farm people are made by only 2 percent of the farmers. These farmers, of course, are upper-income operators. Farmers need capital in the form of saved cash in order to get

equipment; farmers who live on the hand-to-mouth basis can never get ahead far enough to make the necessary investment.

About three-fourths of the 850,000 farm families who have received rehabilitation loans from the Farm Security Administration have used part of the money to buy necessary tools and equipment. Nearly every borrower family has had to use part of the money to purchase livestock whose products are needed for home consumption, and many have obtained needed work stock for farming operations.

6. Heavy debts

A large portion of the farmers of this country are "in hock" to their creditors. The drain of principal and interest and rent payments has been terrific. This burden perpetuates a sort of rural poverty which presses always harder on the lower third, until it forces them off the land entirely and onto the road or into relief lines.

In 1935 the farm-mortgage indebtedness amounted to about \$8,000,000,000. It is estimated that one-fourth of the cash income from total farm marketings is drained off for payments on rent and mortgage debt each year. This amounts to nearly \$2,000,000,000 annually. It goes without saying that if farm people did not have to carry such a dead weight of debt, they could pay for other non-real-estate items for which they have to borrow today.

It has been estimated that if farm people were made secure in the ownership of their soil resources, there would be available nearly \$300 additional per farm-operator family for plant maintenance, improvements, and better living standards. It has also been estimated that the \$400,000,000 a year which farmers pay to nonfarmers as interest on mortgage debt could, if retained among farmers, put a modern bathroom, and hot and cold water in the kitchen also, into every farmhouse in the Nation in 5 or 6 years. It could build a new house for every young couple when they started farming.

Land, labor, and capital—the lack of these means continued poverty for low-income farm families. Sick people cannot work poor land, live in poor houses, operate inadequate equipment, and meet heavy expenses with any hope for success.

And additional manifestation of rural poverty must be mentioned, because it is one of the most obvious signs in this decade of the inability of these families to meet the adversities which beset them. This is the tremendously increased migration of farm people from State to State looking for work as day laborers. The most telling characteristic of this migration today is that these people are moving, not because of the "pull" of opportunity elsewhere but because of the "push" of adversity at home. The "migrant problem" testifies to the insecurity of those who try, but cannot succeed, to farm in the face of forces they cannot combat.

The decrease in the number of farms and the increase in the number of migrants in this country are two sides of the same tragedy.

II. BASIC FORCES

Behind rural poverty are forces which the farmer himself can not only see, but that he can also feel. There are forces in the system of farming itself which hold him back; there are also forces outside the farming system, but in the total economy, which press against him as one of the weaker members of the Nation's productive organization. In either case, he has been more or less helpless to meet them by himself. Most farmers need some help; the low-income farmers need a great deal of help if they are to continue as producers instead of relief burdens on our national economy.

1. Pressure of population on the land

Every year nearly a half million additional workers are trying to make a living off the land. Prior to 1930 industrial employment drew off large numbers of farm people to the cities. From 1910 to 1930 the excess of population flowing cityward over that which flowed countryward was sufficiently great to exceed the natural increase in the farm population, with the result that there were 1,900,000 fewer people living on farms in 1930 than in 1910. But this trend, which in the 1920's was taking as many as 600,000 persons a year from the land, was checked with the depression. Factories closed down and thousands of people were "backed up" on the farms.

During the decade 1920-30 nonfarm activities provided employment for about half of the farm youth as they reached maturity. As a matter of fact, 40 percent of all new workers in industry were recruited from farms. But during the 5-year period from 1930 to 1935 net migration from the farm was only about one-fifth of what it was during the 5 years previous. From 1930 to 1935 new farms appeared at the rate of 100,000 a year and the farm population increased by 1,600,000 persons. Although migration to the cities has increased during the last 5 years of the 1930-40 decade, the farm population today is the largest it has ever been, probably about 32,250,000 people, or approximately 2,000,000 more than it was in 1930, but farms for them to live on are rapidly disappearing.

The difficulty with this increase in population on the land is that the land alone will not support all of them. Of the nearly half million additional workers in our farm population each year, some 200,000 of them are males who are in excess of those required for farm production. Restricted demand and increased efficiency mean that we can now produce the normal requirements for agricultural products at the past level of consumption, with about a million and a half fewer workers in agriculture than were needed in 1929. Between 1910 and 1930 the amount of labor required to produce an acre of cotton declined by one-fourth. In the same period the labor required to produce an acre of corn declined about one-fifth. And still the farm workers come, because the farm birth rate is very high, in some areas more than twice as high as necessary to replace the area's population.

For the country as a whole almost 8 out of 10 new workers in the 1940's are

coming from rural families; furthermore, the growth is more rapid in the poor rural areas than in the good areas. Given 30 years with no outward migration, the population of many of the poorer rural counties would double. The 400 counties with the lowest living standards in the Nation are among the highest in population increases.

As a result of this overcrowding and other forces making for the growth of uneconomic-sized farms, many farm families today have inadequate land resources. It is estimated that between one-third and one-half of the Nation's farm families do not have access to a land resource (either directly as operators or individually as laborers) sufficient to support a decent living.

2. Competition for shrinking markets

Not only are the low-income farmers faced with a long-run trend toward a shrinking share of the Nation's farm markets for them as a group, but also all farmers are faced with shrinking total markets as a result of the loss of a large part of our foreign trade in agricultural products. The average annual exports of American farm products in the years 1935 to 1937 were less than half of what they had been in the years 1925 to 1929. Since the outbreak of the present world war, our farm exports have been choked off almost entirely. During the first year of the war, farm exports rose slightly from their immediate pre-war level and were only 5 percent below average, but in the quarter-year ending November 1940 they had fallen to one-third of their pre-war level.

Before this additional shock, however, low-income farmers had already felt the pinch of competition for any markets whatever. Even in 1929, a year of relative prosperity, the lower half of American farmers produced for only 10 percent of the markets for all commercially traded farm products; the other 90 percent of the market was supplied by the upper half of the farmers.

In 1935 about 60 percent of the Nation's farms included less than one-sixth of all the Nation's farm land and only one-fourth of the cropland harvested. In addition, this 60 percent had less than 29 percent of the value of all farm lands and buildings. The farms in the 60 percent were on the average less than 100 acres each and nearly half of them were operated by tenant farmers.

3. Improvements in farm technology

A large factor in the aggrandizement of markets by farmers who had capital at the expense of those who lacked it was the improvement in technological skill in farming operations. Over the years this improved technology has not been generally available to any but the more well-to-do farmers. Although the low-income farmer gained tremendously in his ability to produce he lost in his proportionate share of the farm market and income. Moreover, increased technology meant displacement for thousands of farmers who previously had worked on somebody else's farms. Machines could do the work of men cheaper and more efficiently.

Today there are more than 1,500,000 tractors in use—almost 6 times as many

as there were in 1920. Nearly every one of these tractors has pushed a few tenants, sharecroppers, or hired hands out of jobs. On one typical Mississippi Delta plantation, for example, a landlord recently bought 22 tractors. He turned off 130 of the 160 sharecropper families which used to work the land, keeping only 30 to handle the new machinery.

It is estimated that if displacement by machines continues at a rate not greater than in the past 10 years, from 350,000 to 500,000 present workers might be cast off the farms in the next decade. In 1937 over 1,500,000 males living on farms were totally or partially unemployed or receiving emergency employment. This actual unemployment still does not reveal the real surplus from the viewpoint of truly efficient operations. One-half of America's farmers could probably produce all of the products needed at present in commercial channels. The other half—3,000,000 families, or 5,500,000 persons of productive age—are not needed on the farms if they are operated strictly as commercial enterprises.

Increases in technological skill mean that fewer people can do more. Between 1870, when the first complete census of occupation was taken, and 1930, production per worker in agriculture increased about two and one-half fold. The inequitable distribution of the benefits of this technological advance, not the progress itself, has made it tremendously difficult for smaller, low-income farmers to compete for crop markets.

4. Inadequate credit facilities

The difficulty with the type of credit which has been made available to low-income farmers has not necessarily been one of inequitable rates and terms, but rather one involving the nature of the credit itself. Low-income farmers have been forced to encumber their property and their resources in order to finance their operations. As a result, they have made two sacrifices at once; they have mortgaged away their property and they have cut down on necessary home expenses in order to get the credit they needed.

The credit system has therefore gotten into competition with family living, which consequently bears the brunt of every unsound activity on the farm. Some believe that this process of encumbering the farmer's property and resources in order to finance his working and living has forced more farmers off the land than mechanization.

There are vast sectors of the low-income farm population which can get no adequate credit of any sort. They do not have enough personal belongings to pledge as security, and consequently they cannot be reached by ordinary credit agencies. Their only security is their labor, and they usually have to mortgage that to the hilt under a credit system unrelated to the farm operation and the family living.

It is estimated that before the lending facilities of the Farm Security Administration were made available, more than one-third of all farmers in the Nation were unable to get adequate credit for their needs.

5. Insecure tenure arrangements

Many tenants fall into the bottom income group. Our tenure system itself is a patchwork of habit and tradition, and it is full of flaws. Most leases, for example, are not even written down; they are simply vague, oral understandings, covering 1 year's operations.

In 1880 the equity of farm operators in the United States as a whole was about 62 percent of the value of all farm real estate. By 1930 the proportion had fallen to 41 percent, and by 1935 to 39 percent. In 55 years the proportion of the farm lands and buildings in the Nation really owned by the farm operator has fallen from nearly two-thirds to less than two-fifths. At the same time the proportion of tenancy has increased until 42 percent of all farmers do not own the farms on which they live and work. About 40,000 farm families are added to the ranks of tenants each year.

One of the worst aspects of tenancy as we have it is that every year about one-third of all our 2,800,000 tenant families move to a different place. The cost of this moving alone totals more than \$50,000,000 a year. More costly still is the destruction of soil which results from a poor tenure system.

Sharecroppers constitute a fifth of all tenants and nearly two-fifths of all the farm families in the South. Family earnings among sharecroppers seldom run higher than \$450 a year.

6. Poor farming methods

Often the little farmer is not able to farm efficiently. Many of them are using the same tools and methods their grandfathers did—a mule and a one-row plow. The low-income group particularly has lacked educational opportunity and adequate guidance and training in his farm operations. Even if they knew how to use a tractor and gang plows, they could not afford them on their small acreages. Often they raise a single cash crop—cotton, wheat, tobacco. These are crops which wear out the soil fastest; and they make the farmer's life a gamble on the ups-and-downs of a highly uncertain market. Even with these old-fashioned practices the small farmer was able to make some kind of living, so long as farm prices were high and credit was abundant.

During the last two decades, however, hard times at home and wars abroad have choked off many of our old markets and have forced down the prices of farm products. What markets were left have gone increasingly to the larger, better-equipped farms.

In summary, the following generally recognized causes of rural poverty can be listed—causes which include the long-run forces that have made it impossible for the low-income farmer to fight his own battle and has enlarged the low-income ranks with casualties from once more fortunate groups:

First. Low income.

Second. Poor health.

Third. Poor housing.

Fourth. Poor soil.

Fifth. Poor equipment.

Sixth. Huge debts and inadequate credit.

Seventh. Poor farming methods.

Eighth. Population pressure on the land.

Ninth. Competition for markets.

Tenth. Technological advance.

Eleventh. Insecure tenure arrangements.

Twelfth. Lack of training and education in farm and home operations.

III. DEFENSE AND RURAL UNEMPLOYMENT

According to the findings of the Special House Committee Investigating the Interstate Migration of Destitute Citizens, unemployment and under-employment in rural areas was higher in 1940 than at any previous period. This was true largely because employment in agriculture has exhibited a steady decline and rural population of working age has been rising steadily. The committee estimated that there were 2,000,000 unemployed persons in rural areas in 1940, and in addition 3,000,000 potential workers with 4,000,000 dependents whose employment is not productive enough to maintain decent income levels. These have a labor reserve now of 5,000,000 potential workers in rural areas—more than in any previous year.

Some employment for farm people in defense industries has already taken place, and more is expected. However, the great bulk of the surplus farm population is at a disadvantage when it comes to defense jobs because: (1) They are not trained for industrial employment; and (2) they are located at some distance from the centers of industrial defense activities. About 47 percent of the Nation's defense-procurement contracts have gone to firms in the upper Middle Atlantic and New England States, far from the overcrowded rural areas of the Southeast, the Southwest, and scattered submarginal pockets throughout the country. More employment of farm people is expected in the Midwest and along the Pacific coast. Because of the lack of training and distance of these workers from industrial centers, there is likely to be an actual shortage of factory workers at the same time that farm unemployment remains high.

Many urban areas outside of the particularly concentrated industrial sections along the eastern seaboard are able to supply all of their defense-employment needs from nearby population. In Birmingham, for example, which is the largest industrial city in the Southeast, people in the immediate urban and suburban area and a slightly larger near-city belt will be able to fill all of the city's defense-employment needs. Farmers in the Southeast have found more employment on temporary camp projects than in industrial plants. There are too many "ifs" to predict very far in the future, however.

Industrial decentralization is greatly needed, but in the present emergency its benefits to rural workers is limited. Defense means speed, and speed has necessitated the granting of Government contracts in areas where existing facilities are set up or are easily adaptable. Only the so-called danger industries—that is, powder, shells, and so forth—are decentralized at present and employ only about 75,000 people. Efficiency dictates the construction of large plants by those

private builders who will build new facilities, but it is the small plant that fits into rural conditions—plants employing 200 to 500 men in small villages. Up to the present it has been easier to bring labor to the job rather than the job to labor. Even so, great numbers of surplus and potential laborers on the farm are not available for factory work because of lack of skill and training.

In many areas defense activities are displacing, not employing, farm families. About 4,000 families are having to move from their farms in order to make way for military projects such as camps and bombing ranges. No substantial employment is offered these families on these projects. The total acreage displaced by these military projects is approximately 985,000 acres. An additional 1,400 families are being displaced by new industrial establishments set up under the defense program and covering 130,000 acres. Some employment in the factories is available to these families.

Shut off from a large part of defense industrial employment, farm families are not likely to find the solution to their problem in increased farm production and income.

If the national income were increased from seventy-five billion—the level in 1940—to ninety billion, the increase in consuming purchasing power for farm products might increase farm income from \$9,000,000,000 to \$10,500,000,000, if Government farm payments were also continued. This would still fall short of parity by about \$2,000,000,000. Moreover, after allowing for increased employment and induction of farm youth into military service within the next 2 years, there would still be 2,000,000 agricultural unemployed. To absorb the present unproductive farm labor force would require a national income of between \$95,000,000,000 and \$100,000,000,000. In addition, there would still remain the problems of training and transporting the unskilled farm workers from backward areas such as those in the Ozarks, Appalachians, and other submarginal districts.

Rural farm and nonfarm birth rates will probably continue to remain higher than urban rates. Nearly 9,000,000 more people, most of them from the rural areas, will need to be employed by 1955 or given relief.

Even with the defense program something more, something directly aimed at the agricultural problem will continue to be needed on a large scale. Rural unemployment and impoverishment must be checked and the opportunities of the land enlarged to meet the needs of the largest number of people it can adequately support.

We have found the basic methods of doing this. These mean provision for adequate credit, secure tenure, sound soil and farm management practices, neighborly organization to benefit from modern farm equipment and methods, and family supervision to assist farm families in putting these things to work.

We have established the means of doing this through the Farm Security Administration, which has hundreds of thousands of families to point to who

have recovered their independence, based their living on their own farms first, and reestablished on a modern basis the waning pattern of the family farm in American agriculture. The only fault we have made is in not extending this program far enough really to reach the whole mass of those who need it. We can well restudy what we have done successfully in order that we can know what we should do more extensively.

IV. THE WORK OF THE FARM SECURITY ADMINISTRATION—SUMMARY

There is no single, simple remedy for rural poverty just as there is no single, simple cause of it. But the necessity of making the attack against rural poverty on many fronts does not mean that the job cannot be done, and done effectively. Although many rural people will probably have to move from the land to seek a livelihood in industrial and service lines, our land is not now supporting nearly as many farm families as it could. Millions of farm families who are clinging to the outside fringe of our economy can get back on their feet if somebody gives them a boost to start with.

The Farm Security Administration has already demonstrated that rural poverty can be met and defeated. For five and a half years this agency has helped needy farm families get a new start on the land. One by one, methods have been developed by which these families could pull themselves up to security; one by one these families have been enabled to meet the competition of big farmers and the pressures of forces that push down upon them.

To reestablish these insecure farm families on the land and to help them become self-supporting, F. S. A. has carried out the following programs:

First. Rehabilitation: Loans amounting to \$483,000,000 have been made to 864,000 needy farm families to enable them to get a new start on the land with adequate seed, feed, livestock, and equipment. Accompanying these loans are farm- and home-management plans providing for home food and feed production, diversification of crops to embrace two or more cash enterprises, and soil-building farm practices.

Second. Tenant purchase: More than 13,000 tenant families have received 40-year loans, averaging about \$5,700, for the purchase of family-type farms on good land. These loans are accompanied by farm and home plans.

Third. Homesteads: In 164 rural farm communities initiated by earlier agencies and now managed by F. S. A. more than 18,000 farm families, or 90,000 people, are following new patterns of farm operation with the aid of various types of community and cooperative organization.

Fourth. Migratory-labor camps: In addition, between 30,000 and 40,000 unfortunate farm families who have already been forced off the land are obtaining minimum shelter and sanitary facilities each year in 53 migratory-labor camps developed by F. S. A. in areas of seasonal farm employment. Permanent homes adjoining labor camps afford housing and subsistence gardens for a limited number of families who can find full-time employment in the area.

To improve the ability of low-income farm families to stay on their feet once they are put there, F. S. A. has also carried out the following programs:

First. Debt adjustment: More than 139,000 farmers have had their heavy debts adjusted downward by more than \$97,400,000 as a result of amicable settlements with creditors arranged through F. S. A.-sponsored voluntary farm-debt-adjustment committees. These settlements have also resulted in the payment of \$5,311,370 in taxes.

Second. Tenure improvement: Thousands of farmers have availed themselves of written lease forms distributed by F. S. A., and 80 percent of F. S. A. tenant borrowers have obtained long-term written leasing arrangements with their landlords.

Third. Medical care: More than 80,000 families, or 300,000 people, receive medical services within their means as a result of the establishment by F. S. A. and local medical societies of health associations in 700 counties in 31 States.

Fourth. Cooperatives: Small farmers unable individually to buy essential heavy equipment and other farm services necessary to efficient modern farm production have received F. S. A. cooperative loans to form 17,000 neighborhood associations through which such equipment and services are obtained and operated jointly. More than 330,000 small farmers are members of these small cooperatives.

Fifth. Land rental: To enable tenants and sharecroppers to lease large tracts of land which they cannot rent separately, F. S. A. has helped organize 33 cooperative land-leasing associations through which more than 1,700 southern farm families have long-term group contracts with landlords.

In addition F. S. A. in recent months has been assigned the task of relocating between 5,000 and 8,000 farm families evacuated from areas taken over under the national-defense program for industrial and military purposes.

As a result of F. S. A.'s efforts among needy farm people, the following progress has been made by those who have received aid:

First. Income and net worth: At the end of the 1939 crop year a survey of 360,000 typical rehabilitation borrowers showed that they had increased their average net income from \$375 in the year before they sought F. S. A. help to \$538 in 1939—an increase of 43 percent. This represented an addition of \$58,000,000 in new purchasing power into their communities in a single year. They also increased their net worth—over and above all debts, including their obligations to the Government—by a total of \$82,954,600 since they first obtained loans, an average increase of \$230 per family.

Second. Food for home use: These same borrowers increased the total value of home produce in 1939 by nearly \$35,000,000 over the year before acceptance on the program. The average family increased the amount of fruit and vegetables canned from 51 quarts annually to 242 quarts; and its production of milk for home use rose from 99 gallons a year

to 448 gallons. Similar gains were reported in the production of meat and eggs for home use.

Third. Repayment: Of the \$483,000,000 loaned under the rehabilitation program to families, about \$154,000,000 has already been repaid although much of the money is not yet due. It is expected that at least 80 percent will eventually be paid. The latest available figures show that borrowers under the tenant purchase program, many of them paying on a variable payment plan that adjusts payments to each year's income, have repaid 97.4 percent of principal and interest due, and in addition have made advance payments of more than \$196,000 or eight times the total amount delinquent.

Fourth. Costs: Rehabilitation has been accomplished at a cost of about \$72 per year a family, counting all losses on loans, costs of supervision, and every other expense. On the other hand, the average cost of work relief in the cities is about \$800 per family per year, and of rural work relief \$350 or more, and does not provide them with the means of self-support that rehabilitation gives them.

Fifth. Housing: About 19,000 modest but substantial farm houses have been built for needy farm families. As a result of the experience of 3 years of low-cost rural housing, F. S. A. is building houses on tenant purchase farms at an average cost of only about \$1,300 each.

Sixth. Equipment and services: Through small cooperatives more than 130,000 farmers in 6,800 groups have the service of blooded sires for their small herds; another 120,000 jointly own and operate tractors, combines, plows, balers, and other machinery through 6,000 other groups; 20,000 more participate in community facilities such as saw, and grist mills through more than 1,000 neighborhood associations; and 40,000 other small-farm families get the use of miscellaneous equipment such as curing houses, washing machines, and neighborhood pressure cookers through another 2,200 cooperatives.

More families need help: Farm Security field supervisors report that they know personally of 500,000 more farm families eligible for loans whom Farm Security has been unable to reach with its present program. Additional funds would be necessary to enable these unaided families to obtain the security and chance for improvement that those now on the program have received.

DESCRIPTION OF FARM SECURITY ADMINISTRATION PROGRAM—THE REHABILITATION PROGRAM

More than 864,000 farm families have received rehabilitation loans totaling \$483,000,000 from the Farm Security Administration averaging from \$100 to \$800 each. A rehabilitation loan enables a family to buy necessary seed, feed, livestock, and equipment with which to get a new start at farming. But more important than the loan itself are the farm and home management plans that accompany it.

Farm and home plans are the heart of the rehabilitation program. They are drawn up by the families themselves with the help of F. S. A. supervisors and call for three basic things:

First. The production at home of most of the families' food and livestock feed. This is often called live-at-home farming.

Second. Cash income from at least two sources on every farm; no more one-crop farming.

Third. Methods that will build up the fertility of the soil and put every foot of ground to the best possible use.

In these three ways, a farm plan guards against some of the chief causes of failure in the operations of an individual farmer. If the plan is carried out, the family will have plenty to eat and to feed its livestock, whether or not it has much cash income. By raising several cash crops the farmer cuts down the risk of weather hazards and poor markets. Through careful land use he protects his most important asset, the soil. Moreover, this kind of farming goes a long way toward solving one of the little farmer's chief problems—the overcrowding of the land. Diversified live-at-home farming makes it possible for the same amount of land to support more people.

Rehabilitation loans carry 5-percent interest and run for 5 years, and are further secured by regular mortgages on the borrowers' chattels. However, the real security is the farmer himself and his opportunity to produce on a sound basis. The Government provides technical advice to the rehabilitation borrower on good farming methods—giving him guidance in modern farming methods, and helping him work out proper crop rotations, lay out terraces, and keep a businesslike record of his operations.

Most families who turn to F. S. A. for aid need to make a number of improvements in their situation before they can be expected to make progress even with F. S. A. loans and management plans. Among these improvements, which are also needed by thousands of families not on the program, are the following:

Improved tenure

Rehabilitation borrowers who are tenants—and 70 percent of them are—often need better tenure arrangements. Hence, one of the first efforts of the F. S. A. supervisor is to go with the tenant to see his landlord and help them draw up a long-term, written lease. More than 80 percent of the tenant families that have borrowed from the Farm Security Administration now have written leases.

Debt adjustment

Another service that many low-income farmers need is debt adjustment. To help these farmers F. S. A. has set up voluntary farm-debt-adjustment committees in almost every farming county, available free to all farmers. They have no legal authority to compel adjustments; but by bringing the farmer and his creditors together for a friendly talk, they usually can arrange a scale-down of the debts, reduced interest rates, or an extension of the time of payment. Debt adjustments are often necessary before the F. S. A. can work out farm plans for prospective borrowers.

Altogether, debt reductions totaling \$97,404,000 have been worked out for 139,436 overburdened farmers since 1935. This represents a scale-down of nearly 22.5 percent on debts which originally

amounted to \$432,727,000. As a direct result of these adjustments, more than \$5,311,370 in back taxes has been paid to local government agencies.

Medical care

Poor health is another chronic problem among low-income people who turn to F. S. A. Many farm families are in trouble simply because they are too sick to do a good day's work; many others already on the program find difficulty in making progress even with good planning and adequate equipment because they need medical care. Consequently, F. S. A., in cooperation with State and local medical societies, worked out a special medical-care program for its borrowers.

In a typical F. S. A. medical-care plan, rehabilitation borrowers agree to pay fixed sums—usually about \$24 a year—to a trustee, who divides all of the money into 12 equal parts, one for each month in the year. When members become ill, they go for treatment to any doctor who is taking part in the plan. At the end of every month the doctors turn in their bills to the trustee, and if the monthly allotment is large enough, the trustee pays all of the bills in full. If all the bills cannot be paid in full, they are all reduced proportionately and each physician is paid his share.

As a result, low-income farm families get good medical care from physicians of their own choice, at a cost which they can afford. The doctors, in turn, are sure of getting a substantial payment for their services from a group that usually has a hard time meeting its doctor bills. These health associations have been organized in 700 counties, in 31 States, bringing medical services to about 80,000 families, or 300,000 people.

Cooperative services

There remains the disability among small farmers that they are usually high-cost operators. By himself the small farmer cannot afford to buy the larger and more efficient machinery and equipment that would enable him to do a better job of farming, both in the production of different crops for market and in the provision of food and feed for home use. Nor can he afford to improve his small two- or three-cow dairy herd by buying a purebred bull. His operations are too small to allow him to get the means of improvement in his farm work.

F. S. A. has helped thousands of its rehabilitation borrowers, and many other low-income farmers in the neighborhood, to get these things through small cooperatives. It often includes in a rehabilitation loan enough money for the borrower to pay his share of the cost of a combine, a purebred sire, a feed mill, terracing equipment, or other facilities which he can use cooperatively with his neighbors. Occasionally the loan includes a small sum to enable the borrower to join a large, long-established co-op engaged in marketing or processing farm products.

Through such cooperative activities, which help him to cut his operating costs and adopt more efficient methods, the little farmer can often make more rapid progress toward rehabilitation. Other farmers in the area can also gain by par-

ticipating in the ownership and use of the property. The benefits of technological advance are made available in this way to farmers who otherwise could never have them. More than 330,000 low-income farmers, mostly F. S. A. rehabilitation borrowers, are now taking part in about 17,000 small co-ops started with F. S. A. help.

Results of rehabilitation

Of the \$483,000,000 which F. S. A. has loaned to rehabilitating needy farm families, many of whom were once on relief, more than \$154,000,000 has been repaid into the Federal Treasury, although much of the money will not be due for several years. It is estimated that approximately 80 percent of the funds loaned will be repaid eventually with interest. The losses are largely concentrated in areas of the Great Plains which have suffered several years of severe drought.

The annual cost of the rehabilitation-loan program—including all losses, the cost of supervision, and every other item of expense—amounts to less than \$75 for each family aided. Work relief would have cost \$350 per year in rural areas. Moreover, rehabilitation assists needy families to become permanently self-supporting, whereas relief leaves them as dependent as ever. More than 120,000 families already have paid off their loans in full, and are continuing to operate a balanced, constructive type of agriculture.

Rehabilitation families have made rapid gains in their net worth, standards of living, and ability to support themselves. At the end of the 1939 crop year a survey was made to determine the progress of 360,015 regular rehabilitation borrowers then on the F. S. A. rolls. This study disclosed that they had increased their net worth—over and above all debts, including their obligations to the Government—by a total of \$82,954,656 since they first obtained loans. This was an average increase of \$230.42 per family. Their average net income rose from \$375 in the year before they sought F. S. A. help to \$538 in 1939—an increase of 43 percent. This means that they brought \$58,000,000 in new purchasing power into their communities in a single year.

At the same time these borrowers greatly increased their production of food for home consumption. The average family increased the amount of fruit and vegetables which it canned from 51 quarts annually to 242 quarts; and its production of milk for home use rose from 99 gallons a year to 448 gallons. Similar gains were reported in the production of meat and eggs for home use.

Emergency grants

In areas stricken by drought, flood, and similar disasters, rehabilitation loans sometimes prove impractical because it is impossible to carry on a farming enterprise under those circumstances. Consequently F. S. A. makes small grants to families in acute distress to enable them to fill their most urgent needs for food, clothing, and fuel. These grants average less than \$20 a month and are not repayable; grant payments are halted once emergency conditions have passed.

Grants sometimes prove necessary even outside of drought and flood areas. A family may be so handicapped by a long illness or a fire, for instance, that it needs immediate aid. Some farmers in sub-marginal areas are so poor and their productive resources so inadequate that they could not borrow enough money to meet their most urgent needs with much hope of paying it all back. In such cases F. S. A. sometimes supplements its rehabilitation loans with small grants, which are usually used to buy food and clothes, dig a well, build a sanitary privy, or pay for badly needed medical care. In all cases, families which receive grants are required to do some kind of useful work in return, such as planting trees, building terraces, constructing food cellars, or digging a trench silo.

Tenant-purchase loans

The Bankhead-Jones Farm Tenant Act, passed by Congress in 1937, authorized the Farm Security Administration to make loans to a limited number of worthy tenants, sharecroppers, and farm laborers to enable them to buy farms of their own.

Tenant-purchase loans, as they are called, are made only in certain designated counties throughout the country where tenancy and farm population are heaviest and where adequate farm land is available for purchase. In each of these counties a committee of three local farmers recommends candidates for tenant-purchase loans to the Farm Security Administration.

Tenant-purchase loans are made to families which cannot get money to buy a farm anywhere else; they run for 40 years and carry 3-percent interest. If he chooses, the borrower may use a variable-payment plan under which he pays more in years of good crops and high prices and less in years of crop failure and low prices.

In the first 3 years of the program ending June 30, 1940, tenant-purchase loans had been made to 12,399 farmers in 1,292 designated counties. These loans averaged about \$5,738 each and bought farms averaging about 137 acres. There were more than 20 applications for every loan made. During the current fiscal year ending June 30, 1941, an additional 8,750 loans can be made in a total of 1,639 counties.

As of June 30, 1940, repayments by tenant-purchase borrowers, many of them using the variable-payment plan, were 97.4 percent of maturities, and payments in advance were more than 8 times total delinquencies.

During the first 3 years of the program more than one-third of the tenant-purchase borrowers erected new dwellings on their farms at an average cost of about \$1,300 each.

Homesteads

The Farm Security Administration manages 164 homestead projects which were started by earlier agencies to help resettle needy farm families from worn-out land. About 18,000 families, or nearly 90,000 people, have been provided with new homes and a chance to make a

decent living under more favorable conditions.

The projects vary greatly in size and structure. In most of them each family makes its own living by full-time farming. In others, the farms are small and provide only a part of the family's livelihood; various trades and industries, either on the project or in nearby cities, furnish the rest.

A few of the projects have been designed as cooperative farms to compete with big commercial farms, and yet to preserve the values of independent ownership.

Largely as a result of its homesteads experience, the F. S. A. has developed new methods of precutting and prefabricating farm houses which have enabled it to build modest but substantial dwellings at the lowest costs ever achieved in this country. The house plans and methods developed by F. S. A. have been widely adopted by private builders. Most of the homes now being built on farms purchased with tenant purchase loans are put up by private contractors using F. S. A. designs.

COOPERATIVE LAND-LEASING ASSOCIATIONS

Although the Farm Security Administration initiates no new homesteads projects, it has developed a new technique for helping unstable southern tenant-farm families to obtain land and operate it efficiently. This is the cooperative land-leasing association through which groups of nonowner farmers lease large tracts of continuous land for a long period of time. The main advantage of the land-leasing cooperative is the security of tenure which it provides for its members on good land; however, additional advantages are the cooperative services and the home-production practices which are possible under the arrangement.

There are now 37 cooperative land-leasing associations in three Southern States, two of which have already exercised options to buy the land on which the families were living first under lease. Members of these associations elect their own officers, who in turn supervise the association's work and collect rent from the members. Farmers in associations get rehabilitation loans to enable them to carry on sound operations as tenants; in many instances the association itself receives a loan with which to buy supplies and equipment to be jointly used by association members.

Aid to migrant farm laborers

Through the programs already mentioned, F. S. A. has been trying to anchor insecure farm families to the land. However, there are many thousands of families which F. S. A. was not able to help in time. Some have gone to the cities in search of work or relief; others have taken to the highways in a desperate effort to make some kind of living as migrant farm laborers, following the harvest from one State to another. It is estimated that more than half a million families are traveling down the highways in search of day labor on big farms.

To help these families, whose living standards are perhaps the lowest of any group in the Nation, the Farm Security Administration has built 53 camps where

migrant families can live as they follow the crops. These provide shelter and sanitary facilities for more than 10,000 families at any one time. Since the migrants continually flow in and out of the camps, as the demand for labor changes in each area, as many as 30,000 to 40,000 families, or nearly 125,000 people, may use the camps in a year.

So far 37 standard camps have been built in 8 States—California, Arizona, Oregon, Washington, Idaho, Texas, Missouri, and Florida. In addition, 16 mobile camps, with tents and trailer facilities, follow short harvest season. Paths of agricultural migration are carefully studied by F. S. A. experts before plans are made for the construction of appropriate camps in any area.

To enable at least some of the migrants to get settled in permanent homes, the F. S. A. has built a number of small cottages—known as labor homes—near some of its permanent camps. Each cottage has a small garden plot, where the family can raise foodstuffs to supplement its main income earned in agricultural labor. These houses are rented for about \$8 a month to families which are able to find year-round work on nearby farms.

Special programs

The Farm Security Administration has developed special programs to meet the specific needs of low-income farm families in particular areas.

In cooperation with the Bureau of Agricultural Economics and the Soil Conservation Service, the F. S. A. has developed a small program for the benefit of farm families in the arid and semiarid areas of 17 Western States. This program provides Federal assistance to establish such water facilities as ponds, reservoirs, wells, pumps, installations, spring developments, water-storage tanks, and facilities for recharging underground reservoirs. F. S. A.'s part in the program is to provide farm- and home-management plans and to make and collect loans. In the 2 years of the program ending June 30, 1940, a total of 1,390 water-facilities loans amounting to \$625,540 had been made.

In some areas of the country rural poverty is particularly acute, largely as a result of inadequate natural resources and excessive pressure of population. These areas, as typified by parts of the southern Appalachians, the Ozark regions, Spanish America in the Southwest, and the Lake States cut-over regions, present some of the most difficult problems in rural America today.

The ordinary rehabilitation program was found to be lacking in meeting the problems of these people, whose operations could not be improved sufficiently over the course of 1 or 2 or 3 years to enable them to support the loans they would need. Consequently, special programs of loans and grants, coupled with intensive farm- and home-planning live-at-home practices, and the development of supplemental sources of income, have been set up to help these families get on their feet. Among these special programs are 11 so-called noncommercial counties and 7 area-wide projects.

In addition, F. S. A. is furnishing loan and grant funds and technical assistance for low-income farm families in 73 unified county planning programs which several agencies of the Department of Agriculture are carrying on in particularly needy areas.

F. S. A. and defense

The Farm Security Administration has been given two immediate tasks in connection with the national defense program. One is to assist in the relocation of between 5,000 and 8,000 farm families which must move as a result of occupation for military and industrial defense purposes of 800,000 to 900,000 acres of farm land. The other is the construction of housing units for workers in defense industries and activities.

The F. S. A. is using varied methods to meet the problems which are arising in the relocation areas. These measures include surveys of displacement areas, census of other available farms, loans to enable farmers to conserve their stock, equipment, and sometimes themselves during relocation, loans for the lease or purchase of adequate farms elsewhere, grants and loans to families with insufficient resources to finance their relocation, temporary housing for those with no place to go, and probably in many cases supervision and aid for some time to come before the displaced family can again stand on its own feet.

In some places F. S. A. is helping evacuated families lease good farm land through land-leasing cooperative associations similar to those described briefly earlier. These associations make land accessible to families who might not be able to enter into adequate leasing arrangements separately. In certain relocation areas, the Government is paying farmers for the land which it takes over for defense projects, and in others the land is merely rented. In both instances, however, F. S. A.'s main task is to help the families locate good land either for lease or for sale.

The F. S. A. has diverted both funds and personnel from its normal program to meet as promptly as possible these emergency relocation situations. The necessary reallocation of loan-and-grant funds to evacuation areas for displaced farm families has already meant that fewer funds are available for rehabilitation purposes elsewhere.

The Farm Security Administration has been designated by the Defense Housing Coordinator and the Federal Works Administration to build houses for defense workers in two emergency areas with defense housing funds provided by the Lanham Act. In Radford, Va., near the site of the new plant of the Hercules Powder Co., F. S. A. is engaging in the planning and construction of 200 homes, half of which will be located on nearby farms and the others in surrounding communities. These homes are being located in such a way that, when they are no longer needed for defense workers, they can serve as replacements for substandard housing. At Greenbelt, Md., F. S. A. will also plan and supervise the construction of 1,000 homes for defense employees in Washington and land already owned and intended for expansion of this

suburban community project. For both of these tasks, F. S. A. has assigned special administrative, engineering, and field personnel in order to provide facilities as soon as possible.

This agency was chosen for this housing work as a result of its experience in planning and supervising the construction of more than 5,000 new farm homes in the last 3 years, in completing and administering more than 16,000 homes on 164 homesteads projects, and in designing and managing 56 migratory labor camps.

Now pending before Congress is a \$6,660,000 proposal for temporary emergency defense housing. It is proposed to utilize Farm Security's experience and techniques developed in the migratory camp program to meet temporary housing needs in defense construction areas.

These programs of direct participation in the defense program by no means, however, constitute the sole contribution of the Farm Security Administration toward the defense of the country. The efforts of F. S. A. to protect the health of low-income people, to protect the Nation's soil, to provide an opportunity for security to thousands of formerly insecure people and to stabilize the economic and social conditions among thousands of poor rural communities are taking on special significance in today's period of crisis. Improvements in rural health are particularly significant. Figures recently released by the War Department indicated that Army enlistments from rural areas are nearly twice as heavy, in proportion to population, as enlistments from cities. They also revealed that nearly one-third of all men who tried to enlist had to be rejected because of poor health. In view of these facts, it is apparent that a program which is successfully rebuilding and reestablishing the Nation's neediest citizens constitutes a first line of internal defense.

Actually, however, F. S. A. has reached only a part of the Nation's low-income farm population which needs help. Farm families with incomes under \$500 a year constitute a fourth of the Nation's farm families; only about 47 percent of them have been reached with rehabilitation loans and farm planning, and another 32 percent of them have received emergency grants in times of distress and acute need. F. S. A. supervisors know personally of 500,000 farm families in their counties who need the aid of this program. During the current fiscal year only about 94,000 new rehabilitation families will be added to the program under available appropriations.

Undoubtedly a number of other programs will have to be developed to supplement the work of the rehabilitation program among needy farm families. Among those which have already been suggested are a large-scale rural public works program capable of employing large numbers of farm workers each year on conservation projects; application of minimum-wage and maximum-hours provisions to agricultural labor; widespread extension of cooperative enterprises for small farmers; and rapid expansion of the program of farm ownership by individual families. In spite of some improvement of conditions among

the lower half of the farm population by the defense program, a substantial part of today's problems among this group will undoubtedly remain and become intensified under the pressure of forces which become greater each succeeding year.

America's first obligation to its rural people is to anchor the insecure portion of the farm population to the land.

Two tables giving the record of rehabilitation loans referred to above follow:

TABLE 1.—Rural rehabilitation loans and collections by fiscal years

Fiscal year	Loans, amount	Collections		
		Principal	Interest	Total
(1)	(2)	(3)	(4)	(5)
1936.....	\$78,508,736	\$991,875	\$9,939	\$1,001,814
1937.....	72,173,099	22,080,409	923,128	23,012,537
1938.....	68,182,137	26,117,504	1,221,805	27,339,309
1939.....	120,487,616	33,209,980	736,731	33,946,661
1940.....	96,714,803	47,388,197	7,622,735	55,010,932
Total.....	436,066,391	129,796,915	10,514,338	140,311,253

TABLE 2.—Rural rehabilitation loans, maturities, and collections, cumulative through June 30, 1940

State or Territory	Loan:	Maturities	Collections ¹	Percentages collected as compared with maturities
(1)	(2)	(3)	(4)	(5)
U. S.....	\$436,066,391	\$169,721,033	\$140,311,253	82.7
Ala.....	20,756,800	5,913,662	6,230,756	105.4
Alaska.....	184,000	0	0	0
Ariz.....	2,000,261	817,616	641,680	78.5
Ark.....	20,204,714	6,776,200	5,833,926	100.9
Calif.....	8,207,563	4,937,583	2,900,287	58.7
Colo.....	14,235,001	5,841,087	4,225,605	72.3
Conn.....	637,294	407,305	309,917	76.1
Del.....	151,742	4,541	24,822	55.9
D. C.....	102,730	1,278	469	36.0
Fla.....	6,513,847	2,558,280	1,944,408	76.0
Ga.....	18,025,979	5,611,751	5,937,944	105.8
Iaho.....	7,896,343	4,678,792	2,752,817	58.8
Ill.....	9,307,525	3,639,434	3,017,464	82.9
Ind.....	7,901,602	3,013,392	2,726,875	90.5
Iowa.....	9,645,862	3,698,215	3,327,136	90.0
Kans.....	14,672,833	4,820,345	3,913,550	81.2
Ky.....	5,924,295	2,390,725	2,136,508	89.1
La.....	13,041,449	5,010,450	5,073,384	101.3
Maine.....	7,271,143	4,292,994	3,088,479	72.2
Md.....	974,108	269,040	210,054	78.1
Mass.....	828,706	508,049	351,320	69.2
Mich.....	7,554,913	2,755,001	2,396,317	87.0
Minn.....	10,990,887	4,180,020	3,904,469	93.4
Miss.....	19,115,096	6,891,308	7,353,374	106.4
Mo.....	16,698,004	6,088,708	5,002,079	82.2
Mont.....	11,719,573	3,845,566	2,906,425	75.6
Nebr.....	14,949,425	4,059,931	3,385,479	83.4
Nev.....	736,106	339,809	323,353	95.2
N. H.....	1,378,180	562,193	436,439	77.6
N. J.....	1,750,424	793,284	436,474	55.0
N. Mex.....	3,969,951	2,209,405	1,662,218	75.2
N. Y.....	5,946,785	1,612,685	1,354,976	84.0
N. C.....	12,050,157	5,097,576	4,422,868	86.8
N. Dak.....	10,968,500	3,456,484	1,563,779	45.2
Ohio.....	8,705,102	3,456,903	2,743,924	79.4
Okl.....	19,655,402	7,065,729	6,170,753	87.3
Oreg.....	5,274,595	3,860,218	2,092,137	54.2
Pa.....	4,175,975	891,917	740,977	83.1
R. I.....	241,067	133,271	92,913	69.7
S. C.....	10,004,068	3,781,878	3,774,499	99.8
S. Dak.....	15,356,580	4,377,712	2,498,671	57.1
Tenn.....	5,724,329	2,183,002	2,266,055	103.8
Tex.....	35,961,244	18,456,685	15,255,042	78.7
Utah.....	5,806,641	2,469,415	2,080,161	84.2
Vt.....	1,338,998	524,912	539,458	102.8
Va.....	4,966,601	2,341,960	1,902,729	81.2
Wash.....	7,188,946	5,251,234	2,898,059	55.2
W. Va.....	6,378,143	1,360,729	1,167,333	85.8
Wis.....	9,789,620	2,668,187	2,711,459	101.2
Wyo.....	9,011,716	2,759,574	2,313,153	83.8
T. H.....	72,615	5,929	4,399	74.2
P. R.....	21,790	0	1,381	-----
V. I.....	49,131	0	149	-----

¹ Collection: include prepayments on unmatured principal.

[Here the gavel fell.]

LXXXVII—107

Mr. DIRKSEN. Mr. Chairman, I yield 3 minutes to the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

Mr. AUGUST H. ANDRESEN. Mr. Chairman, the gentleman from Alabama has touched on a very important subject. The other day I had occasion to run across an editorial that was written by Mr. Thomas Linder, the commissioner of agriculture of the State of Georgia. I want to read this editorial. Mr. Linder wrote as follows:

We are spending hundreds of millions of dollars to rehabilitate people on the farms in the United States.

The Government is now buying hundreds of thousands of acres of land and hiring people who have no jobs, paying them to clear the land, to build houses, to prepare the farms for cultivation. When the land is ready the Government will furnish mules, fertilizer, seed, and everything necessary to put these people in the farming business.

While this is going on a man who borrowed money from 1917 to 1929 to try to pay for a farm now finds himself owing from 2 to 4 times as much as the farm is worth.

In many cases the debt is foreclosed and the man and his family who have been striving all these years to pay the debt are put in the road to shift for themselves. In a week or two the same property is sold to a new buyer for one-fourth to one-half the amount of the debt.

While we are clearing new land and building new houses to rehabilitate the people on farms, why not make it possible for those experienced farmers who love the land they have tilled all these years to stay on the farm? Why not make it possible for them to pay for the farm? Why not reduce the amount of the debt they owe to an amount they can pay, instead of driving them off and then selling it to somebody else at the reduced price?

While we are talking about parity prices for farm commodities and manufactured commodities, for farm labor and city labor, why not give the farmer who has borne the brunt through the last 10 years a chance? Why not give the man who is already in the farming business a parity price on his land with the new farmer who is just going in business at Government expense?

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. RANKIN, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration H. R. 3735, making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1942, and for other purposes, had come to no resolution thereon.

MESSAGE FROM THE SENATE

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

H. R. 3531. An act to amend certain provisions of the Internal Revenue Code relating to the excess-profits tax, and for other purposes.

COMMITTEE ON RULES

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Commit-

tee on Rules may have until midnight tonight to file a privileged report.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. McCORMACK]?

There was no objection.

AMENDMENT TO INTERNAL REVENUE CODE RELATING TO EXCESS PROFITS TAXES

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3531) to amend certain provisions of the Internal Revenue Code relating to the excess-profits tax, and for other purposes.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 16, line 13, strike out "[net]" where it occurs the second time.

Page 33, strike out lines 15 to 24, inclusive, and insert:

"SEC. 13. Allowance of excess-profits credit.

"Section 712 of the Internal Revenue Code is amended to read as follows:

"SEC. 712. Excess-profits credit—Allowance.

"(a) Domestic corporations: In the case of a domestic corporation which was in existence before January 1, 1940, the excess-profits credit for any taxable year shall be an amount computed under section 713 or section 714, whichever amount results in the lesser tax under this subchapter for the taxable year for which the tax under this subchapter is being computed. In the case of all other domestic corporations the excess-profits credit for any taxable year shall be an amount computed under section 714. (For allowance of excess-profits credit in case of certain reorganizations of corporations, see sec. 741.)

"(b) Foreign corporations: In the case of a foreign corporation engaged in trade or business within the United States or having an office or place of business therein, the first taxable year of which under this subchapter begins on any date in 1940, which was in existence on the day 48 months prior to such date and which at any time during each of the taxable years in such 48 months was engaged in trade or business within the United States or had an office or place of business therein, the excess-profits credit for any taxable year shall be an amount computed under section 713 or section 714, whichever amount results in the lesser tax under this subchapter for the taxable year for which the tax under this subchapter is being computed. In the case of all other foreign corporations the excess-profits credit for any taxable year shall be an amount computed under section 714.

"(c) Effect of disclaimer of credit: If the taxpayer states in its return for the taxable year under this subchapter that it disclaims the use of the credit computed under section 713 or the use of the credit computed under section 714, the credit so disclaimed shall not, for the purposes of the internal revenue laws, be applicable to the computation of the tax under this subchapter for such taxable year."

"Sec. 14. Excess-profits credit of acquiring corporations.

"Section 741 of the Internal Revenue Code is amended to read as follows:

"SEC. 741. Allowance of excess profits credit.

"(a) Allowance: In the case of a taxpayer which is an acquiring corporation which was in existence on the date of the beginning of its base period, the excess profits credit for any taxable year shall be an amount computed under section 713 or section 714, whichever amount results in the lesser tax under this subchapter for the taxable year for which the tax under this subchapter is being computed.

"(b) Effect of disclaimer of credit: If the taxpayer states in its return for the taxable year under this subchapter that it disclaims the use of the credit computed under section 713 or the use of the credit computed under section 714, the credit so disclaimed shall not, for the purposes of the internal revenue laws, be applicable to the computation of the tax under this subchapter for such taxable year."

"Sec. 15. Average base period net income of acquiring corporations.

"So much of section 742 of the Internal Revenue Code as follows the section heading and precedes the beginning of subsection (a) is amended to read as follows:

"In the case of a taxpayer which is an acquiring corporation the excess profits credit of which is allowed under section 741, its average base period net income (for the purpose of the credit computed under section 713) if the taxpayer was actually in existence before January 1, 1940, shall, at the election of the taxpayer made in its return for the taxable year, be computed as follows, and if the taxpayer was not actually in existence before such date, shall be computed as follows, in lieu of the method provided in section 713:"

"Sec. 16. Computation of credits on returns.

"Section 729 (b) of the Internal Revenue Code is amended by striking out "(b) Returns.—" and inserting in lieu thereof the following:

"(b) Returns:

"(1) Computation of excess profits credits: In the case of a taxpayer which under section 712 or section 741 is entitled to have the excess-profits credit computed under section 713 or section 714, whichever results in the lesser tax under this subchapter, the return under this subchapter for any taxable year shall contain computations of two tentative taxes, one with the credit computed under section 713 and one with the credit computed under section 714; and the return shall contain all information which the Commissioner, by regulations prescribed by him with the approval of the Secretary, may prescribe as necessary for such computations. If the taxpayer states in such return that it disclaims the use of one of such credits in the computation of the tax under this subchapter for the taxable year, the computation and information based on such credit may be omitted from the return.

"(2) No return required."

Page 34, line 1, strike out "[14]" and insert "17."

The SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. DOUGHTON]?

There was no objection.

Mr. DOUGHTON. Mr. Speaker, I yield to the gentleman from Massachusetts.

Mr. TREADWAY. Mr. Speaker, this is something of an anniversary. It so happens that the chairman of the Senate Finance Committee and the chairman of the House Committee on Ways and Means came to this body at the same time 30 years ago tomorrow. On behalf of the minority members of the Ways and Means Committee I want to express my appreciation and gratitude that the chairman of the Committee on Ways and Means, the Honorable ROBERT L. DOUGHTON, of North Carolina, has been spared that length of time to serve in this great body and to be such an able, experienced chairman of the great Committee on Ways and Means.

I am sure I am voicing the sentiment of the minority Members of the House, as well as of the committee, in congratulating him on this anniversary and in congratulating the country on the service

that he has rendered during this period of years. [Applause.]

Mr. DOUGHTON. Mr. Speaker, I appreciate very highly the remarks of my good friend and thank him for his very kindly, gracious statement.

The bill, H. R. 3531, passed the House and comes back now from the Senate with three amendments. As the bill passed the House it gave the corporations, the taxpayers, the option to elect or take either the average earning plan or the invested-capital plan in making out its return. The amendment gives to the taxpayer the option of taking both the average-earning plan and the invested-capital plan in making the returns. If he so elects he may do that, or he may disclaim both plans and make it out under just one plan. But if he makes it out under both the average earning plan and the invested-capital plan, under the Senate amendment automatically he pays the lesser tax. In other words, the tax is paid on whichever plan makes his tax the least.

The other change is simply a clerical one to make the bill comport with the amendment adopted by the Senate. In other words, it requires 17 sections rather than 14 to carry out the intent of the Senate amendment.

Mr. COOPER. Will the gentleman yield?

Mr. DOUGHTON. I yield to the gentleman from Tennessee.

Mr. COOPER. Mr. Speaker, I wish to take advantage of this opportunity to acquiesce in the splendid remarks made by the gentleman from Massachusetts and I feel sure I speak the sentiments of every majority member of the Committee on Ways and Means and the majority side of the House in conveying hearty felicitations and congratulations to our distinguished chairman for his 30 years of outstanding, patriotic, and devoted service as a Member of this body.

May I say further, as has been so well stated by the chairman, that of the amendments added to this bill by the Senate two of them are of a clerical nature. The other amendment is one which contains some real substance and is an additional advantage to the taxpayer. In other words, under the Senate amendment a corporation may file its return under both plans, the average-earning plan and the invested-capital plan, and then whichever is to the advantage of the corporation it may be used.

Mr. CARLSON. Will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Kansas.

Mr. CARLSON. Does a taxpayer have an opportunity to choose whichever method he wants to use in alternate years or does he have to stay with the method he chooses under this plan?

Mr. COOPER. No. If the gentleman will indulge me I can explain that a little further. The gentleman will recall the two plans embraced in the excess-profits-tax bill passed last year. The taxpayer corporation had to elect one plan or the other. All this Senate provision means is that the corporation may file the return under both plans and whichever is found to its best interest it can

take advantage of that. To illustrate, assume that a corporation claimed the benefit of one of these specific relief provisions contained in the pending bill. If that relief it has claimed is granted, it would be to its interest to use the average-earning plan. But assuming that the Treasury Department may deny the relief it has requested, it might then find it would have been to its best interests to use the invested-capital plan. This makes it possible for it to file the return under both plans and then whichever is found to be to its best interest it may take advantage of it.

Mr. DOUGHTON. He automatically gets the advantage of it?

Mr. COOPER. Yes.

Mr. VOORHIS of California. What happens the next year? Can he do the same thing the next year?

Mr. COOPER. He has the same opportunity the next year and in succeeding years.

Mr. CROWTHER. Will the gentleman yield?

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

Mr. CROWTHER. Mr. Speaker, I simply rise for the purpose of saying that this date marks the thirtieth year of the service of the gentleman from North Carolina [Mr. DOUGHTON] in the House, and in a similar way marks the twenty-eighth year of service of the very distinguished gentleman who has served for a number of years as the distinguished ranking member of the Ways and Means Committee, the gentleman from Massachusetts [Mr. TREADWAY]. [Applause.]

Mr. DOUGHTON. I thank the gentleman from Tennessee [Mr. COOPER] for his very generous remarks in regard to my 30 years' service in the House and with reference to my service as chairman of the Ways and Means Committee. I also appreciate very much the kindly, gracious remarks of the gentleman from Massachusetts [Mr. TREADWAY].

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. KELLY of Illinois (at the request of Mr. SABATH), indefinitely, on account of illness.

To Mr. STEARNS of New Hampshire (at the request of Mr. PLUMLEY), for 3 days, on account of death in family.

To Mr. JENKS of New Hampshire, indefinitely, on account of illness.

EXTENSION OF REMARKS

Mr. SPARKMAN. Mr. Speaker, I ask unanimous consent to include in the remarks I made today a table.

The SPEAKER. Is there objection to the request of the gentleman from Alabama [Mr. SPARKMAN]?

There was no objection.

DEPARTMENT OF AGRICULTURE APPROPRIATION BILL, 1942

Mr. CANNON of Missouri. 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.

3735) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1942, 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. 3735) with Mr. RANKIN of Mississippi in the chair.

The Clerk read the title of the bill.

Mr. DIRKSEN. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, in looking over the bill and the hearings which are now before us, I gather the impression that the great city of Detroit, located in the great State of Michigan, a part of which I represent, has not been granted the livestock market news service. This I very much regret, but I assume that in the wisdom of the committee it felt that although Detroit ranks about twenty-first in the volume of livestock sold, approximately 1,000,000 head per annum, with about 25 to 30 auction yards in that vicinity, the Treasury was in such condition that that service, which would cost approximately \$7,500 per annum, could not be granted at this time. I hope that sometime in the near future the committee may see fit to give the people of Michigan that particular service.

Mr. Chairman, earlier in the afternoon I was impressed with the thought that the gentleman from Missouri [Mr. ZIMMERMAN] did not feel that this bill dealt with the Commodity Credit Corporation and the question of warehousing cotton and other commodities. In looking through the bill and the hearings I find that this subject is very widely dealt with. I trust the gentleman has since informed himself on the nature of the bill now under debate. I felt at the time that I was entirely in order in discussing this question very briefly, through the kindness of one of our colleagues who yielded to me. Since thinking it over, I feel that we can afford to spend a few more minutes in discussing this question.

Still later in the afternoon the gentleman from Georgia [Mr. TARVER], as I have pointed out to him since, entirely missed the point of one of my questions in connection with the one-variety cotton program which has been in operation. The gentleman yielded to me and I pointed out to him that I felt that the one-variety cotton program was one of the most constructive steps that has been taken by the Department of Agriculture. If those who may be interested will refer to the hearings, pages 460-463, they will find some very illuminating information which shows the progress that is being made, especially in the State of Georgia. I congratulate the Department of Agriculture and the committee on having encouraged this program. I stated sincerely that I was in favor of it. The gentleman from Georgia, who is a member of the committee, did not see fit to give me straightforward information, which I requested. I am sure it was because he did not gather the significance of my question, and I believe that on a repetition he would try to give me the information I sought. I hope he is not so disturbed about the welfare of certain ware-

housemen in his area that he would willingly deny the information I sought from him. After all we must depend upon each other for information from various committees.

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

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

Mr. ZIMMERMAN. May I express my approval of what the gentleman is saying about the one-variety cotton program. In the district which I have the honor to represent we produce more lint cotton per acre than in any State of the Union except the State of California, where they irrigate their cotton lands.

Mr. CRAWFORD. That is the one variety the gentleman speaks about?

Mr. ZIMMERMAN. That is right. We have derived great benefit from that program, because we have developed a type of cotton in our section of the State that has commanded a higher price than cotton ordinarily brings. Our farmers have received direct benefit from that program, and I am very anxious to see that part of the program continued.

Mr. CRAWFORD. So am I. And I was calling the attention of the gentleman from Georgia [Mr. TARVER] to a situation now developing, which will hinder the one-variety cotton program.

The point I was trying to develop is that I specifically understand that there are certain operations now taking place that run greatly contrary to the success of that program. I further understand that within a few days a great cotton conference will be held in the Southern Cotton States, and that the whole question will be taken up at that time. It was information pertinent thereto that I sought when I interrogated the gentleman from Georgia.

There is one thing I hope will happen in the months and years to come, that the Members from the South and from the North, from the East and from the West, will be able to take an interest in each other's crop problems and try to understand the problems of each respective area. I take my position on cotton seriously, because if the cotton farmer is successful, it helps the farmers in my district. If the farmers in my district are successful, I think it helps the farmers in the cotton districts. What I cannot understand is why Members of one area become somewhat excited if Members in another area begin to take an interest in the economy of the districts of the Members first referred to.

I extend a public invitation to every Member of the House to visit my district to study the agricultural economy there in every way you can, so as to be as well informed, or much better informed than I am. I hope all of you will come up there and get acquainted with our farmers and see what kind of eggs we turn out. I just felt like making that point at this particular time.

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

Mr. CRAWFORD. I yield to the gentleman from Arizona.

Mr. MURDOCK. May I remind my colleague from Michigan that Arizona as

well as California produces a kind of cotton not grown generally elsewhere. I refer to the long-fiber cotton. We were considerably disturbed some time ago, when we found that the War Department needed several hundred bales of cotton that measured an inch and eleven-sixteenths. There is such a cotton grown, and it may be and has been grown in this country. I favor, of course, giving encouragement to that special kind of cotton.

Mr. CRAWFORD. Mr. Chairman, referring to the hearings again, at page 766, which has to do with the administration of the United States Warehouse Act, let me point out this paragraph:

The problem: In order that the Federal warehouse receipt may always be regarded as strong collateral by loan agencies, Federal supervision of licensed facilities must be sufficiently vigorous and frequent to insure at all times (1) that outstanding receipts reflect truly and accurately stocks on hand and the weight, grade, and quality of the product; (2) that financial responsibility of the warehouseman has not been impaired; (3) that facilities are in proper condition for storing products; (4) that employees serving the warehouse are honest and competent; and (5) that adequate insurance is carried with responsible underwriters. The vigilance necessary to insure protection includes frequent examination of all licensed warehouses.

Mr. Chairman, anyone who is familiar with the marketing of commodities in this country, who has had years of experience in using the warehouse receipts issued by these bonded warehouses, and who studies the ebb and flow of the financing of farm commodities out of the market through Government loans, such as we are now doing to a great extent to keep demoralization from getting into the markets, agrees with the statement which I have just quoted from the record, and particularly item 2, which states—

that financial responsibility of the warehouseman has not been impaired.

Some Members of this body may feel that I am anxious to impair the financial structure of certain warehouse operators. That is the last thing that enters my mind. If there is any man on earth who believes in sound financial structures, I do. If there is anyone who understands that warehouse receipts must be backed by a financial structure that is not impaired, I think I understand that fact. So I hope that no one in the near future on this floor will accuse me of wanting to destroy the financial structure of any warehouse company or any group of warehouses. But, Mr. Chairman, in agreeing to the rates for insurance and storage to be charged on commodities owned by the Government, I do insist that the Commodity Credit Corporation be permitted to ask for bids from the warehousemen involved and all to the end that the Government enjoy rates obtainable through public bids.

[Here the gavel fell.]

Mr. DIRKSEN. Mr. Chairman, I yield the gentleman from Michigan [Mr. CRAWFORD] an additional 5 minutes.

Mr. CRAWFORD. Mr. Chairman, I wish to ask the chairman of our committee one or two questions, if I may. In the hearings we find at page 1132 that the Surplus Commodities Corporation

has had its funds cut \$35,000,000 by the Budget, and on page 1129 we find this language by Mr. Perkins:

As I stated, of this total appropriation of \$235,000,000, about \$59,000,000 would go for cotton this coming year.

My question is this: Does the chairman understand that the Surplus Commodities Corporation will spend \$59,000,000 in the purchase of cotton through the stamp plan during the coming fiscal year?

Mr. CANNON of Missouri. No. The amount of \$59,000,000 is the amount being expended during the fiscal year 1941. It is not possible to say definitely now what sum will be allotted to cotton in 1942 but Mr. Perkins testified that approximately 25 percent of the appropriation would be allotted to cotton. On that basis and considering the amount carried in the bill as reported the allotment to cotton would be something like \$50,000,000.

Mr. CRAWFORD. Mr. Chairman, I regret to impose on the committee by taking this additional time, but I wanted to bring out this particular information. Going to another item, I ask the Chairman about it: On page 1131, Mr. Perkins made this statement:

We cannot ever abandon the direct purchase of farm products without hurting farm income.

Does the chairman of the committee agree substantially with that particular statement?

Mr. CANNON of Missouri. Not at all, because all testimony before us was that no matter how much money was expended for surplus agricultural commodities, either wheat or cotton, it would not affect the price of either wheat or cotton in the open market. Gentlemen must understand this is more of a relief measure than an agricultural measure. It benefits the middleman, and the relief families, and sometimes it is of actual benefit to the producer. It permits fixing a lower price than otherwise would be fixed.

Mr. CRAWFORD. That was my understanding. I think the gentleman's interpretation is sound. Let us go now to page 1072 of the hearings, where the need for legislation to enable local marketing and selling of farm products at parity was under discussion. May I ask the chairman if in his opinion substantial progress is being made in connection with that approach, or is that something new in the discussion stage? It is in the testimony of Mr. Evans, a question by Mr. Collins. Mr. Collins raised the question as follows:

Mr. Evans, as you have stated, and as Mr. Cannon has also stated, the thing to be desired is that legislation be enacted that will enable the farmer to go into the open market and sell his products at around parity prices.

My question is, Is it the opinion of the chairman, who has given some thought to this, that substantial progress is being made toward that accomplishment at some time in the near future?

Mr. CANNON of Missouri. On the contrary, all the evidence before the committee was that while the measures adopted, while the present program is maintaining present prices, to some ex-

tent, that does not maintain them at parity and cannot maintain them at parity, and there is no prospect that under the present program farm prices will ever reach parity; and I make that statement on the authority of testimony before the committee by the Secretary of Agriculture and other representatives of the Department of Agriculture.

Mr. CRAWFORD. I agree with the chairman in those remarks. Now, Mr. Chairman, I shall ask permission to insert, as a part of my remarks, copies of two certain letters. I do this because of the agitation about this warehousing of cotton. I am very positive that the whole subject is so technical that few Members of the Congress have taken the time to analyze the technical operations involved.

As the Government becomes a greater and greater holder of these heavy commodities, the question of warehousing takes on additional importance. The hearings on this bill indicate that total commodity loans as of December 31, 1940, amounted to the vast sum of \$377,175,314.25. On page 1100 of the hearings, we find where Mr. Robbins stated that advances made on commodities while in loan status aggregated \$35,275,760.68, and that for storage alone he had advanced \$26,301,677.71—and that is not all. The total nonadministrative expenses involved another \$25,481,931.06, and this gives a grand total of carrying charges amounting to \$60,757,691.74. Therefore it is rather surprising to me to have Members become rather excited when I propose that we grant the Commodity Credit Corporation the right to ask for bids—competitive bids, if you please—in placing contracts for storage and insurance that involve as much as \$26,000,000 per annum on these various commodities.

Mr. Chairman, we all know that if we deal loosely with Government business that waste creeps in from every direction. We also know that through questioning warehousing practices and warehousing rates we have effected many millions of dollars savings per annum. We also know that additional savings can be effected without in any way impairing the capital structure of the warehouse companies. True, we may effect a saving to the Government and the farmers and taxpayers and thereby somewhat infringe upon the earning power of the warehousemen in question, but shall we say to the Commodity Corporation that it must take most any rate a strongly organized and entrenched warehouse group shall ask and that competitive bids must not be requested? I would not go along with such a program. Now I submit for inclusion in the Record the two letters to which I have referred:

JANUARY 22, 1941.

HON. E. D. SMITH,
Chairman, Committee
on Agriculture and Forestry,
United States Senate.

DEAR SENATOR SMITH: This is in reply to your request of January 13, 1941, for a report on S. 262, a bill for regulating the warehousing, storing, and reconcentration of cotton held by the Commodity Credit Corporation.

The principal provisions of this bill apparently would: (1) Prohibit the Department of Agriculture from moving any cotton from the vicinity of the locality in which it was produced or is now stored; (2) compel the

Department to enter into contracts for the storage of cotton without competitive bidding if "reasonable rates" as described in the bill were available through negotiation; and (3) prevent the Department, in the event that such "reasonable rates" were not available, from awarding a contract to the lowest of all bidders and compel its award to the lowest bidder in only the "vicinity" in which the cotton was produced or is now stored. The bill provides that a determination of "reasonable rates" would have to be based upon a consideration of the rates "in effect during the years 1936-40, inclusive."

On the basis of our actual experience with restrictions on the movement of cotton, we believe that the provisions of this bill would create special monopolistic conditions in the warehousing of cotton, and place unnecessary and excessive costs on farmers and the Government. Consequently, the provisions of the bill would seem to defeat its stated purpose to prevent monopoly and unnecessary costs to farmers. These results could be expected because apparently, (1) the Department would be prohibited from soliciting competitive bids so long as storage contracts were available at the increased costs indicated by the basis specified for the determination of "reasonable rates"; (2) the Department would have to determine "reasonable rates" on the basis of a consideration of the rates that were in effect for the years 1936-40, a period during which the average storage rates were more than 50 percent in excess of the rates now being charged farmers and the Government, which rates in turn are considerably higher than the rates warehousemen have offered in response to a recent solicitation for competitive bids; and (3) the Department would be prohibited from moving cotton from one locality to another and would be compelled to accept whatever offers were made by the warehousemen of each individual locality, and there are a great many localities, having only one or two warehouses, within which competition for the storage of cotton is either negligible or nonexistent.

The excess profits that many warehousemen made at the expense of farmers and the Government when restrictions were effective on the movement of cotton now owned by the Government have demonstrated the conditions that could be expected under the restrictive provisions of S. 262. Competition in the storage of cotton is destroyed and monopolistic conditions substituted whenever the possible movement of cotton is legally prohibited. There seems to be no reason to doubt that increased and excessive charges to farmers and the Government would result unavoidably under the provisions of this bill because it would deny those localities which normally store more cotton than they produce the right to enter into competition and to utilize their established facilities. For instance, one of the first effects of the bill would be to prohibit the acceptance of bids now in hand for the storage of some old-crop cotton at rates that would reduce the carrying charges to the Government and farmers by approximately 15 percent, or \$5,000 per day.

In view of the fact that the apparent effects of S. 262 would unfortunately be to create special monopolistic conditions in the storage of cotton and to burden farmers and the Government with increased and excessive storage costs, it is the opinion of the Department that this bill should not be enacted.

As required by Budget Bureau Circular No. 344, a copy of our proposed report was submitted to the Bureau of the Budget for clearance, and on January 22 the Assistant Director thereof advised that the enactment of the proposed legislation would not be in accord with the program of the President.

Sincerely yours,

CLAUDE R. WICKARD,
Secretary.

MARCH 3, 1941.

MR. ROBERT M. HARRISS,
Harriss and Vose,
New York Cotton Exchange Build-
ing, New York City.

DEAR MR. HARRISS: Your March 1st letter referring to S. 262 interested me very much.

Is it your judgment that the excess or unsold stocks of cotton which we now have on hand will be consumed by our domestic mills? Will it be consumed in the absence of vast grants on the part of the Treasury—for instance, through the application of the Stamp Plan; or will it be consumed domestically, independent of grants from the Treasury?

If the unsold stocks are to be consumed domestically, what, in your judgment, will be the program with reference to enforced decreased production so that the excess stocks will move to domestic mills? If production is to be decreased, and the excess or unsold stocks are to thus be made available for domestic consumption, will you take the position that the Treasury must absorb the carrying charges accrued up to the time of consumption—or is it your thought that the domestic price will be sufficiently advanced to cover loan values plus all carrying charges? If the domestic price is thus advanced will this accelerate the domestic consumption of cotton, or will it tend to force onto the domestic market substitute fibers which will move on a lower price basis?

What, in your opinion, will be the part the accumulated stocks of cotton will play in a post-war foreign trade program? If you will answer these questions for me your answers will be very helpful in arriving at my position on S. 262.

Sincerely yours,

FRED L. CRAWFORD.

Mr. CANNON of Missouri. Mr. Chairman, I yield 15 minutes to the gentleman from Oregon [Mr. PIERCE].

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

Mr. PIERCE. I yield.

Mr. TARVER. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

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

There was no objection.

FEDERAL POWER COMMISSION INVESTIGATES UTIL- ITY EXPENDITURES IN OREGON AND WASHINGTON

Mr. PIERCE. Mr. Chairman, there will appear in the Appendix of the CONGRESSIONAL RECORD of this morning Memorandum 59 of the Federal Power Commission; also, the able, forceful, and far-reaching concurring opinion of Commissioner Scott. This memorandum opinion was issued as a result of investigation of the political expenditures of certain private power companies operating in Oregon and Washington. These revelations are astounding. For many years I have pointed out the existence of evil operations and the subversive activities of the power companies, which are undermining the very foundations of our structure of government. During these discourses I have asked many questions. These have been answered recently by the grand-jury indictments at St. Louis, Mo.; Springfield, Ill.; and New York City. Now the memorandum opinion of the Federal Power Commission bares to the public the operations which seem to be routine practice for such companies.

THE EDISON ELECTRIC INSTITUTE

This investigation covers only expenditures in the States of Oregon and Wash-

ington by the local operating companies. It does not cover expenditures by the holding companies; nor by the Edison Electric Institute, which is the central national dispensing agency for private utility propaganda.

I understand that private companies contribute to the Edison Institute on the basis of their gross earnings. The Institute, not being subject to regulation, may spend as it sees fit, and may intervene in any campaign, making no report. Such trade associations should be brought under the supervision of governmental agencies.

Just recently it was disclosed that the superoverlords of the utility industry subsidized eastern college professors to the extent of several hundred thousand dollars to write articles favorable to the private power companies. This present investigation might well go further and cover both the holding companies and the Edison Institute. The managing director of the Edison Institute is, during the emergency, conveniently located in Washington, directing defense expenditures running into the billions, and dictating policies favorable to monopoly. He might well be called and questioned as to the extent to which power policies formulated by Congress are being circumvented under the guise of national defense.

The strangle-hold of the private power companies was gained during the last war. To avoid post emergency scandals, extreme caution must be exercised. It would seem that we are inviting trouble by giving vast emergency powers to the czars of the private-power industry through the defense organization. This is the time when all friends of public power will have to be alert in their detailed attention to every move affecting power planning and disposition.

The political expenditures of three Northwestern Bond & Share properties, the Northwestern, the Pacific Power & Light, and the Washington Water Power Co., and two other companies, the Portland General Electric and the Puget Sound Power & Light, were investigated in open hearings by Examiner Lambert McAllister, of the Federal Power Commission, last fall and winter. I asked for the record and have found proof of what I have long suspected.

"PROMINENT" CITIZENS BETRAY THE PUBLIC INTEREST

The record identifies expenditures of \$1,037,516 by the Oregon and Washington companies to subvert the democratic exercise of free elections by the people and to influence the conduct of public officials. These revelations, together with the grand-jury indictments and criminal actions in Missouri, Illinois, Iowa, and New York, prove how far-reaching and widely extended is the misconduct of the power companies. The solemn pledge made by the officials of the power companies, after the publicity growing out of the Trade Commission investigation, is being violated in wholesale proportions. The corruption today exceeds that which caused Congress to enact the holding-company law and collateral legislation. Over half of these proven corrupting expenditures were taken directly from the victimized rate payers. In an effort to cover up

these expenditures, the power companies resorted to falsified vouchers, incomplete records, and accounting practices which violated the accounting requirements of the Federal Power Act. Expenditures were also concealed by action through organizations like the various so-called taxpayers' leagues and employee organizations, as well as payments to "prominent" citizens and the buying of political opponents.

SPOKANE POWER ELECTION

It was brought out that the Washington Water Power Co. proposed to spend \$58,000 in the coming public-power district election in Spokane, out of which amount it proposes to give \$8,000 to the Washington Taxpayers' Association and \$7,000 to its close ally, the Spokane Chamber of Commerce. This investigation also brought out the fact that actual corrupting expenditures were over 12 times those initially admitted by the companies. On the basis of this record, we seem safe in saying that the Washington Water Power Co. is prepared to spend in the neighborhood of a half million dollars to defeat the free exercise of the franchise in the coming Spokane election. If free elections are prevented, democratic institutions will perish.

ACTS OF CONGRESS DEFIED

This House will remember the fight made on this floor last year, and the year before, to defeat the appropriations for the eastern Oregon and Washington transmission lines from Bonneville and the appearance of Mr. Kinsey Robinson before the Senate and House Appropriations Committees. This Mr. Robinson is president of the Washington Water Power Co., which admitted expenditures of \$329,205 to nullify the enacted policies of this Congress, and to prevent the people of the Northwest from securing the power benefits of the great Federal projects of Bonneville and Grand Coulee. It was this Mr. Robinson who promoted these two floor contests in which he was defeated. The shame of these exposures is that the electric consumers are being taxed to support such subversive activities which penalize them, and prevent location of industries in their section.

It is no wonder that world-wide evolutionary processes are turning into world-wide revolutions. If the man on the street knows how far he is being sold out and betrayed by these modern Benedict Arnolds, he will drive the corruptionists from their temples. The overlords of these public trusts have no legal authority to participate in politics for the sole purpose of deceiving and robbing the people.

PRIVATE UTILITIES GAIN BONNEVILLE BENEFITS

Within the past week another legal document has come to my desk, showing how the investors of the Portland Electric Power Co. have been defrauded out of over \$20,000,000 in my own State. At some later date I propose to extend the facts developed by the court officials in the Portland Electric Power Co. matter and the details of the Federal Power Commission record as it affects Oregon political welfare. This piratical company has reaped extraordinary benefits from Bonneville Dam, which was constructed for the public welfare.

FEDERAL POWER COMMISSION MAKES OUTSTANDING CONTRIBUTION

Congress should take notice of these findings of the Federal Power Commission so that the inherent rights and investments of our people can be protected. We must translate appropriate protection into adequate legislation. I am pleased that the attention of Congress has been directed to Opinion 59 of the Federal Power Commission. Our people are indebted to the Commissioners and Trial Examiner Lambert McAllister and his associates for an outstanding public service.

I cannot refrain from quoting a few important sentences from the opinion of Commissioner Scott:

The companies investigated were created under franchises of the State, to engage in the public service—a business affected with a public interest. The very essence of their right to exist is a contract with the sovereign people that, in consideration of receiving a virtual monopoly, they shall devote their property to a public use in furnishing essential utility services. The utility companies subject to this inquiry are public-service corporations. They "exercise a sort of public office, and have duties to perform in which the public is interested. They were granted no authority to participate in political matters and were not created for the purpose of molding public opinion." * * *

Not only is this public purpose threatened by the utilities' activities but the great public investment itself is endangered. * * *

The important thing is the adequate protection of the inherent right of the people to make economic and social progress and to permit them to utilize and enjoy a great natural resource.

POWER DISTRIBUTION A PROFITABLE MONOPOLY

No wonder the shrewd businessmen of Wall Street want to monopolize the distribution of electric energy everywhere in America. There are many reasons for this, and here are a few of them:

The distribution of electricity, in every section of our land, is an exclusive business, a natural monopoly. There should be and usually is but one set of transmission lines in every community, urban or rural. Distribution of electric energy for another reason is one of the very best: it has no bad bills; everybody pays for it. If, for any reason, a firm or an individual fails to pay for the current, disconnection at once takes place, and that bill is a preferred creditor paid by someone; the company does not lose. Another reason for fat profits is that the industry has a very small pay roll. Even where the electric energy is generated by the distributing company, still there are but few employees, whether the energy is developed by hydro, coal, gas, or oil. Most of the machinery is automatic, needing just a few attendants. A few men watch the lines, a small office force keeps the records, and a few inspectors watch the meters. For percentage of employees, the electric business, even where energy is developed by the distributing company, has the lowest percentage of employees on the pay roll. I do not, of course, count as legitimate employees the myriads of political agents, largely camouflaged, who buy favors.

With the Wall Street companies, there were practically no bad investments, for utility commissions in every State were

usually easily dealt with. If the company constructing the line made an expensive mistake, it was easily covered up in cost of rebuilding the line. "Deadwood" was not charged off; it was used to increase the capitalization.

ADVERTISING ACTUALLY A SUBSIDY

Being an exclusive business without competition, the generation and distribution of electricity does not require any advertising. It is not necessary for the electric investor to have much of his money invested in that kind of advertising, which takes such a large percentage from various industries in the United States. Advertising agencies, like newspapers and magazines, were early shown that advertising granted to them was really a gratuity. The utility did not have to have it, but if the company wanted to pay out a few thousand dollars for nice-looking "ads," those receiving them and getting paid for them were made to understand that they were given to them as a special favor. This brought the newspapers and magazines more fully under the control of the utilities.

SPOKANE'S INTERESTS

No wonder utilities are making a desperate fight now in Spokane, where election occurs next week, to prevent the citizens of that town from distributing, cooperatively, the electric energy developed by the Government at Grand Coulee. The citizens of Spokane can never get the full benefit of the cheap electric energy developed at Grand Coulee unless they are ready and willing to make the distribution themselves. Only about 10 percent of the bills that the users of electric current pay is the cost of generation. About 20 percent is the cost of distribution. The remaining 70 percent of the customers' bills represent profit, funds for political corruption, and interest on investment.

FUTURE IS ROSY FOR PUBLIC POWER

Public power plants universally amortize their investment; private utilities never do so. In a few years plants in cities like Tacoma, Knoxville, Tenn., and Eugene, Oreg., will be completely free from debt. Then the amount charged for electric energy will be a much lower rate than is now charged in those cities, which today have the lowest electric-light rates in all the land. [Applause.]

Mr. CANNON of Missouri. Mr. Chairman, I yield 15 minutes to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. Mr. Chairman, in the few minutes allotted me, it is logical to assume that I would mention first probably the appropriation contained in this bill for water facilities. In other sessions I have always gone along with Chairman Marvin Jones when he fought so valiantly for this type of legislation. While we miss him from this body, we are delighted that the committee has seen fit to include a half million dollars for this worthy object of his in the bill. Relatively, that is not a large amount, but it will do much for the farmers who live in the semiarid or arid regions west of the one hundredth meridian. Permit me to thank the committee for its good action in appropriating for this very much

needed development. But, that I may not be regarded as one of the blind men who went to see the elephant, I must hasten to assure you that I am very much interested in many other provisions in this measure.

By way of parenthesis, let me say to my colleague, the gentleman from Michigan [Mr. CRAWFORD] what I had insufficient time to say when I interrupted him a while ago. As I understood the gentleman, he favors encouraging a single variety of cotton in the various localities throughout the cotton empire. Well, if I understand him aright, I favor the same thing. To illustrate, the valley in which I live, in southern central Arizona, grows cotton which is not grown in any other part of America. It is a long fiber cotton, of unusually fine quality, which was transplanted to this country from Egypt about a third of a century ago. We have been calling it American-Egyptian cotton, although sometimes it is known as Pima cotton. Its fiber is more than an inch and a half in length, and it has been known to produce much fiber more than an inch and eleven-sixteenths in length. Scarcely any agricultural importation from abroad has had a more interesting history than has this long-fiber cotton transplanted from the valley of the Nile.

A few days ago I had opportunity again to thank Chairman FULMER, of South Carolina, head of the House Agriculture Committee, for a favor shown this American-Egyptian cotton when the Agricultural Adjustment Act of 1933 was being drafted. In thanking Chairman FULMER, I reminded him that on the morning of November 15, 1937, when the special session of the Seventy-fifth Congress convened, having as one of its chief tasks the writing of a farm bill, I went to Congressman Marvin Jones' office to ask that three things be done for the benefit of cotton farmers by including those three provisions in that bill. The Agricultural Committee was not in session, but I found Congressman FULMER and another member of that committee in conference with Chairman Jones, and I presented these three suggestions to them. One request was that long-fiber cotton, an inch and a half or more in length, should be entirely unrestricted as to acreage. Congressman FULMER promised to take care of that matter for Arizona, and later it was incorporated in the Farm Act of the next year.

When the War Department last year needed a very long, fine quality of cotton and asked that provision be made for obtaining it, in this country or outside if necessary, I looked into the matter to see whether it could not be provided from Phoenix, Ariz. However, I found that a new variety of American-Egyptian, long-fiber cotton, not quite so long as the original Pima but more prolific, and known as SXP, was not quite suitable for the requirements of the War Department. In this new Arizona production SXP, we have sacrificed length for quantity. However, it needs to be known that the southern valleys of my State, with a most unusual soil and climate, can produce this particular variety of cotton which the Defense Council required, but which in this instance we had to look for elsewhere.

Now to the measure before us, one big item in this bill, Mr. Chairman, which appeals to my interest greatly is that of parity payments. I note that the appropriation this time is about the same as last year, being in the neighborhood of \$212,000,000. We had some difficulty getting that amount through last year, and although the House finally voted for it, it had to be written into the bill by the Senate. I sincerely trust that this time we can get that same amount written into the bill here in the House. Surely farm people of America know that the Members of this body are just as much interested in the welfare of the farmer as the Members of the Senate can possibly be.

Of course, it has been brought out that agriculture is the greatest industry in the United States of America, and that 30,000,000 people are directly dependent upon agriculture for a living. This means that 6,000,000 farm families are directly dependent upon what they can coax out of the soil. Although there are several great Nation-wide farm organizations, American farmers are the least adequately and effectively organized among all American economic producers. Undoubtedly, I have heard it stated 50 times, not today but during the years I have been in Washington, that it takes an hour's labor to produce a pound of cotton. Thus, the price of a pound of cotton is the hourly wage of a cotton farmer. Think of 5-cent cotton, and you are thinking of 5 cents per hour for the people who produce it. If time permitted, I could give other items in the scale.

The present farm situation in America is disquieting, for, with the huge defense program getting into swing, it appears that living costs are going up; and while labor stands to profit, as wage increases are somewhat ahead of living costs, business profits in certain lines are mounting still more rapidly. Therefore industry and labor stand a much better chance of profiting through the huge defense expenditures than do the farmers. Naturally, I should like to see increasing prosperity for all three classes without distressing the general consuming public. That is the problem.

Of course, the old cry of bureaucracy and regimentation has been raised again, as I have heard it raised so many times in Congress during the last 4 years. It ought to be considered by all fair-minded people that this so-called dictatorial authority of government and regimentation of farmers, to whatever extent it is now provided by law, is not the work of bureaucrats but the considered will of the farmers themselves. The beginning of this regimentation of farmers was not with New Deal Democrats. One of the very first steps in such regimentation of farmers was begun under a Republican administration, when rural free delivery of mail was established throughout the Nation. Just think of it. The American farmer, heretofore a freeman, was deprived of the great American privilege of going to the post office over miles of muddy road to get his weekly newspaper. He was thereby reduced to the sad state of regimentation, where he stepped out a hundred yards to the road at a certain

time and reached into a standardized box for that same newspaper and any other mail. Of course, he has not complained much of that particular step in regimentation, nor do we hear the opponents of so-called regimentation complaining so much about that beginning phase.

We do have an elaborate Agricultural Department in our Government heading up here in Washington, and even as I look at it from a favorable point of view it seems like the spreading chestnut tree. However, after meeting Henry Wallace and the present Secretary of Agriculture Wickard face to face, they do not impress me as such terrible bureaucrats. It may be prejudice in favor of, but I rather thought that some of the work done by the Department of Agriculture was very worth while. I notice in this bill, on pages 8 and 9, nearly \$2,000,000 for Office of Information. Recently I said to young people in Arizona, especially Future Farmers of America, that the latest issue of the Agriculture Yearbook was especially worth while, and I mentioned Soil and Men, Food and Life, and Farmers in a Changing World as particularly educational.

I have even had my office force go out along these corridors in the House Office Buildings and beg, borrow, steal, or otherwise get possession of all the copies of such books that we could get from my colleagues who came from such great farms as Manhattan Island. I have actually got by those means twice my regular allotment of such literature for distribution. Maybe I should not have done it, for I found a colleague the other day who sent out a few of those Agriculture Yearbooks, on the flyleaf of each of which he had written, "This is simply New Deal propaganda with strong leftist leanings." If such be true, I feel badly that I have been distributing what one Congressman regards as poison throughout the State of Arizona.

I know very well that farmers are hurt by a farm surplus in any of the crops which they produce. Our great problem is to prevent that which is a blessing to the country at large being to them a curse. That is what we are trying to do. Another item in this measure which I am much interested in is that for surplus-commodity purchase. By coupling that with the food-stamp plan, we are benefiting the farmers generally, some businessmen, and some of our citizens on relief. I find that the food-stamp plan is highly commendable, and I think it is a remarkable idea which may not be a cure for all evil but certainly a helpful thing at the present.

I would like to see the amount of money appropriated for this work increased by \$40,000,000 or \$50,000,000 for next year. Certainly I believe that America is going to have to feed a large portion of Europe this spring, but I think we ought, at the same time, to feed better a large portion of America. At the rate we are now using the food-stamp plan we are feeding, through school lunches, only one child out of five, not of the entire school population, but one child out of five of those children who are regarded as "below the proper nourishment level." What a commentary on America that we have

distressing food surpluses piled up and yet are not reaching more than 20 percent of those who ought to be reached.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and Mr. ZIMMERMAN having assumed the chair as Speaker pro tempore, Mr. RANKIN of Mississippi, 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. 3735, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. TINKHAM] may have permission to extend his remarks in the RECORD and to include therein two articles from the New York Times.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include some excerpts from the hearings on the pending bill.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to revise and extend my remarks made in Committee of the Whole today and to include as a part of the same a letter written this date by me to a Mr. Harris, of New York City, and a copy of a letter written by the Secretary of Agriculture, dated January 22, 1941.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. WHITE. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein a poetic version of the Farewell Address of the first President, George Washington.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

ADJOURNMENT

Mr. CANNON of Missouri. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 3 minutes p. m.) the House adjourned until tomorrow, Tuesday, March 4, 1941, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

There will be a meeting of the committee at 10 a. m. on Tuesday, March 4, 1941, for consideration of H. R. 3570. Meeting to be in Caucus Room, Old House Office Building.

COMMITTEE ON RIVERS AND HARBORS

The Committee on Rivers and Harbors will meet Tuesday, March 4, Wednesday, March 5, and Thursday, March 6, 1941,

at 10:30 a. m., to hold hearings on various river and harbor projects.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a public hearing of this committee at 10:30 a. m. Wednesday, March 5, 1941, on H. R. 2791 (DICKSTEIN), the colonization of Alaska by the utilization of unfilled immigration quotas.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Wednesday, March 5, 1941, at 10 a. m. in the committee room on a bill, as follows:

H. R. 2662. To establish hiring halls under the control of shipping commissioners for the engaging of seamen for certain vessels, to control subversive activities among seamen, to impose additional citizenship requirements for manning vessels of the United States, to establish more stable labor relations in the merchant marine, and to protect the status of the American merchant marine as an integral part of the national defense.

COMMITTEE ON PATENTS

The Committee on Patents will continue hearings on H. R. 3360, a bill prohibiting issuance and enforcement of injunctions on patents when necessary in the interest of national defense, Tuesday, March 11, 1941, at 10 a. m., in the committee room, 1015 House Office Building.

COMMITTEE ON AGRICULTURE

There will be a meeting of the Committee on Agriculture on Tuesday, March 11, 1941, at 10 a. m., on the bill H. R. 1382, to provide for the development of marketing and marketing services for farm commodities.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

312. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the District of Columbia for the fiscal year 1941 amounting to \$210,000 (H. Doc. No. 132); to the Committee on Appropriations and ordered to be printed.

313. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Department of the Interior in the amount of \$10,900,000 (H. Doc. No. 133); to the Committee on Appropriations and ordered to be printed.

314. A communication from the President of the United States, transmitting a draft of a proposed provision pertaining to certain appropriations of the Navy Department for the fiscal year ending June 30, 1942, for the travel of dependents of personnel of the Naval Establishment and the transportation of their household effects from overseas stations to locations in continental United States (H. Doc. No. 134); to the Committee on Appropriations and ordered to be printed.

315. A letter from the Acting Secretary of Agriculture, transmitting draft of a proposed bill for the relief of former certifying and disbursing officers of the Department of the Interior; to the Committee on Claims.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. CANNON of Missouri: Committee on Appropriations. H. R. 3735. A bill making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1942, and for other purposes; without amendment (Rept. No. 176). Referred to the Committee of the Whole House on the state of the Union.

Mr. O'LEARY: Committee on Expenditures in the Executive Departments. H. R. 3368. A bill authorizing expenditures for the Office of Government Reports in the Executive Office of the President; without amendment (Rept. No. 177). Referred to the Committee of the Whole House on the state of the Union.

Mr. WHITTINGTON: Select Committee to Investigate Campaign Expenditures. Report pursuant to House Resolution 17; without amendment (Rept. No. 180). Referred to the Committee of the Whole House on the state of the Union.

Mr. SABATH: Committee on Rules. House Resolution 126. Resolution providing for the consideration of H. R. 3735, a bill making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1942, and for other purposes; without amendment (Rept. No. 181). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. SCHULTE: Committee on Immigration and Naturalization. H. R. 1577. A bill for the relief of Severiana Maria Rodrigues de Caceres, her sister Irene Hernandez de Texada, and the latter's daughter, Irene Hernandez de Texada; without amendment (Rept. No. 178). Referred to the Committee of the Whole House.

Mr. LESINSKI: Committee on Immigration and Naturalization. H. R. 3627. A bill for the relief of Fred S. Hondros; without amendment (Rept. No. 179). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 1906) for the relief of Michael Lewenczuk and Stella Lewenczuk; Committee on War Claims discharged, and referred to the Committee on Claims.

A bill (H. R. 3475) granting a pension to Daisy Kelley; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 3727) granting a pension to Mae Belle Blackwell Smith; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. RANDOLPH:

H. R. 3736. A bill to create and establish a commission, as an independent establishment of the Federal Government, to regulate rents in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. GEARHART:

H. R. 3737. A bill amending the national Service Life Insurance Act of 1940; to the Committee on Ways and Means.

By Mr. HAINES:

H. R. 3738. A bill to establish a chiropody (podiatry) corps in the Medical Corps of the United States Army; to the Committee on Military Affairs.

By Mr. HARTLEY:

H. R. 3739. A bill providing that soldiers, sailors, and marines may send letters through the mails free of postage, under rules and regulations prescribed by the Postmaster General; to the Committee on the Post Office and Post Roads.

By Mr. HOBBS:

H. R. 3740. A bill to permit all litigation in the courts of the United States without the requirements of deposits of money, and to make it unlawful to require the printing of the record and other papers on appeals; to the Committee on the Judiciary.

H. R. 3741. A bill to limit the matter appearing in the CONGRESSIONAL RECORD to the actual proceedings of the Congress and to prohibit the inclusion therein of extension of remarks; to the Committee on Printing.

H. R. 3742. A bill to provide for the recording of the proceedings in one of the courtrooms of the District Court of the United States for the District of Columbia by sound-recording equipment; and for the reproduction of the sounds of such proceedings, in whole or in part, in the District of Columbia Circuit Court of Appeals and in the Supreme Court of the United States upon the review of any such case; to the Committee on the Judiciary.

By Mr. KEE:

H. R. 3743. A bill to provide adequate facilities for the transportation of coal, wheat, lumber, and other bulk commodities produced in the United States to foreign ports; to the Committee on the Merchant Marine and Fisheries.

By Mr. KILDAY:

H. R. 3744. A bill to extend veteran preference benefits with respect to employment by the United States to certain persons, and their wives or widows, who served in the Texas National Guard during the World War; to the Committee on the Civil Service.

By Mr. LESINSKI:

H. R. 3745 (by request). A bill to pension men who were engaged in or connected with the military service of the United States during the period of Indian wars and disturbances; to the Committee on Invalid Pensions.

By Mr. RUSSELL:

H. R. 3746. A bill to provide for the common defense and for the protection of the health and morals of persons in the military or naval forces of the United States; to the Committee on Military Affairs.

By Mr. KEE:

H. R. 3747. A bill to amend section 2 (a) of the act entitled "An act to establish a retirement system for employees of carriers subject to the Interstate Commerce Act, and for other purposes," approved August 29, 1935; to the Committee on Interstate and Foreign Commerce.

By Mr. MAY:

H. R. 3748 (by request). A bill to amend section 6 of the act of June 7, 1939, chapter 190, 53 Statute 812 (U. S. C., supp. V, title 50, sec. 98e), and for other purposes; to the Committee on Military Affairs.

By Mr. REECE of Tennessee:

H. R. 3749. A bill for the relief of the soldiers who served on the Mexican border; to the Committee on World War Veterans' Legislation.

By Mr. STEAGALL:

H. R. 3750. A bill providing for the refund of taxes collected under Public Law No. 169, Seventy-third Congress, known as the Bankhead Act; to the Committee on Agriculture.

By Mr. WALTER:

H. R. 3751. A bill to provide for the compensation of United States Commissioners; to the Committee on the Judiciary.

H. R. 3752. A bill to amend an act entitled "An act to punish the willful injury or destruction of war material, or of war premises or utilities used in connection with war material, and for other purposes," approved April 20, 1918, as amended November 30, 1940; to the Committee on the Judiciary.

By Mr. COOLEY:

H. R. 3753. A bill to repeal the special tax on retail dealers in oleomargarine, and for other purposes; to the Committee on Agriculture.

By Mr. FULMER:

H. R. 3754. A bill to repeal the special tax on retail dealers in oleomargarine, and for other purposes; to the Committee on Agriculture.

By Mrs. ROGERS of Massachusetts:

H. R. 3755. A bill recreating the Civil Aeronautics Authority; to the Committee on Interstate and Foreign Commerce.

By Mr. TENEROWICZ:

H. J. Res. 131. Joint resolution to create a joint Congressional Peace Commission; to the Committee on Foreign Affairs.

By Mr. KEE:

H. Res. 124. Resolution to amend rule X so as to provide for the creation of a Committee on Civil Aviation and Aeronautics; to the Committee on Rules.

By Mr. NICHOLS:

H. Res. 125. Resolution creating a select Committee to Investigate Air Accidents; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of South Dakota, memorializing the President and the Congress of the United States to consider their Senate Concurrent Resolution No. 8, with reference to the issuance of postage stamps in commemoration of significant historic events of the State of South Dakota; to the Committee on the Post Office and Post Roads.

Also, memorial of the Legislature of the Territory of Alaska, memorializing the President and the Congress of the United States to consider their House Joint Memorial No. 2, concerning House bill 94, with reference to the appointment of Governor for the Territory of Alaska; to the Committee on the Territories.

Also, memorial of the Legislature of the Territory of Alaska, memorializing the President and the Congress of the United States to consider their House Joint Memorial No. 4, concerning the organic act of Congress; to the Committee on the Territories.

Also memorial of the Legislature of the Territory of Alaska, memorializing the President and the Congress of the United States to consider their House Joint Memorial No. 7, concerning House bill 2791 with reference to immigration and naturalization; to the Committee on Immigration and Naturalization.

Also, memorial of the Legislature of the Territory of Alaska, memorializing the President and the Congress of the United States to consider their House Joint Memorial No. 5, concerning housing general court headquarters and a Federal jail, and all other Federal agencies in Valdez, Alaska; to the Committee on Appropriations.

Also, memorial of the Legislature of the State of Montana, memorializing the President and the Congress of the United States to consider their House Joint Memorial No. 7, with reference to the beet-sugar industry in Montana; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of Idaho, memorializing the President

and the Congress of the United States to consider their Senate Joint Memorial No. 3 with reference to section 11 of the Idaho admission bill, approved July 3, 1890; to the Committee on the Territories.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. BARRY:

H. R. 3756. A bill for the relief of Amelia A. Mannshardt; to the Committee on Claims.

By Mr. COLE of New York:

H. R. 3757. A bill for the relief of Peter Bavisotto; to the Committee on War Claims.

By Mr. CRAWFORD:

H. R. 3758. A bill granting a pension to Milo Elam Stephens; to the Committee on Invalid Pensions.

By Mr. DISNEY:

H. R. 3759. A bill to limit the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to certain counsel; to the Committee on Indian Affairs.

By Mr. HESS:

H. R. 3760. A bill for the relief of Joseph Pund; to the Committee on War Claims.

By Mr. HOBBS:

H. R. 3761. A bill for the relief of Mrs. Willie M. Maye; to the Committee on Claims.

H. R. 3762. A bill for the relief of William H. Bibb; to the Committee on Claims.

H. R. 3763. A bill for the relief of Walter R. McKinney; to the Committee on Claims.

H. R. 3764. A bill for the relief of Charles T. Dulin; to the Committee on War Claims.

By Mr. KEE:

H. R. 3765. A bill for the relief of William Luther Amonette, Jr.; to the Committee on Naval Affairs.

H. R. 3766. A bill for the relief of Anne P. Clark; to the Committee on Claims.

H. R. 3767. A bill for the relief of Frank Sheppard; to the Committee on Claims.

H. R. 3768. A bill for the relief of Grover C. Pool; to the Committee on Claims.

H. R. 3769. A bill for the relief of Kelse H. Nestor; to the Committee on Claims.

H. R. 3770. A bill to permit suit to be brought upon the yearly renewable term insurance of Oscar W. Wiley, deceased; to the Committee on War Claims.

By Mr. KRAMER:

H. R. 3771. A bill for the relief of Freda Boy; to the Committee on Pensions.

By Mr. MEYER of Maryland:

H. R. 3772. A bill for the relief of the Sachs Mercantile Co., Inc.; to the Committee on Claims.

H. R. 3773. A bill to confer jurisdiction on the Court of Claims of the United States to hear, determine, and render judgment upon the claim of John L. Alcock; to the Committee on Claims.

By Mr. O'CONNOR:

H. R. 3774. A bill for the relief of Fred Spencer; to the Committee on Claims.

By Mr. ROBERTSON of Virginia:

H. R. 3775. A bill for the relief of William E. Bowles; to the Committee on Claims.

By Mr. VOORHIS of California:

H. R. 3776. A bill for the relief of Freda Utley; to the Committee on Immigration and Naturalization.

H. R. 3777. A bill granting an increase of pension to Robert Wornie Denny; to the Committee on Pensions.

PETITIONS, ETC.

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

395. By Mr. JARRETT: Petition of P. D. Belknap, of Warren, Pa., and other citizens, opposing the St. Lawrence waterway; to the Committee on Foreign Affairs.

396. By Mr. PIERCE: Memorial of the Legislature of the State of Oregon, memorializing the President and the Congress of the United States to consider their Senate Joint Memorial No. 3 with reference to Federal legislation to include fishermen in the groups of maritime workers eligible for marine hospitalization; to the Committee on the Merchant Marine and Fisheries.

397. Also, memorial of the Legislature of the State of Oregon, memorializing the President and the Congress of the United States to consider their House Joint Memorial No. 5 with reference to the naming of a new battleship for the State of Oregon; to the Committee on Naval Affairs.

398. By Mr. WOLCOTT: Five petitions of Mrs. G. A. Carrington, secretary, Bay Port Women's Club, signed by 125 citizens of Bay Port, Mich., to exert every effort to keep America out of all foreign wars; to make national defense second to none in the defense of America; to outlaw communism, and remove all Nazi-Communists from Government pay rolls; to the Committee on Foreign Affairs.

399. Also, seven petitions of members of the Townsend National Recovery Club, of Van Dyke and East Detroit, Mich., received from Mrs. Ernest Heine, president, of Van Dyke, Mich., to bring House bill 1036 to the floor of the House; to the Committee on Ways and Means.

400. By the SPEAKER: Petition of the National Cotton Council of America, Memphis, Tenn., petitioning consideration of their resolution with reference to the cotton industry; to the Committee on Appropriations.

SENATE

TUESDAY, MARCH 4, 1941

(Legislative day of Thursday, February 13, 1941)

The Senate met at 11 o'clock a. m., on the expiration of the recess, and was called to order by the President pro tempore.

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

Eternal God and Heavenly Father, who art the fountain of all thought, ere we invoke Thy blessing on our work this day, we dare to ask Thee to inspire us by thinking in us Thy thoughts, teaching us wisdom, and tempering such wisdom as we have by the breath of Thy Holy Spirit.

Help us to realize as ne'er before that the supreme need of the world in every phase of life is for men—men who will walk the way with Christ, and to whom is vouchsafed an ever-deepening experience of Him; men who expect to see Christ reign in the great world's life only when He reigns in their own lives; men who have discovered that the unrest, strife, and evil in the world are but the magnification of the state of their own souls.

So teach us, dear Lord, to love the things Christ loves and to hate the sins He hates in us, until we find life filled with new meaning, new purpose, and new beauty, and our old conflicts and self-loathings shall pass away like morning mists before the rising sun, and we shall demonstrate to all mankind this truth, that, while unhappiness is the hunger to get, happiness is the hunger to give, and that by this truth alone shall men be able to redeem the world. Through Jesus Christ. Amen.