preference in appointments to civil-service positions concerned with the national defense; to the Committee on the Civil Service.

By Mr. SUMNERS of Texas:

H. R. 10374. A bill to provide for the appointment of one additional United States district judge for the eastern district of Missouri; to the Committee on the Judiciary.

H. R. 10375. A bill to provide for the appointment of one additional United States district judge for the northern district of Ohio; to the Committee on the Judiciary.

By Mr. VINSON of Georgia:

H. R. 10376. A bill to amend the act approved March 4, 1925, entitled "An act providing for sundry matters affecting the naval service, and for other purposes," as amended; to the Committee on Naval Affairs.

By Mr. MALONEY:

H. J. Res. 594. Joint resolution acquiescing in the interpretation of a donation to the United States of America; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. ANGELL:

H. R. 10377. A bill for the relief of Anna H. Kaye; to the Committee on Claims.

By Mr. DEMPSEY:

H. R. 10378. A bill for the relief of Emiliano Lopez and Eliza R. Lopez; to the Committee on Claims.

By Mr. GREEN:

H. R. 10379. A bill for the relief of Evanell Durrance; to the Committee on Claims.

PETITIONS, ETC.

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

9181. By Mr. BOLLES: Resolution of the Wisconsin State Employees Association, protesting against the enactment of the Burke-Wadsworth bill; to the Committee on Military Affairs.

9182. Also, petition of sundry citizens of Beloit, Wis., protesting against the Burke-Wadsworth bill providing peacetime conscription; to the Committee on Military Affairs.

9183. By Mr. GOSSETT: Telegram from W. R. Duke advising unanimous endorsement by meeting of Wichita Falls Post of Veterans of Foreign Wars of conscription and tendering their services in any possible capacity; to the Committee on Military Affairs.

9184. By Mr. GREGORY: Petition of Dr. S. B. Pulliam and others of Paducah, Ky., requesting all possible aid for England; to the Committee on Military Affairs.

9185. By Mr. LAMBERTSON: Petition of Mrs. Henry Rieder and 14 other citizens of Bern, Kans., urging Congress to defeat any conscription act at this time; to the Committee on Military Affairs.

9186. Also, petition of Mrs. Seeberger and 200 other citizens of Hanover, Kans., urging the President and Congress of the United States to think of peace and to speak of peace and to avoid all commitments which would involve us in war; to the Committee on Military Affairs.

9187. By Mr. REED of Illinois: Petition of Mrs. L. L. Kumlien, of Dundee, Ill., and 450 other signers, opposing the sending of American soldiers to war on foreign soils; to the Committee on Military Affairs.

9188. By the SPEAKER: Petition of the New York State Police Conference, held at New York City, N. Y., petitioning consideration of their resolution with reference to preparedness; to the Committee on Military Affairs.

9189. By Mr. LAMBERTSON: Petition of Josie A. Morford and 11 other citizens of Jackson County, Kans., urging Congress to defeat any measure proposed to force compulsory military training upon the youth of America; to the Committee on Military Affairs.

9190. By Mr. FULMER: Resolution submitted by Messrs. Henry Busbee and F. R. Trowbridge and adopted by the Aiken County Post, No. 26, the American Legion, Department of South Carolina, at its meeting held on August 14, 1940, endorsing the Burke-Wadsworth conscription bill; to the Committee on Military Affairs.

9191. Also, telegram from W. M. Richardson, Jr., president Orangeburg Junior Chamber of Commerce, Orangeburg, S. C., expressing faith in our future and confidence in the willingness of our young men to make any sacrifices necessary, we tender to the Nation the services of our members and organization in the establishment of adequate national defense; to the Committee on Military Affairs.

9192. Also, resolution submitted by J. L. McInnes, post adjutant, and passed by Robert O. Purdy, Jr., Post, No. 3034, Sumter, S. C., Veterans of Foreign Wars of the United States, at its last meeting August 12, 1940, of 3,034 veterans of foreign wars, urgently request our Senators and Representatives in Congress to do their utmost to make it possible for the immediate transfer of 50 or more destroyers to the British Army; to the Committee on Military Affairs.

9193. By the SPEAKER: Petition of the Hawaiian-Japanese Civic Association, Territory of Hawaii, Judge Clarence Y. Shimamura, petitioning consideration of their resolution with reference to American democracy; to the Committee on the Territories.

SENATE

TUESDAY, AUGUST 20, 1940

(Legislative day of Monday, August 5, 1940)

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

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

O God, the fountain of wisdom, whose statutes are good and gracious, and whose law is truth: We beseech Thee so to guide and bless the Senate of the United States that it may ordain for our governance only such things as please Thee, to the glory of Thy name and the welfare of all the people of this Nation. Through Jesus Christ, Thy Son, our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day of Monday, August 19, 1940, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

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

The PRESIDENT pro tempore. The clerk will call the roll.

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

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

Mr. MINTON. I announce that the Senator from Louisiana [Mr. OVERTON] is absent because of illness.

The Senator from Illinois [Mr. LUCAS] is in camp with the Illinois National Guard and is therefore necessarily absent.

The Senator from North Carolina [Mr. BAILEY], the Senator from Mississippi [Mr. BILBO], the Senator from Michigan [Mr. BROWN], the Senator from Montana [Mr. MURRAY],

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the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Illinois [Mr. SLATTERY], and the Senator from South Carolina [Mr. SMITH] are unavoidably detained from the Senate.

Mr. AUSTIN. I announce that the Senator from Oregon [Mr. HOLMAN] is absent on official business.

The PRESIDENT pro tempore. Eighty-six Senators have answered to their names. A quorum is present.

TREATMENT OF IMPORTED NARCISSUS BULBS

The PRESIDENT pro tempore laid before the Senate a letter from the Acting Secretary of Agriculture, in response to Senate Resolution 280 (submitted by Mr. SCHWELLENBACH and agreed to June 22, 1940), requesting the Secretary of Agriculture to issue an order concerning the treatment of imported narcissus bulbs, which was referred to the Committee on Agriculture and Forestry.

SEAMEN'S PROTECTION CERTIFICATES

The PRESIDENT pro tempore laid before the Senate a letter from the Acting Secretary of Commerce, transmitting a draft of proposed legislation to repeal sections 4588 and 4591 of the Revised Statutes of the United States, relating to seamen's protection certificates, which, with the accompanying paper, was referred to the Committee on Commerce.

PETITIONS AND MEMORIALS

The PRESIDENT pro tempore laid before the Senate a resolution of Local 1-6, Warehouse Union, San Jose (Calif.) Unit, favoring the enactment of legislation granting full voting rights to citizens engaged in military service regardless as to where the place of duty may be located, which was referred to the Committee on Privileges and Elections.

He also laid before the Senate a resolution of Lodge No. 4310, International Workers' Order, in the State of California, protesting against the enactment of compulsory military training legislation, which was ordered to lie on the table.

He also laid before the Senate a resolution of Local 1-6, Warehouse Union, San Jose (Calif.) Unit, protesting against the enactment of compulsory military training legislation, and also against the employment of forced labor in industry, which was ordered to lie on the table.

REPORTS OF COMMITTEES

Mr. CLARK of Missouri, from the Committee on Commerce, to which was referred the bill (S. 3612) to authorize the Secretary of War to accept, as loans, from States and political subdivisions thereof, funds to be immediately used in the prosecution of authorized flood-control work, and for other purposes, reported it with amendments and submitted a report (No. 2017) thereon.

Mr. BYRD, from the Committee on Naval Affairs, to which was referred the bill (H. R. 9636) authorizing the conveyance to the Commonwealth of Virginia of a portion of the naval reservation known as Naval Proving Ground, Dahlgren, Va., reported it without amendment and submitted a report (No. 2018) thereon.

Mr. SHEPPARD, from the Committee on Military Affairs, to which was referred the bill (S. 4207) to provide uniformity in temporary promotions in the Army of the United States in time of emergency, reported it with an amendment and submitted a report (No. 2019) thereon.

ENROLLED BILL PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on August 16, 1940, that committee presented to the President of the United States the enrolled bill (S. 3954) relating to the issuance by the Secretary of the Interior of a patent to the State of Minnesota for certain lands in that State.

BILLS INTRODUCED

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

By Mr. BARBOUR:

S. 4285. A bill for the relief of Michael Littlestone; to the Committee on Naval Affairs.

(Mr. CLARK of Missouri introduced Senate bill 4286, which was referred to the Committee on Military Affairs, and appears under a separate heading.)

By Mr. CLARK of Missouri:

S. 4287. A bill for the relief of Charles S. Ladinsky and Moe Kanner; to the Committee on Claims.

By Mr. NYE:

S. 4288. A bill for the relief of T. T. Landa; to the Committee on Claims.

WILLIAM LENDRUM MITCHELL

Mr. CLARK of Missouri. Mr. President, I ask consent to introduce a bill for reference to the Committee on Military Affairs, and, inasmuch as it is very brief, I request unanimous consent that it may be read for information.

There being no objection, the bill (S. 4286) relating to the military record of William Lendrum Mitchell was read the first time by its title, the second time at length, and referred to the Committee on Military Affairs, as follows:

Be it enacted, etc., That the President is authorized to issue posthumously to the late William Lendrum Mitchell, formerly a colonel, United States Army, a commission as a major general, United States Army, with the date and rank as of —, 1936.

SEC. 2. The Secretary of War is authorized and requested to amend the records of the War Department so as to show that the said William Lendrum Mitchell was a major general, United States Army, at the time of his death in 1936.

SELECTIVE COMPULSORY MILITARY SERVICE—AMENDMENTS

Mr. BARBOUR submitted an amendment, and Mr. MALONEY submitted an amendment in the nature of a substitute, intended to be proposed by them, respectively, to the bill (S. 4164) to protect the integrity and institutions of the United States through a system of selective compulsory military training and service, which were ordered to lie on the table and to be printed.

Mr. LODGE. Mr. President, I submit an amendment intended to be proposed by me to the pending bill (S. 4164), which I ask to have printed and lie on the table. I shall discuss the amendment later. It limits the age range from 21 to 25 years.

The PRESIDENT pro tempore. The amendment will be printed and lie on the table.

SUPPLEMENTAL NATIONAL-DEFENSE APPROPRIATIONS—AMENDMENTS

Mr. BARBOUR submitted two amendments intended to be proposed by him to the bill (H. R. 10263) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1941, and for other purposes, which were ordered to lie on the table and to be printed, as follows:

On page 12, after line 12, to insert the following:

"Naval Supply Depot, Bayonne, N. J., area: Fleet supply facilities, including buildings and accessories, and acquisition of land, $5,000,000."

On page 24, after line 10, to insert the following:

"Third Naval District: Graving dry dock and accessory construction, New York Harbor, $7,000,000."

Mr. MEAD submitted two amendments intended to be proposed by him to House bill 10263, supra, which were ordered to lie on the table and to be printed, as follows:

On page 10, line 5 (under the heading "Naval Establishment—Public Works, Bureau of Yards and Docks"), to strike out "$48,315,000", as proposed by the Senate Committee on Appropriations, and in lieu thereof to insert "$53,315,000."

On page 24, after line 10, to insert the following:

"Third Naval District: Graving dry dock and accessory construction, New York Harbor, participation with the Port of New York Authority, $10,000,000."

MARY BROWN

Mr. TYDINGS submitted the following resolution (S. Res. 297), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate to Mary Brown, sister of Herbert C. Francis, late a laborer of the Senate under supervision of the Sergeant at Arms, a sum equal to 6 months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

SALE OR TRANSFER OF NAVAL VESSELS

Mr. WALSH. Mr. President, in view of the discussion as to the legality of the sale or transfer of naval vessels, I request to have printed in the CONGRESSIONAL RECORD a letter and accompanying memorandum of Herbert W. Briggs, professor of international law at Cornell University.

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

CORNELL UNIVERSITY,
Ithaca, N. Y., August 17, 1940.

Hon. DAVID I. WALSH,
Senate Office Building, Washington, D. C.

MY DEAR SENATOR WALSH: The assertions made in the Senate on August 15 (CONGRESSIONAL RECORD, p. 15896 ff.) that the sale of United States destroyers to England could be legally accomplished without the approval of Congress appear to be based exclusively on the letter published on August 11 in the New York Times by Messrs. Burlingham, Thacher, Rublee, and Acheson, and reprinted in the CONGRESSIONAL RECORD of August 12 by Senator PEPPER (p. 15604 ff.).

Probably because of the eminence of these men no one has publicly subjected their legal brief to the searching examination it requires.

I am enclosing, for whatever use you may care to make of it, an analysis of their argument. I find the methods by which they reached their result quite shocking, involving as they do suppression of pertinent evidence, misrepresentation of facts, and distorted and strained interpretations.

It is altogether possible that this important issue will not be settled on its legal merits. I do not, however, like to see the legal argument go by default, and I cannot agree with Senator LEE that there is more than one proper interpretation of the laws in question.

With apologies for troubling you again on this matter, I am,

Very truly yours,

HERBERT W. BRIGGS.

MEMORANDUM FOR A REPLY TO BURLINGHAM LETTER

It is somewhat shocking to find four distinguished members of the bar (Burlingham, Thacher, Rublee, Acheson letter, New York Times, August 11, 1940) preparing a brief to facilitate the sale of part of the United States Navy to a foreign power without congressional approval. They fail to prove that any law authorizes such a sale. Ostensibly they prove only that there is a loophole in the law through which the United States destroyers could be slipped to Britain. Their conclusion is reached by the suppression of pertinent information (par. (c) of sec. 14 of the act of June 28, 1940, H. R. 9822, Public, No. 671; the full text of rule 1 of the Treaty of Washington of 1871; and Hague Convention XIII, sec. 6); by misrepresenting the purpose of sec. 14 of the act of June 28, 1940, and of sec. 7 of the naval act of July 19, 1940 (H. R. 10100, Public, No. 757); by obfuscating the legal issue through an irrelevant discussion of a ruling of the Attorney General of June 24, 1940; and by distorting the plain meaning of section 3 of title V of the act of June 15, 1917 (U. S. C., title 18, sec. 33). Unfortunately for their efforts, no such alleged loophole exists, and the proposed sale would be illegal.

The purpose of section 14 of the act of June 28, 1940, and of section 7 of the act of July 19, 1940, was not to facilitate the transfer of ships from our Navy to a foreign power, but to restrain the Chief Executive from such action. The administration had been caught red-handed in a scheme to release torpedo boats to Britain (through private intermediaries) on the ground that the vessels were "surplus" or "obsolete," although none of the boats had as yet been delivered. Congress decided to establish as a prerequisite that the technical heads of the Army and Navy might veto such transfers, and for fear the President, as Commander in Chief, might order his subordinates to approve the relase of vessels as "not essential to the defense of the United States" (cf. CONGRESSIONAL RECORD, 76th Cong., 3d sess., June 21, 1940, p. 13319) Congress required, in section 14 (b), that its appropriate committees be informed of proposed exchanges of military or naval equipment, with the possibility of adequate publicity on the issue. (Cf. CONGRESSIONAL RECORD, 76th Cong., 3d sess., June 21, 1940, pp. 13319–13321, 13370–13371; June 22, p. 13498; July 10, p. 14237; July 11, p. 14378.)

Section 14 (c) of the act of June 28 (which was omitted in the Burlingham letter) provides that "nothing herein shall be construed to repeal or modify sections 3 and 6, title V, of the act approved June 15, 1917 (40 Stat. 222; U. S. C., title 18, secs. 33 and 36)."

Section 3 of the act of June 15, 1917, reads as follows:

"During a war in which the United States is a neutral nation, it shall be unlawful to send out of the jurisdiction of the United States any vessel built, armed, or equipped as a vessel of war, or converted from a private vessel into a vessel of war, with any intent or under any agreement or contract, written or oral, that such vessel shall be delivered to a belligerent nation, or to an agent, officer, or citizen of such nation, or with reasonable cause to believe that the said vessel shall or will be employed in the service of any such belligerent nation after its departure from the jurisdiction of the United States."

The penalty section (sec. 6) for a violation of this law reads that whoever "shall take, or authorize the taking of any such vessel, out of port or from the jurisdiction of the United States, shall be fined not more than $10,000 or imprisoned not more than 5 years, or both."

This is the nub of the legal issue. The Burlingham letter professes to regard this law as forbidding only the sending out of the jurisdiction of the United States for the use of a belligerent of vessels built, etc., for a belligerent. This result they obtain by improperly reading section 2 into section 3. Section 2 provides that armed vessels or vessels "manifestly built for warlike purposes," whether domestic or foreign (with one exception irrelevant here) may be detained from leaving United States jurisdiction until, inter alia, the President is satisfied that such vessel will not be used by the owners, master, or persons in charge for belligerent purposes against any state with which the United States is at peace and that "the said vessel will not be sold or delivered to any belligerent nation, or to an agent, officer, or citizen of such nation, by them or any of them within the jurisdiction of the United States, or having left that jurisdiction, upon the high seas."

Now, manifestly, section 3, which provides that when the United States is neutral "it shall be unlawful to send out of the jurisdiction of the United States (for belligerent use) any vessel built, armed, or equipped as a vessel of war" closes any possible gap in section 2. Section 3 states furthermore that it is the sending out (not the building or delivery in the United States) "with reasonable cause to believe that the said vessel shall or will be employed in the service of any such belligerent nation after its departure from the jurisdiction of the United States" which is unlawful.

Section 3 is based on the first rule of the Treaty of Washington of 1871 which provides an obligation not only to use due diligence to prevent the fitting out for belligerent use, but also "to use like diligence to prevent the departure from its jurisdiction of any vessel intended to cruise or carry on war as above, such vessel having been specially adapted, in whole or in part, within the jurisdiction, to warlike use." The Burlingham letter suppresses this vital clause of rule 1 in order to prove its point. There is no excuse for this sort of deception.

Finally, the Burlingham letter fails to mention article 6 of the Hague Convention XIII of 1907 (36 U. S. Stat. L. 2415) which provides that "the supply, in any manner, directly or indirectly, by a neutral power to a belligerent, of warships, ammunition, or war matériel of any kind whatever, is forbidden." During the present war this Thirteenth Hague Convention was cited as international law (in the *City of Flint* case) by the United States, Germany, Russia, and Norway. In the *Altmark* case, it was cited as international law by Great Britain, Germany, and Norway. In his public utterances Secretary of State Cordell Hull has seldom failed to pledge the United States anew to the observance of international law. Even if acts of Congress are repealed, the destroyers cannot be transferred to Britain without a violation of international law. Do we, in the United States, want our country to adopt Hitler's and Stalin's tactics of tearing up treaties like scraps of paper?

HERBERT W. BRIGGS,
Professor of International Law, Cornell University.

STATEMENT BY SENATOR CHAVEZ ON HIS PRESIDENTIAL PREFERENCE

[Mr. CHAVEZ asked and obtained leave to have printed in the RECORD a statement by him under the heading "Why I will vote for Roosevelt," which appears in the Appendix.]

NEWSPAPER ARTICLES IN OPPOSITION TO THIRD PRESIDENTIAL TERM

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD three articles from the New York Herald Tribune and one article from the Pittsburgh Post-Gazette showing opposition to third Presidential term, which appear in the Appendix.]

SALE OR DISPOSAL OF DESTROYERS—EDITORIAL FROM ST. LOUIS POST-DISPATCH

[Mr. CLARK of Missouri asked and obtained leave to have printed in the RECORD two editorials from the St. Louis Post-Dispatch, one of August 17, 1940, entitled "Dangers of the Destroyer Deal," and the other of August 15, 1940, entitled "Chairman Walsh Against Admiral Stirling," which appear in the Appendix.]

EMBARGO AGAINST JAPAN IN 1918—ARTICLE BY HENRY H. DOUGLAS

[Mr. SCHWELLENBACH asked and obtained leave to have printed in the RECORD an article by Henry H. Douglas entitled "A Bit of American History—Successful Embargo Against Japan in 1918," which appears in the Appendix.]

ATTITUDE OF RAILROAD BROTHERHOODS TOWARD CONSCRIPTION

[Mr. CAPPER asked and obtained leave to have printed in the RECORD a letter signed by the heads of the five railroad brotherhoods setting forth their attitude on conscription, which appears in the Appendix.]

AIR ROUTE FROM NORFOLK TO CINCINNATI

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD an editorial under the heading "May the board

so see it," published in the Daily Advance, Elizabeth City, N. C., issue of August 10, 1940, which appears in the Appendix.]

ASIA FOR THE ASIATICS—UNCLE SAM'S LETTERGRAM

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD an editorial under the heading "Asia for the Asiatics," published in the New York Daily News, and an article from the September 1940 issue of the American Vindicator entitled "Uncle Sam's Lettergram," which appear in the Appendix.]

EDITORIAL FROM THE WILMINGTON (N. C.) STAR—"THOSE 'FROZEN' FUNDS"

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD an editorial under the heading "Those 'frozen' funds," published in the Wilmington (N. C.) Star of the 10th instant, which appears in the Appendix.]

EDITORIAL FROM WALLACES' FARMER

[Mr. LUNDEEN asked and obtained leave to have printed in the RECORD several editorials from Wallaces' Farmer, which appear in the Appendix.]

SELECTIVE COMPULSORY MILITARY SERVICE

The Senate resumed the consideration of the bill (S. 4164) to protect the integrity and institutions of the United States through a system of selective compulsory military training and service.

Mr. THOMAS of Utah. Mr. President, yesterday, August 19, was named by act of Congress "National Aviation Day." I mention this fact because I wish to point out that the celebrations carried on in the various cities of our country, to which our attention was called yesterday by the junior Senator from New York [Mr. MEAD], were in complete conformity with ideals and hopes and aspirations for the development of aviation in the United States.

I call attention to that fact, too, in opening my discussion today, because aviation day is celebrated to bring about an appreciation of the worth to our country of this great branch of industry.

Aviation, too, is brought to our attention that we may appreciate what has taken place in the world in regard to the character, the planning, and the strategy of war.

I also refer to Aviation Day because I want the Senate, if it can, to catch the spirit of the remarks I am about to make by my directing attention to the fact that in 1935 I introduced in the Senate a measure, which became a law, the Army air base bill. It is upon the Army air base bill that the evolution not only of our Army expansion in regard to aviation has been built but also the theory behind our Civil Aeronautics Authority. When I mention the Civil Aeronautics Authority, I am proud to be able to say that Utah has contributed her part toward the success of this Authority in the person of Robert Hinckley.

Then, too, a little after that time I introduced and helped to carry through the Senate the helium control bill. That bill made a Government monopoly of this gas, which will be extremely necessary in case we should ever turn to lighter-than-air craft for protection, and it gave over to the Government of the United States the complete control of this essential material.

In connection with the Neutrality Act, in connection with the helium control bill, in connection with another important bill, the strategic materials bill, which I had the honor to introduce and to guide through the Senate, there was set up and established the Munitions Control Board, through which the Government keeps track of the exportation of all war materials. In speaking about the Munitions Control Board, I wish to emphasize the fact that the extremely long-range measure under which this Board was created, a measure looking to the future, had in it also the element of developing and bringing the resources of our Nation to the use of the people of the United States not only in wartime but in peacetime.

If, therefore, my mind runs to defense of the pending bill, it will be found that my argument will be based almost entirely upon intimate knowledge of the evolutionary steps which our Government has taken in the legal aspects of preparation for possible war by building basically proper legislation so that if and when the emergency shall come we will find ourselves better prepared than we were at the time of the last great emergency.

I should call attention also to the fact that after the National Defense Act of 1916, on which were based the preparedness program initiated by President Wilson, and, too, all of the acts which related to military and naval expansion during the World War, came into existence just before the World War, there was passed by the Congress of the United States the Defense Act of 1920, on which is based every piece of legislation which has come into existence since that time along defense lines.

In other words, then, I wish to support the pending measure by showing that it consistently has a place in the growth and development of our defense program as it has been worked out through the years. There is nothing startlingly new about it. The National Defense Act of 1920 had in it the conscription theory, which was rejected at that time, probably properly rejected, because I believe in building legislation on two bases; first, that we may be properly prepared so that we can expand to meet any type of eventuality; secondly, not to use all types, imagining that they are necessary at all times.

In 1922 the Army and the Navy together consistently sponsored the Military Pay Act, which is an act it is well to keep in mind when we consider the proposed legislation which is before us. A few days ago the National Guard and Reserve bill was passed by this body, and is now in conference, and will become law.

If we review these acts step by step it will be seen that there has been a natural continuity leading up to the pending measure, and if we have accepted the theory behind all of these past acts, plus the theories which we have accepted behind the various appropriation bills for the increase of our Army and our Navy, we can see that that which we are doing is a culmination of an orderly process, and that which we will do under the Selective Draft Act will be the completion of an orderly process carried on in an orderly way.

Mr. President, I am sure the one thought that is in the minds of all the Members of Congress in connection with the legislation which has to do with the increase of matériel and material, and legislation which has to do with the increase of our Army and Navy, the thing which is consciously in the minds of all of us is that which can be summed up in one paragraph, which has constantly been on my mind, and which impressed me the first time I read it, years ago. The paragraph I take from a book by Ernest W. Young, The Wilson Administration and the Great War. I read from page 122, where Mr. Young quotes General Pershing:

> General Pershing, in his preliminary report of November 20, 1918, said:
>
> "Among our most important deficiencies in materials were artillery, aviation, and tanks."

General Pershing, in referring to tanks in his report, points out a deficiency which could not have been anticipated, of course, when the war opened, because the tank was definitely an evolution of the war itself or brought about as a result of changed conditions in the war.

Continuing, General Pershing said:

> We accepted the offer of the French Government to provide us with the necessary equipment of 3-inch and 6-inch guns for 30 divisions. There were no guns of the caliber mentioned manufactured in America on our front at the date the armistice was signed. * * * In aviation we were in the same situation. We obtained from the French the necessary planes for training our personnel, and they have provided us with a total of 2,676 pursuit, observation, and bombing planes.
>
> From the French side Andre Tardieu, an army officer and a member of the Chamber of Deputies, says:
>
> "On the day of the armistice, of the United States Army's war material then in line, France had manufactured 100 percent of the .75's, 100 percent of the .155's, howitzers, 100 percent of the tanks, 81 percent of the airplanes, 75 percent of the long guns. All of the 65,000,000 rounds of .75 and .155 shells used by the American artillery came from French factories.

Mr. President, we are all conscious of that situation. We are also conscious of the situation which then faced us with regard to men. But before I go into the matter of selective

draft I wish to take up some of the arguments that are being mentioned in regard to the pending bill, and use an actual argument, which has been sent to me, to show how completely uninformed—or I had better say how ill-informed well-informed persons are, because the letter from which I shall quote is well written, it shows that it comes from a cultured person who must be well informed on most things generally, but these are the statements that are made in the letter:

I want to go on record as opposing the proposed conscription bill for the following reasons: France proved it was no solution to an adequate defense.

France's downfall proved nothing in regard to conscription. If, for example, conscription was the cause of France's downfall, conscription also may be credited with being the reason for Germany's success. In each case, of course, the statement is improper and invalid.

I continue to quote:

Taking 12,000,000 men out of private industry with loss of pay will be economically disastrous, for it will cut down the consumer buying power to an enormous extent. This, with the increase in the taxes which are already felt in entire living costs, will lead further to widespread depression.

Mr. President, there is no provision in the bill for calling 12,000,000 men to the colors. The Army and the United States Government do not want even to conceive of that scale of increase in the Army.

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

Mr. THOMAS of Utah. I yield.

Mr. WHEELER. There is no limitation on the number of men that may be called under the bill, is there?

Mr. THOMAS of Utah. No limitation at all.

Mr. WHEELER. Very well.

Mr. CONNALLY. Except the limitation that appropriations must first be made; and that limitation is still in the bill.

Mr. WHEELER. I understand that, but I asked the Senator from Utah if there is any limitation in the bill as to the number of men the President could call provided the appropriations for them are made. There is nothing in the bill which would limit the number of men the President could call; I mean he could call for the number provided in the bill, and then ask Congress for an appropriation for that number of men, could he not? He could call out a million or two million men by issuing a proclamation calling out a million men or two million men, and then after he had issued the proclamation and called out that number of men, would it not be the duty of the Congress practically to endorse the President's proclamation and provide the necessary money?

Mr. THOMAS of Utah. He could not by the provisions of the pending measure call out 20,000,000 men.

Mr. WHEELER. I did not say 20,000,000 men. I said 2,000,000 men.

Mr. THOMAS of Utah. We are talking about 12,000,000 men.

Mr. WHEELER. I said 2,000,000 men.

Mr. THOMAS of Utah. He could call 2,000,000 men, yes.

Mr. WHEELER. Why could he not call 12,000,000 men?

Mr. THOMAS of Utah. He could not call 12,000,00 men into service for the simple reason that only 12,000,000 men will be registered.

Mr. WHEELER. But under the bill he could call all the men who were registered, and who were fit for service, could he not?

Mr. THOMAS of Utah. But that would not be 12,000,000 men.

Mr. WHEELER. Why quibble over it—whether the number is 12,000,000 or 10,000,000 or 8,000,000?

Mr. THOMAS of Utah. Because there is a great difference between 12,000,000 men and 400,000 men.

Mr. WHEELER. But the measure does not limit to 400,000 the number of men the President may call out.

Mr. THOMAS of Utah. The people of the United States assume that registration is to be made of 12,000,000 men, and the point I am trying to make is that the registration of 12,000,000 persons does not mean that 12,000,000 persons will be called to service under the draft.

Mr. WHEELER. But under the bill the President could call any number of persons he wanted from the number registered.

Mr. THOMAS of Utah. Provided Congress would grant the necessary money.

Mr. WHEELER. Yes; provided that Congress would appropriate the necessary money after the men had been called to service.

Mr. THOMAS of Utah. No; the President could not even do that, if the Senator from Montana will permit me to answer him, for the simple reason that the maximum number of men who may be registered under the provisions of the pending measure is 12,000,000. Every man who is registered will be furnished with a questionnaire. In that questionnaire every man's conditions will be made to appear. There will be 6, or probably more causes for deferment as the result of individual conditions. So when someone assumes that 12,000,000 men will be called to the colors under the provisions of the bill, limited as it is as to registrations to particular groups, he does not face the facts of the registration theory.

It might be well to carry this particular discussion a little further. We have history to fall back on. In 1917, when the men were called to register, nine million some five hundred thousand between the ages of 21 and 30, registered. We know exactly how many men we got out of that group even in wartime. We know exactly how many men were called even when the registration was practically unlimited. We are not dealing with great unknowns because we have factual history on which to base our conclusions. If the President of the United States did not call in time of war great numbers under the original draft, would it not be rather vain for us to assume that the President of the United States in time of peace would call great numbers?

Of course, I could go further into a discussion of this question, and I shall do so if it is necessary.

Mr. WHEELER. Will the Senator yield?

Mr. THOMAS of Utah. I yield.

Mr. WHEELER. The Senator has not answered my question at all. I do not care whether we are dealing with 12,000,000 men or a lesser number. I assume, of course, that if 12,000,000 men are registered there would not be a possibility of taking the 12,000,000 men into the Army, because, as the Senator rightly says, there will be deferments, and so forth, and they would not all be called for service. Nevertheless, the President could call for service all the men who are not in the deferred list if he wanted to call them for service, and he could change the deferred list so that he could call others for service. Is there any question about that?

Mr. THOMAS of Utah. How does the Senator interpret section 6? Let us turn to that.

Mr. WHEELER. Very well.

Mr. THOMAS of Utah. Section 6 reads:

The President shall have no authority to induct persons into the land and naval forces of the United States under this act until Congress shall hereafter appropriate funds specifically for such purpose.

Could a prohibition in law be made any stronger than that, unless definite figures were stated? By stating definite figures it could be made stronger, and we could say what the President may do, but is not the language I just read as strong as language the Congress of the United States ever uses in the matter of limiting the President's discretion?

Mr. WHEELER. Yes; but I wish to remind the Senator that whenever the President of the United States has said he needed so many men, and so much by way of appropriation, his request has been granted. I have seen Congress, willy-nilly, jump through the hoop and, under any circumstances, vote for anything the President wants.

Mr. THOMAS of Utah. I have not seen the same thing.

Mr. CONNALLY. Mr. President, will the Senator yield at that point?

Mr. THOMAS of Utah. I yield.

Mr. CONNALLY. Let me answer the question of the Senator from Montana. He says he has seen Congress, willy-nilly, do this and that.

Mr. WHEELER. I have not seen the Senator from Texas do it.

Mr. CONNALLY. Very well; but if Congress did it, the Congress did it, and the Congress represents the people. Now, if the Congress is acting willy-nilly, and is not doing what the Senator from Montana wants it to do, that is because he is not able to influence the Congress. The Senator's position repudiates the whole constitutional theory of representative government. Congress is given the power to raise and support armies, and if we do it we are representing the people, whether we do it willy or whether we do it nilly, or whether we do not do it at all.

I do not see how we can make any plainer than it is in the pending measure that the President of the United States cannot induct a single man into the Army until the Congress of the United States first appropriates the money to pay him. If the Senator from Montana can make the language any plainer, very well. He wants to limit; he wants to make it hard for the President to call the men. He wants to make it as difficult as he can for the Government to get an army. Which is more important—having too many men or too few men? Which is more important, having just enough men to get licked, or having enough men and some to spare to do the job?

Mr. WHEELER. Mr. President, will the Senator yield to me so I may answer the Senator's question?

Mr. THOMAS of Utah. I shall be glad to yield, but I think it is apparent already, if the Senator from Montana will permit me to say so, that the argument which he puts forth is probably a stimulus for further discussion, though I do not think it is based on truth, or on facts, or on the provisions of the pending measure.

Mr. WHEELER. Let me answer the Senator from Texas. He said that the Senator from Montana wanted to make it as difficult for us to get an army as he possibly could. That is not a fair statement of the position of the Senator from Montana, and the Senator from Texas knows it.

Mr. CONNALLY. Wait——

Mr. WHEELER. No; I will not wait.

Mr. CONNALLY. The Senator from Utah has the floor.

Mr. WHEELER. The Senator from Utah has yielded to me.

Mr. CONNALLY. I will take my own time to answer.

Mr. WHEELER. Very well.

Mr. CONNALLY. I am tired of the Senator from Montana imputing motives to other Senators, and setting himself up as a censor of other Senators, and taking the time of another Senator to do it.

Mr. WHEELER. I am not imputing motives to anyone in this body, but when the Senator made the statement that I was trying to do all I could to make it as hard as possible for the President to get an army, I say the Senator made a statement which is not fair to me, for the Senator, if he knows anything about it, knows that I have always been perfectly willing to vote to raise an Army by enlistment to the point where the Army officers say they want it for the Regular Army, as well as to call out the 400,000 Reserves. That was the testimony before the Military Affairs Committee, and I think it was brought out by the Senator from Utah and by the Senator from North Carolina.

Mr. LODGE and Mr. CONNALLY addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Utah yield, and if so to whom?

Mr. THOMAS of Utah. I yield first to the Senator from Massachusetts, and then I will yield to the Senator from Texas.

Mr. LODGE. Mr. President, in this connection I should like to point out to the Senator that the total number of men to be raised under the bill could be limited more than it is in the bill as it now stands, and I have offered an amendment, which is now pending, to limit the number of men which can be raised under the terms of the bill to the figure which is stated by the War Department in the majority report of the committee.

I should like to point out to the Senator from Utah, and ask him to correct me if I am wrong, that the Army has to set its own limit on the number of men it will induct, for it must know how many boots and shoes, and how many cantonments it must have for them. The Congress has to set its own limit insofar as funds which it appropriates are concerned. What is the motive or the purpose in departing from the practice which has obtained ever since the World War of stating definitely in the legislative bill the number of men desired to be called?

May I have an answer to the question as to what the reason is for not having a limit in the bill, when in all other bills relating to the strength of the Army we have always had a limit?

Mr. THOMAS of Utah. I do not think we have always had a limit on the strength of the Army in the past. I think, during times of impending emergency, and during times of emergency, the limit has very wisely been left out. However, in times like this, when we are attempting to test the real efficiency of the Army as it has expanded since 1919 and 1920, I think it would be very unwise to establish a top limit. I think we should do as the bill itself suggests. From time to time requests should be made of the Congress, and the Army should be increased in accordance with the exigencies.

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

Mr. THOMAS of Utah. I yield.

Mr. CONNALLY. The Senator from Montana says that I made an unfair statement. If he feels that to be true, I withdraw the statement. I have no disposition to wound the feelings of any Senator. I believe in the utmost freedom of debate on the floor of the Senate. I think every Senator ought to be permitted to say what he thinks.

On the other hand, last week I heard the Senator from Montana read a prepared speech in which he reflected on the motives of many persons who are supporting the bill. His statements could not have been made in the heat of debate. I do not reflect on his motives. I withdraw the statement. All I can say is that his opposition to a great portion of the bill made it appear to me that he was not very anxious about getting men in the Army. He wants to wait until they volunteer, and he does not want the President to call three men when the Senator thinks he ought to call only two. That was the reason for my statement. However, I do not wish to be unfair, and if the Senator thinks I did not make a correct statement about his position, I withdraw the statement and apologize to the Senator from Montana.

Mr. WHEELER. I thank the Senator.

Mr. CONNALLY. I know of no other Senator who is as free in reflecting upon the motives of others as is the Senator from Montana.

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

Mr. THOMAS of Utah. I yield.

Mr. WHEELER. I thank the Senator for his statement with reference to my position; but I should like to have him point to any statement of mine reflecting upon any Member of this body.

Mr. CONNALLY. Not by name.

Mr. WHEELER. By name or in any other way. On the contrary, I have said repeatedly on the floor of the Senate in debate that I think we have before us one of the greatest issues ever to come before the Senate. I have repeatedly said that people may honestly differ with reference to this question, and that there is room for honest difference of opinion. There is room for honest difference of opinion as to whether or not this country is to be attacked. I am one of those who do not believe that this country is to be attacked.

I am one of those who do not believe that our first line of defense is in Great Britain. I am one of those who do not believe that the British Navy has been the protection to the Government of the United States which some persons say it is. I am one of those who believe that the United States is strong enough and able enough to protect itself, as it has in the past, not only against Germany, but against

Great Britain and every other country in the world. So far we have never lost a war; and I do not think we are about to lose one now. I am one of those who believe in preparedness; I believe we ought to have preparedness; but I do not want to go back of the traditions which have been developed in the United States for 150 years, and have peacetime conscription in the United States. When I take that position, I am taking the position which was taken by Great Britain for many years. It was written into the Magna Carta. I am taking the position taken by Thomas Jefferson and John Adams. I am taking the position which Daniel Webster took; and I am taking the position which the Congress of the United States has taken at all times when the question of peacetime conscription has been before Congress.

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

Mr. THOMAS of Utah. I yield.

Mr. ASHURST. I do not wish to inject myself into this debate between the two Jupiters of debate, the Senator from Montana and the Senator from Texas.

Mr. BARKLEY. The Senator does not mean Jupiter Pluvius? [Laughter.]

Mr. ASHURST. They are probably among the best debaters who ever sat in the Senate. Each is able to give the other a Roland for his Oliver at any time.

Mr. President, I make no insinuations. I rise to make a charge, not an insinuation. I do not make insinuations.

It has been stated that this Senator or that Senator, this Representative or that Representative, has delayed preparations. I charge the War Department with a lack of frankness, and with disingenuousness in enforcing a law of a patriotic Congress. More than 20 years ago, on June 4, 1920, Congress enacted a law which was signed by the President, and which is now the existing law, permitting enlistments in the Army of the United States for 1 year or 3 years, at the option of the soldier—not at the option of the War Department. However, the War Department sedately, deliberately, and willfully, through the recruiting stations, gave false information to young men who sought to enlist. At two recruiting offices—in Washington, D. C., and in Upper Darby, Pa., which is in Delaware County—recruiting officers told young men, "You may not enlist for a year. The law does not permit it. You must enlist for 3 years." If there has been slackness and remissness on the part of the young men in enlisting, the blame rests with the War Department.

The War Department does not pretend to answer the charge that it has been remiss in enforcing the law. We may pass good laws or bad laws. Being human, I imagine that now and then we slip and make a mistake; but surely after Congress has enacted a law it is the business of the departments, under our Constitution, to execute the law with fidelity and fairness. I shall not use the word "foul"; it is too strong. However, it was unfair and unjust on the part of the War Department to turn young men aside when they sought to enlist for a year and to say to them, "You must enlist for 3 years. You may not enlist for 1 year." I repeat, I make no insinuations. I make a charge.

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

Mr. THOMAS of Utah. I yield.

Mr. BURKE. Coming back to the matter which seems to me to be of greater importance than the question whether or not enlistments for 1 year are discouraged, I should like to say that I appreciate the sincerity of the Senator from Montana in his attitude toward the bill. From the start he has been opposed, and has expressed himself as opposed, to anything in the nature of compulsion during time of peace. There is only one thing which might cause me to question the complete sincerity of the Senator from Montana. If I should find later, when we approach the question of the Maloney amendment—adopting the principle of conscription but postponing it for a time—that one holding the view of the Senator from Montana should support such an amendment, I should have to reexamine his entire attitude in reference to the whole proposal. However, I am sure we shall not have to face that condition.

Mr. WALSH. Mr. President, will the Senator permit me to make an observation about the period of enlistment?

Mr. THOMAS of Utah. I yield.

Mr. WALSH. Mr. President, I protest vigorously against the action taken by the Navy Department within a year to increase the period of enlistment from 4 to 6 years. It is only fair to say that the purpose of the Department in doing so is to maintain a continuity in the naval service of trained and experienced men. I can see and appreciate the point of view of the Department; but to my mind it is undemocratic and unfair to the youth of the country. Why? Many, very many, of the young men who enlist in the Army or Navy do so between the ages of 18 and 20, after they have left school and unable to find employment. Many of them are discouraged and disheartened, and rather than be a burden to their families they enlist in the Navy or the Army, actuated by economic necessity and by a spirit of service to their country. The Navy says to such a boy, "You will have to stay in the Navy for 6 of the best years of your life. You cannot get out, even to follow a life of domestic happiness for yourself, or to enter an occupation or business, or even further to pursue your education. The 6 years of service is your obligation to your country."

In my opinion, the period ought to be not more than 3 years. The number of reenlistments would not change very greatly, but I think it is indefensible to close every avenue of progress and hope to young men of tender years before they have reached maturity, and to bind them to 6 years' service to their country.

I am saying what I have said to naval officers; I regret very much that the Navy Department took such a course. I was not consulted, indeed it was not required, in reference to the regulation, but I vigorously oppose it. It takes advantage of boys driven by necessity, away from their homes, and deprived of education. It does not recognize the changes which afterward come in life. I have known of instances where after enlistment some relative died, and a boy had an opportunity to go to college. He could not go because of the 6-year contract. In my opinion there is considerable reformation to be done in the matter of the period of enlistment in both the Army and the Navy before we come to the conscription of 1,000,000 men. I wish that both the Army and the Navy would think of our democracy and our boys as well as their own objectives, praiseworthy as they are. The folly of it all is that with a period of enlistment of 3 years the present Reserves would be doubled, because after a period of 3 years every boy would become a member of the Reserve, and could be called in time of war.

I beg the Senator's pardon. I really ought not to have interrupted his speech, but this matter has been on my mind, and has given me considerable concern. I feel very deeply about it. I feel that it is unfair to the American boy to compel him to be bound to such a long and exacting period of service at the early and formulative years of life.

I thank the Senator.

Mr. THOMAS of Utah. I thank the Senator from Massachusetts. If he will follow rather closely the philosophy of the bill, which I am trying to explain in my own way, he will discover that the things which he has said furnish some of the dominating influences which came to my mind, which have come out of my own experience, and which cause me to stand as firmly as I know how to stand for the report of the committee on the bill. I hope to be able to bring out in my own way the ideas which the Senator from Massachusetts has mentioned.

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

Mr. THOMAS of Utah. I yield.

Mr. ASHURST. I feel like apologizing for intruding further. I wish to say, not by way of mere compliment to the Senator, that I always listen with respect and attention to everything the able Senator from Utah says. I believe him to be an authentic scholar. After he has investigated a subject and made his pronouncement I am much inclined to adopt his view on almost any question.

Mr. President, the Senator from Massachusetts [Mr. WALSH] descanted eloquently upon the injustice perpetrated by the Navy Department. In 1920 the very arguments and suggestions now made by the able Senator from Massachusetts were in the minds of Members of Congress when we passed a law permitting a young man to enlist for 1 year, at the option, I repeat, of the soldier, and not at the option of the War Department. How does the Senator view the action of the War Department, which has practiced deception in that it has permitted the recruiting officers in some recruiting stations falsely to say to young men, "You may not under the law enlist for a year; you must enlist for 3 years," although the Congress, considering the very argument the Senator from Massachusetts brought forth enacted that law, and it is still the law. Does the Senator view with equanimity a department that can willfully and deliberately deceive the country to that extent? Does the Senator approve that?

Mr. WALSH. Mr. President——

The PRESIDENT pro tempore. The Senator from Utah has the floor.

Mr. ASHURST. I asked permission of the Senator from Utah to ask a question.

The PRESIDENT pro tempore. The Senator from Utah has no right to yield the floor to another Senator.

Mr. ASHURST. I should like to have the Senator from Massachusetts answer the question, if he will.

Mr. WALSH. No. I most heartily agree with the Senator. Let me say to the Senator that he knows the militaristic spirit that exists in military circles. I do not say that offensively against the Army and Navy officers; they are high-class and able men, but their minds are militaristic. The reason we have the form of government we have, and not the form of government prevailing in Germany and totalitarian states, is that there is in this country some civic check upon the extreme militarism of the Army and Navy that otherwise might be likely to develop a different form of government and lessen our theory of individual liberty curtailed by the least possible interference by the state.

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

Mr. THOMAS of Utah. I am glad to yield.

Mr. ASHURST. The Senator from Massachusetts has read the Constitution as diligently as I have, and he knows that the Constitution lays upon Congress, not upon the War Department, the power to raise and support armies; he likewise knows that the Constitution lays upon Congress, not upon the Navy Department, the duty of providing and maintaining a navy. Those Departments are to carry out the laws which Congress enacts.

Mr. WALSH. In the pending conscription bill there is an option for a young man about to be conscripted to join the Army for a year. I made inquiries from the Army to find out whether or not that provision would be respected. Does the Senator think it will be, in view of the record that now there are only about 200 men who have entered the Army under a 1-year enlistment, and those 200 asked to enlist in the Army for the purpose of taking training to enable them to go to West Point? Otherwise, there is not a single soldier in the Army under the 1-year enlistment law which Congress passed and which Congress intended should become operative. In my opinion, the clause in this bill is misleading and will not be enforced if past practices prevail.

Mr. ASHURST. Mr. President, if I may answer the question——

Mr. THOMAS of Utah. I yield.

Mr. ASHURST. If the past is an indication of what will be done in the future, we may look with suspicion and distrust upon a department which has already violated the law and deceived, as I might say, wayfaring young men who wish to enlist and who would have enlisted had they been permitted to avail themselves of the privilege of enlisting for 1 year which the Congress gave to them. I have no way of judging the future except by the past, and I say it is no wonder enlistments are not obtained.

The Senator from Massachusetts referred to militarism. I have a high opinion of our military officers. As a rule, they are not only men of ability but of high character; I am proud of their character, and the same statement applies with equal force to officers of the Navy; but, Mr. President, I may say here again power and alcohol operate the same on all persons at all times. Give an individual, benign and educated, great power and he wishes more power. When he is asked, How much power do you want? He says, "All there is", and he becomes power drunk. I repeat, it is worthy the consideration of biologists and psychoanalysts to see such an influence acting upon human nature. Alcohol and power are two things that, down through the centuries, have acted upon all races in all climates and on both sexes alike, and the more power an individual gets the more he wants, and enough power is all there is.

Mr. THOMAS of Utah. I trust what the Senator from Arizona has said about power will not tempt someone to rise and make a Willkie speech at this time, although it might be a good thing, and would probably be in order.

Mr. ASHURST. I did not hear the compliment the Senator paid me.

Mr. THOMAS of Utah. I merely said that since the Senator from Arizona had thrown the word "power" into the discussion, it might be interpreted in another way, and might form a stimulus for someone to rise and make a Willkie speech. I trust that will not occur.

Mr. ASHURST. Surely my speech was not that bad. I beg the Senator to rescue me from that implication.

Mr. THOMAS of Utah. I am very glad to welcome these discussions. It seems to me that a discussion such as that which has taken place between the Senator from Massachusetts and the Senator from Arizona must give to every thoughtful person who hears them the idea that probably a revitalization of the armed forces of the United States is very essential and important. I am going so far as to say if the selective-draft bill shall become a law, and is lived up to in accordance with the spirit of the committee amendments, if the Army and Navy take advantage of that which is given them by the bill, if they understand the Americanism which is behind the amendments, they will welcome it as a great forward step, consistent with the other steps I have indicated, to improve the morale and the spirit and the personnel of the Army and Navy of the United States.

Mr. President, I cannot refrain from making one more statement which grows out of the various discussions which have taken place, a statement which the people of the United States should understand and which I am sure they will understand. When the Senator from Texas and the Senator from Montana were in the midst of their discussion, I was reminded of another time in this body when those two great Senators seemed to be extremely worked up over the argument which they were making to each other, and, incidentally, to all appearances worked up against one another. That, however, does not happen in the Senate of the United States, and a most reassuring incident may be mentioned here. In the heat of the discussion of the Senator from Texas when he was "going after"—and I use those words advisedly—the Senator from Montana as hard as I ever heard one man go after another, he wanted to use the name of a park in the State of the Senator from Montana; so he tapped the Senator from Montana on the shoulder and said, "Bert, what is the name of that old park in your State, anyway?" That is the way these debates are underneath; and probably no greater compliment can be paid to the American representative system, especially when it is contrasted with the tempestuousness of party divisions in other parliamentary governments, than the good fellowship which here exists at all times. We cannot ever become angry at a fellow Senator; I do not know a Senator who could be angry at his fellow. Therefore I am most pleased to have these discussions.

Mr. ASHURST. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from Arizona?

Mr. THOMAS of Utah. The Senator from Arizona has another inspiration, and I yield.

Mr. ASHURST. I am very glad that the scholarly Senator from Utah—and both the Senators from Utah are scholarly men—referred to the heat of debate that takes place in the Senate. Mr. President [the President pro tempore in the chair], presiding as you do always with dignity and fairness, let us assume that you have come here from another planet, and that you are seeking to know what governments are free; you wish to know what governments on this planet are peopled by free men? Philosophical student as you are, Mr. President, you would not look to the Army and Navy; you would visit the parliament, and you would know the quality of freedom, you would know the measure of liberty of the citizens of a particular country by the freedom of debate in their parliament.

One of the surest and most authentic signs of a free people is that they themselves feel free to criticize their parliament. Those two indicia, those two signs—freedom of debate in the people's forum and the absolute freedom with which the people criticize their parliament—betoken liberty and a free government.

The other day there was in the Senate a charming yet heated riposte between the able Senator from Indiana and the able Senator from West Virginia, and some newspapers said, "Is it not too bad to have such heated remarks in the Senate?" Scarcely had such remarks fallen from the lips of the observers until in the British Parliament, the mother of parliaments, the parliament established in 1265 by Simon de Montfort, "let their hair down," and applied to each other in the very forum of conservative thought and speech, epithets such as are never used here. Instead of feeling ashamed, I was proud and glad that freedom was there manifesting herself in a forum of the people.

I thank the Senator from Utah. He has done a splendid service in pointing out that these debates, heated as they are, heated as they should be, betoken a free people; they indicate that the people's representatives are not bound by any tradition or by any secret thought, and the Senator from Utah has disclosed that he is a profound philosopher in discovering that truth.

Mr. THOMAS of Utah. It did not take much research, Mr. President, for me to discover that the citizens of the United States criticize their representatives. I am a living witness to that fact.

To return to the bill, Mr. President, I attempted to say that the measure we have before us is altogether consistent with the long-range endeavors which the Congress of the United States has made in the past to bring about better training and a better personnel in preparation for war. I may say that the genesis of this bill is in the idea of training; its end will be training. I do not care how great a war may become or how intense an individual soldier may become on the battlefield, most of the soldier's life is spent in training.

Therefore the bill consistently starts with the fundamental understanding of the fact that the training is the primary thing, and that in the training and from the training will come that sort of army which America would be glad to have in case of an emergency.

Let me say, too, in connection with this subject, that if we can bring about in the Army of the United States a yearly training period, we will guarantee the democracy of the Army of the United States not only as to men but also as to officers. I wish Senators would think back to what has happened to our Army in the last 20 years, and when I make a comparison of 1940 with 1917, I wish my colleagues would constantly keep in mind not only the influence which training the officers has had upon the trainees throughout our country but the influence which the people of the United States and the institutions of the United States has had upon those officers in their training.

In contrasting the 1917 draft with the ideals presented in the pending bill, we must take into consideration the fact that there is no way of getting an even contrast at all. The conditions in this country with respect to the Army of the United States are so different from what they were in 1917 that there is no comparison at all.

By 1917 we did have some officers' training camps. The Defense Act of 1916 had gone into effect. The training camps grew up in a rather emotional and a rather spasmodic way. There were not officers to properly train the trainees. Every institution we had had in the Army found itself in a position of inability to carry on as it should carry on.

Today if the draft goes into effect and if we start drafting as the result of registration, we build upon an entirely different condition. For example, we have had 20 years' experience with the federalization of the National Guard, we have had 20 years' experience with the Army instruction of the National Guard, and the National Guard has developed its units around the fundamental theory of Army organization.

Then, too, there are in existence today 120,000 Reserve officers. With the officers in the Army of the United States to the number of 14,000, with 15,000 officers in the National Guard of the United States, and 120,000 officers recognized and active as Reserve officers, we have an officer personnel of more than 140,000 individuals. There are enough officers ready, therefore, to take care of an army of almost 2,000,000 individuals.

Mr. President, I bring that point to the attention of my colleagues to show that the spirit of the Army today would be extremely different from what it was in 1917 so far as the selective-draft theory is concerned. There is no need for turning out ill-prepared officers; there is no need for rushing and taking great chances with the men who will have charge of the training of other men because we have conducted, if not well, certainly fairly well, the training of our officer personnel for the Army of the United States, which consists of the Reserve Corps, the National Guard, and the Regular Army.

We learned in 1920, after the World War, that the task of training must be a constant one, and it has been a constant one since that time. We tried a mobilization day in 1923, I think it was, and I emphasize that because we learned much from that day. We discovered that emotionally America could still rise almost overnight and present the persons of a powerful army, in uniform if need be. But it was just an emotional gesture, and to the officers who had been lax in their training it was heartbreaking, because in the period from 1919 to 1923, nearly 4 years, the old uniforms were such that they would not reach around the new waists. There was a living demonstration, which came into the mind of every man who responded to the mobilization call in 1923, that that was not the way to do things.

Those who are familiar with what took place in 1917 and who observed the orderly way in which the mobilization of 300,000 C. C. C. boys took place, with the creation of the camps, the transportation of the men, and the care that was given them, realize what a vast improvement the Army of the United States had made in a generation. It is true that not all things were perfect in that mobilization, any more than they had been in other mobilizations. The Army gained, and gained tremendously, from the experience which it had in taking care of these 300,000 boys, building camps for them, transporting them across the country, feeding them, starting them in the first elements of proper personal hygiene and proper social living. The Army learned much from the mobilization of the C. C. C. boys, and the Army stands today much better prepared to go on with the selective draft if the bill becomes a law.

Mr. President, it would be unfair not to digress just a moment and make historical facts a part of our thinking in relation to the pending measure, because I have heard arguments made in favor of the Draft Act on the ground that we have to hurry. I have heard arguments made that we need not hurry; that we might delay; that we can try the voluntary system first and see if that will work.

Much has been said about October the first, and it was useless to mention that date. Now something has been said about January the first as the date for calling in the first contingent. We may do very much better than we did in 1917,

but there is still the time element present, and there will still be the lag, and with the registration of 13,000,000 people we cannot handle the mechanical part any faster than the mechanical part of the registering of nearly 9,000,000 persons was handled before.

These are the dates, and if we keep them in mind we will realize that much which might be said about when the proposed law should become operative depends upon what actually happened in 1917. In 1917 Congress was called into special session to meet on April 16. President Wilson advanced the date 2 weeks to April 2, and after the declaration in regard to war had been made, a start was made upon a study of the selective-draft system. The act which controlled in 1917 became a law on May 18, 1917. It took Congress more than a month, working under the stress of actual war and under the stress of an actual demand, to produce the law. Many things took place during that time which we hope will not take place if we start the draft system again.

The registration was held, and on June 5 we were able to register some 9,500,000 persons. It took the full day. It was practically a day out for the whole of America. There were some complications, but not many. From the standpoint of Washington—those in the head offices—it seemed like a smoothly running machine. There were difficulties out where the people had charge of the actual registration, because there was much misinformation. I think it will be found that there were something like 167,000 persons in the United States who, either innocently or willfully, avoided the 2 registrations in 1917.

The first registration took place June 5. We worked as hard as men could work. We were not ready until July 20 to begin making the selections under the draft, the drawing of the lots. On July 20 the numbers were drawn, and, as I remember, the numbers were arranged in such a way, running from 1 to 10,500, that the number drawn would take care of the numbers in any registration district in the whole country, so that when the first number came out, that number would hold for every person with that number in the 4,000 or 5,000 registration districts in the United States.

The first number drawn was 248, and it is in connection with this number that I wish to emphasize the crudity, the cruelty, the downright wickedness, of some of the people of our country and the press of our country, in not being able to understand what the selective draft meant, and the evolution from the voluntary system to the selective system brought about many difficulties, many misunderstandings, many heartaches.

For example, there was one contingent in the United States which wanted to volunteer en masse, up to 300,000, and they were not allowed to do so. There was an actual stopping of volunteering during the period in anticipation of the draft and during the period in anticipation of the registration. The volunteer system had been interfered with, was interfered with, and when I contrast the volunteer system with the selective system I hope to make the point that the latter is very much fairer, and make my point right out of actual history.

Let me show what happened in a case of one boy who drew No. 248. He happened to be home on a vacation. He was in his senior year in a medical school. As soon as the numbers came out, the newspaper reporters, of course, rushed pell-mell to find the boys who represented the numbers drawn. I remember well three names. The boy to whom I refer was found most easily because he happened to be in quick access to the papers. He was asked by a reporter in an innocent way, "What are you going to do?" He said, "I do not know what I am going to do because before I left school the Army of the United States tried to discover how many prospective dentists they might depend upon, and I put my name down as a member of the prospective dental reserve."

The next morning the papers came out with pictures of this man, and the statement that he was going to try to dodge the draft, that he was going to try to get away from the responsibility of the draft, and that he was hiding behind the notion that he was a senior in a dental school and was therefore wanted for dental work.

Mr. President, when we start the proposed registration, and when we carry on the registration and gather together the loose ends, we are going to find that in the assembling of an army of any consequence and any size the two persons the Government of the United States is going to lack the most are doctors and dentists, and in the gathering together of these men into the service we are going to create a hardship upon the whole country because we have not prepared a sufficient number of men for military exigencies; in fact, there is a dearth of both doctors and dentists in our country.

At this point, Mr. President, I cannot refrain from saying that those of us who have introduced bills dealing with matters of health and had them passed in the Senate, those of us who have presented hospital bills and had them passed in the Senate, those of us who are seeking all the time to increase the training and education of doctors and of dentists, and to give to the people of our country more of an opportunity for the right kind of treatment and the right kind of medical care, are acting in accordance with the firmest, the soundest, and the finest notions in relation to national defense that anyone can have.

It is a regret above all other regrets that some persons in their zeal to stand for national defense do not understand its meaning. Today it means a country prepared for any eventuality. Today it means a country undertaking total defense. Today it means not only the conscription of a few to serve in the country's military forces but it means a complete understanding of personal economic considerations—the complete organization of our country.

Mr. President, in the assembling of great numbers of men together the risks are not simply military risks. Undoubtedly, in the World War, more American soldiers died as the result of faulty preparation, as the result of not having the right kind of medical treatment, as the result of not having the right kind of clothing, as the result of not having proper housing facilities, and because of lack of foresight on the part of those who were providing for their training of these men than were killed by German bullets.

Mr. President, it is because of experiences of this kind that those of us who were responsible for the training of great units now see the need of building the personnel of our national defense on the basis of training, training, and everlasting training, and then, when the time comes for actual warfare, there will be no doubt about the outcome.

It was not until September 1917 that the first draftees were called in. Therefore keep in mind those days because we cannot do any better, we cannot work any faster, and we should not work any faster unless we are faced by some acute peril.

There were two registrations in 1917, the first on June 5 for men between the ages of 21 and 30, and the second on August 31 for those between the ages of 18 and 45. From the various drafts there was a total number of persons who registered running up to 23,908,596. I give these figures because it is only from a study of them that we may obtain a comparison of what actually took place then with what will undoubtedly take place in the next mobilization.

In the first draft there were 9,500,000. From both drafts, during the whole period of the war, when we had in the neighborhood of 4,000,000 men under the colors, but 2,787,000 men came in as the result of registration and draft. Therefore in the wartime 1,300,000 men came under the colors under the old voluntary system. It is upon those basic facts that I think we ought to study the actual effect of the present draft measure and see how it will work out.

The entire concept of mobilization has changed since the World War, and even before, and I think that as the result of the success of Hitler's mobilization probably the concept will change once more. One would not go back before the Franco-Prussian War of 1870 for ideas of modern mobilization. We find with respect to the theories in regard to mobilization in the late war, that ideas changed with circumstances, and, of course, that will always be the case.

Most persons have a notion that war is a static thing. If there is anything that is not static it is war. Most persons have the idea that governments go forth and fight without change. If there is anything that brings about changes in government, even the best organized and the most stable, it is, of course, the exigencies of war.

Since 1919 we have known of this theory in regard to total mobilization, and it is to an extent upon this theory that the Selective Draft Act has been built. The necessity of understanding the people, the necessity of weighing the responsibility in regard to the carrying on of war, the necessity of knowing what the worth of an organized nation is to any army at the front—these are the things which have produced the modern theory in regard to mobilization.

Mr. President, I do not have the time now and I do not have the inclination to discuss the history of mobilization in various countries since the World War. It must have been done by our Army. I wish our Army had sent down its own bill in regard to mobilization at this time, and also in regard to conscription, instead of having the bill come to us in the way it came. I wish we might have had knowledge of the War Department's experience, because the matters involved are important, and all the information which we should have has not come out of the experiences of any one of the countries that have had to mobilize in one way or another.

There is much that France can contribute. There is much that England can contribute. England went on a conscription basis in 1916, but in 1917 we discovered that one method had to be used in that country and another method in France. In France the method had to be used of calling the men back from the colors, and reintroducing them into industry, while another method had to be used in England, because there were differing conditions in the two countries.

Our own scheme will be American, wholly American, and when someone says that we must not do this and we must not do that because it is an imitation of what is done in some other country, it will be found that nothing will be done in America which is an imitation of what is done in another country.

Some persons say the pending proposal is democratic; some say it is militaristic. Some make one argument and some make another. I am now going to make a most startling statement to the Senate. Probably there has never been an army in the whole history of armies, in the whole history of the world, that is quite so democratic as the army of Hitler today. The techniques, the agencies, the instrumentalities which are used by that army have nothing to do with the basis of democracy in relation to an army, and the way in which it is gathered together, and the way in which it is trained. Never in the history of the world have men of low grade, noncommissioned grade, and even privates been left so completely to their own discretion with so much matériel, with so much responsibility, and never have we completely understood the fact of the complete independence of officers and men as it has grown up in the German Army. That has come about as the result of a lesson of necessity.

Once before 1919 the world imposed upon a country restrictions in regard to its armed personnel, and one would think that the same mistake would not be made in 1919, but it was made, and as the result of its having been made the evolution, the growth, the development, the democratization, the total nation behind the modern army of Hitler, have followed.

I think I need not say more about the theory of mobilization, for I am sure that serious students who are actually studying and want to know what we are doing will go into that history and will realize that, while probably the same technique of conscription may be used in Russia, and the gathering together of the men for the Army and the Navy may be on the same basis as it is in America; while probably the same technique of conscription is used in France in the gathering together of the men for the army and the navy, and their training, and while the same thing may hold true with regard to England, yet the respective armies reflect the fundamental ideas of the countries they represent, and the techniques used are modified to be consistent with those fundamental ideas.

Mr. BONE. Mr. President——

The PRESIDING OFFICER (Mr. CHANDLER in the chair). Does the Senator from Utah yield to the Senator from Washington?

Mr. THOMAS of Utah. I yield.

Mr. BONE. Can the Senator from Utah say what process was employed by the German Government in mobilizing its forces for war with respect to the production of war material and the general mobilization employed with respect to so-called private business in Germany? I think perhaps we are overlooking many of those elements in this discussion. I wonder what technique Hitler employed in handling private business operations in Germany, for certainly they were involved in a mobilization scheme or set-up for war.

Mr. THOMAS of Utah. I can answer in this way: Private businesses which were to contribute to the building up of the defense of the country became literally and actually public businesses.

Mr. BONE. In other words, then, Hitler has prescribed for his total war a course diametrically opposite to that which we would attempt to pursue in this country?

Mr. THOMAS of Utah. I hope so.

Mr. BONE. Well, whether it be a desirable or an undesirable course, he has taken precisely the opposite course, and apparently with great success, as marked in terms of military conquest, but he has certainly produced an efficient military machine. Now are we to derive from that any conclusions as to the efficacy of our own plan?

I am tempted to ask that question because the other day I understand in the other House they struck out the last limit on profits in our war program, and I am wondering what effect that will have on the pending program, because already the per unit cost of war materials is going up, right along, and I am wondering what effect the impingement of that upon our war plans will ultimately produce, if the Senator cares to express an opinion about it.

Mr. THOMAS of Utah. If the situation becomes very unreasonable, and the things in question become very necessary, the Government has a way to respond very quickly to any exigency of that kind, and were our country in peril and in an emergency we would respond quite as quickly as any other government, with one exception. It will be found that the idea of force will not predominate the things which we will do.

Mr. BONE. I understand that, but I assume that there is some peril, there is some necessity that confronts us of a grave character, or we would not be proposing conscription at this time. Is that peril to be reflected only in the conscription of young men, or are we to give it reflection in our attitude toward the problem of profits and preparations for war, or is it to be merely a one-sided thing until the whole economic scheme is threatened with some sort of collapse on account of war costs? That is the reason I ask the question.

Mr. THOMAS of Utah. I can answer only by stating what has taken place in other great emergencies. I know that the Senator has in the back of his mind the idea, Are we faced by a peril? Are we faced by the great uncertainty to which the people are calling our attention? Of course, no man knows, because no man knows what tomorrow may bring. But there are, comparatively speaking, two dominating uncertainties facing the world today, which must be basic to the thinking of every man. There have been great wars in the past, but never has the world been in such a complete revolution as it is in today. Revolution generally means uncertainty and peril. What will be the result of that revolution? No man knows.

There is another great fact which must be kept in mind. Since the end of the sixteenth century there has been one controlling influence on the high seas of the world. That controlling influence can be expressed in a very short and easy way. The high seas of the world have been controlled

by control of Gibraltar, Suez, Singapore, and the Panama Canal. Are those controls to remain as they have been in the past? That is a question which I cannot answer, which no one can answer, but which brings a great uncertainty into that about which we are talking and thinking.

Another thing which I can say—and it is said in the spirit of proved prophecy—is this: It has been pointed out time and time again in the debates in the past that if the great Government of the United States, which stood on the principle of the freedom of the seas, especially since 1856, should refuse to fight for that principle, some day it would have to be a party to fighting for the control of the high seas. That has happened. I do not care to go into a discussion of that question, but those are the facts.

The responsibility for maintaining freedom of the seas was not lived up to, and today a greater responsibility rests upon the shoulders of the countries of the world which have been in control of the high seas, to fortify and to plan for the control of the high seas. If there is any judgment wherein we have been faulty, perhaps it has been in our judgment in regard to that great principle. But I do not wish to criticize. I do not wish to go afield. The bill has to do with only one thing, and that is a proper and necessary increase in the personnel of the Army and Navy of the United States.

I had planned to argue quite fully—and I may have to do it before we get through—by bringing in the story of conscription, the technique, and the theories related to it. Conscription may be defined as merely exaction by the state of military service. That is the sense in which it is used. It has been used in society from the most primitive time down to the present. It has been a technique which has been used for the evolution and development of a state, really growing around the notion of militarism; and there is no use dodging that principle. However, only one state built its state theory upon the principle of militarism in and of itself, and that was Prussia. Probably the same can be said of the Empire of Germany, which inherited its ideas from Prussia. To make a great contrast, the concept or theory of conscription brought about a tremendous democratization of the people in Japan. So those who argue that this technique will do this or do that must go further in their argument and say where it will do it, how it will do it, and when it will do it, because the history of conscription furnishes examples of practically everything.

The theory of the conscription notion is interpreted by some as the most democratic way to carry on. I myself would not use that kind of argument, because it immediately leads into difficulties. In the first place, the democracy or democratic idea is not defined. But the theory, as it is accepted in the bill, is probably something like this: There is in the conscription system a leveling, a community of citizenship, which arises from the basic conception that military service should rest not upon ardor, upon the mercenary motive, upon caste, or feudal obligation, but simply upon the duties of membership in the political association, for the maintenance and defense of which an army is organized. I believe that that definition will fit the ideas and the ideals of conscription as it has been resorted to in our country; and if it is resorted to again it will be the dominating and underlying principle.

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

Mr. THOMAS of Utah. I yield.

Mr. BONE. I think I understand the tenor and purport of the Senator's argument, and I am familiar with the orthodox arguments for conscription, for the service which a man must yield to his country as a member under the social contract. But it seems odd to me—and I cannot bring myself to believe that I am merely in a class by myself in reaching the conclusion which I reach—that none of these arguments carries the implication that a correlative duty rests upon property. I am assured that my son and the sons of other men must give military service, and die if need be, to preserve the thing we have erected. But I find in this argument in the Senate no single suggestion—or at least it is so subdued that it is not apparent—that property should be subjected to some comparable sacrifice. If some of my worthy brethren say that I am going afield in this argument, let me call attention to the platform declarations of both parties, which have gone much further than the suggestion I now make, because they have been much more blunt. Let me give a practical illustration. I do not wish to intrude too long on the Senator's time, for the floor is his, but let me give an illustration of what I mean—and it is one of perhaps hundreds.

Take a boy who has gone through college, perhaps at the great sacrifice of his parents. All his capital is wrapped up in his body. He has a healthy body and a sound mind. He is employed, making perhaps $200 to $500 a month if he is a fairly successful young fellow. His capital is his body and his ability to render a service which permits him to make $3,000 to $5,000 a year. He is drafted and taken into the Army. In case of war 100 percent of his capital, his body, may be used, the draft being a 100-percent draft. He may not come home at all; or if he does, he may be insane, or sans legs, arms, or eyes. The Government in drafting him has taken not only all his body, which is everything worth while to him, but it has also taken his $200 a month or $500 a month, and the assurance is given to us that that is a perfectly proper, democratic, loyal, and patriotic proceeding.

As a Member of this body I have heard businessmen come before the committee of which I am a member and say to me that they cannot render the right kind of service unless they are guaranteed a certain amount of profit, or unless all ceilings on profit are removed so that they may make any amount of money. Then we attempt to satisfy the needs of the country by some sort of a tax scheme which may take 50 percent of their excess profits over and above the normal profits of several years, which means that they are allowed a very large margin of profit.

There is no attempt to put upon businessmen or business groups of the country any sacrifice comparable to that of the young man. If conscription is democratic, then why is it that all the emphasis is laid upon the necessity of sacrifice by young men who give their entire capital, which is their bodies? Is that to be the American concept? Every newspaper article I have read recently, coming from some of the most noted publicists in the country, says, in effect, that every element, every factor, every segment of society in the country, is now called upon to make great sacrifices. That does not mean that business has any justification in demanding unusual profits, which is what it is now doing. The publicists who are interested in aiding the conscription bill through Congress tell us that all groups must make sacrifices, and yet the Congress, including the Senator and me, knows that no such sacrifice is being exacted from business. I now bluntly make that assertion. I might find it in my heart to have no quarrel against asking young men to go into the service of their country, but as an American I resent the fact that when I or other Senators stand on this floor and suggest that a comparable sacrifice be made by business, we are told that such a thing would hurt our economic system and drag the country down.

A sacrifice ought not to be imposed on merely one segment of our population. There is nothing democratic in that. It seems to me that the whole argument for democracy falls flat, it becomes stale, tedious, and unprofitable, when only one group is called upon to make the sacrifice. If our system and our civilization are worth saving, then are not businessmen prepared to make some sacrifice to save their own system?

That is the question which arises constantly in my mind as a great question. It will not down. When I ask this question on the floor I am only asking, in the form of a question, that which has been asserted by the party of the Senator from Utah and myself. I have in my file the blunt promise of my party and of the Republican Party that if war or the threat of war comes, and we draft men, we will draft property exactly as we draft men.

What kind of a picture are we presenting to the country when we argue that conscription rests solely upon the theory

that the boys must be drafted, but that we must not draft business or capital?

I speak with some warmth, because I feel very deeply about the matter. If I, as a Member of Congress, am to order the boys into service, and take everything they have, why should not I order the Du Ponts into service in the same fashion? I wish the Senator from Utah would tell me upon what sound theory conscription can rest unless we also conscript profits. I am not talking about conscripting property. I wish to make that distinction very clear. I am now talking about conscripting profits, which does not mean taking the corpus of the property. It merely means the taking of enough of the net profits—all of them if need be—to preserve the country in time of peril. What is wrong with that? If we take a boy's life and butcher him, and merely content ourselves with taking the net profits of the Du Pont Powder Co., what is wrong about that? If there is any distinction I think it ought to be made plain to the people of America before we conscript the boys.

Yet we will go through this whole program and not make that plain to the people of America. We are going to default on that program, although the Democratic platform makes a solemn pledge to do it, and the Republican Party made the same solemn pledge. It made such a pledge in Philadelphia the other day, and the Democratic Party made the same pledge in Chicago; but I do not think the parties will carry out one-tenth of their pledges. No wonder Americans look at our political set-up with caustic and critical eyes. How can they view it otherwise when the parties default in their solemn engagements and pledges to the American people?

If we are going to conscript boys, I want some of the argument in the Senate to take another slant so that at the same time there may be some discussion about the conscription of profits in America. If it is democratic to conscript boys, it is democratic to conscript profits. That is my philosophy, and I believe it to be a correct one. Perhaps the American people do not agree with it. If they do not, it is their own tragedy and not mine.

Mr. THOMAS of Utah. Mr. President, I started out with the simple desire to explain the pending bill which has to do with increasing the personnel of the armed forces of the United States. The Senator brings up questions which, of course, are not germane to this bill. They are germane to the theory of government, but I know of no way, considering the manner in which the Senate of the United States is organized, for the Military Affairs Committee to report a tax or revenue bill. I think that function belongs to someone else. Suggestions such as have been made—and similar suggestions have been made in the past—may be good, and, perhaps, we should resolve that we are faced with a great peril and turn the Senate of the United States into a committee of the whole and pass all-embracing legislation, but, when we do that, we break down the whole theory of committee responsibility, which in the organization of the Senate of the United States is quite as much a part of the theory of representation as is representation in government.

Mr. President, starting out as I did, I have been forced by interruptions not to talk about the theories of conscription and mobilization. My chief task, my chief hope, is that I may be able, in a very brief way, to outline those portions of the pending bill which are so different from the measure as first introduced, representing, as it does, the will or wishes and the study of the committee.

Mr. BONE. Mr. President, will the Senator yield once more? Then I will not interrupt further.

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Washington?

Mr. THOMAS of Utah. I will be glad to yield, but I have been on the floor since 11 o'clock, and in the past I have been trained in such a way that I usually think I should stop in 50 minutes. I am one of those men who spent 20 years delivering 50-minute lectures, and the moment I go over that time I begin to get nervous, irritable, worked up, and to wonder why others besides Senators of the United States do not walk out.

Mr. BONE. I have never known the Senator from Utah to be irritable; he has always been very generous.

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Washington?

Mr. THOMAS of Utah. I yield.

Mr. BONE. I raised the question about a tax on profits because only a short time ago I offered in this body an amendment to a then pending tax bill to capture profits during war. That amendment was sidetracked, and a less drastic amendment offered by the Senator from Texas [Mr. CONNALLY] was adopted. It went into conference between the two Houses and was incontinently thrown into the ashcan. This body only a short time ago put the stamp of approval on a repudiation of the doctrine that we ought to capture most of the profits during wartime. I raised that question the other day. In speaking of young men going into the Army, a prominent newspaper in the East said that if we raised the pay of soldiers to $30 a month it would cause a vast rush of fortune hunters into the Army, that all the fortune hunters would go into the service for $30 a month.

Mr. THOMAS of Utah. Mr. President, the Senator from Texas, the Chairman of the Committee on Military Affairs, gave a very minute outline of the bill. I do not desire to duplicate that which he said on the opening day of the debate, but the chairman of the committee did not discuss the last amendment to the bill which proposes a change in title. It is on that amendment that I wish to place emphasis. The new title, if the amendment shall be adopted, will read not as it read in the original bill but as follows:

> A bill to provide for the common defense by increasing the personnel of the armed forces of the United States and providing for its training.

Mr. President, we have spent our time—profitably perhaps—discussing almost every other subject under the sun than the one which is set out in the title of the bill. The purpose of the bill is a simple one; it has to do with merely the one end set forth.

In going over the changes proposed in the bill, Mr. President, there are some things that are extremely important to my mind, and they give the bill quite a different interpretation from the ordinary interpretation which is placed upon it in the public mind, as I showed from the argument presented in the beginning of my remarks.

New reasons for the bill are stated in this way:

> That (a) the Congress hereby declares that it is imperative to increase and train the personnel of the armed forces of the United States.
>
> (b) The Congress further declares that in a free society the obligations and privileges of military training and service should be shared generally in accordance with a fair and just system of selective compulsory military training and service.

That brings us to what is probably one of the most important of the committee amendments, the amendment which provides for continuation of the voluntary system. The Army of the United States can never be an army built entirely upon the selective compulsory service. The officer personnel will always remain in a voluntary class, and we cannot shut down the enlistments of men who want to make service in the Regular Army their life's work. In those aspects the voluntary system must be continued; but it is important to note that 1 year's training privilege has been extended in a voluntary way to those boys who want to undertake a year's training.

I would say, in answer to what the Senator from Massachusetts and the Senator from Arizona said earlier in the day, there has never been in the practice of the Army of the United States a chance for the Army to take into the service for a year's training men who desire to go into the service primarily for training. That concept is brought into existence by this bill. At present 3-year enlistments are for the Regular Army; 1-year enlistments, under present circumstances, are for men training to do something else than serve in the ranks of the Army. There has been put into

this bill the theory that it is primarily a training bill, and that training shall be open to the youth of the country on a voluntary basis for a period of 1 year. That will go hand-in-hand with the selective system. I have been told by officers of the Army, who will administer this proposed act, that the minute it becomes a law the advertising, if they use advertising—and I hope they will not do very much—will emphasize and every recruiting officer will be instructed to emphasize this training provision. I am sure, in the light of past history whenever boys of America have been given the opportunity for the right kind of training under the proper sort of officers, they have volunteered in greater abundance than the trainers have been able to take care of them. So we may see, as a result of the passage of this bill, something very interesting happening in our country. We may see men start to take their training of a year in military service of the Government; they may choose their time as it fits in with the individual opportunities, and, instead of waiting for selection under the draft, they may offer themselves when it is to their best advantage. This theory must always be kept in mind, because it is a theory completely consistent with the way in which our Government has developed. The compulsory feature, when it involves the idea of training, is not offensive to any thoughtful person. When we realize that in the mobilization and gathering together of the C. C. C. boys there have always been more applicants for enrollment than the organization has been able to take, and when once the idea has gone forth to the Nation that the Army will live up to its part, that it will not take a trainee until they have the right kind of clothing for him, that it will not take a trainee until the right kind of housing facilities are available, that it will not call the trainees until the right kind of trainers are at hand, there is nothing to keep our boys from taking advantage of this great privilege, for it is a privilege and not an obligation. This bill gives to the youth of America another privilege which all know is exceedingly worth while if it is lived up to properly.

In the mobilization of 1917 we did call men when we did not have sufficient housing for them; we did call men when we did not have blankets for them; we did call men when we did not have shoes for them; we called men by the thousands, yea, by the hundreds of thousands, when we did not have proper trainers to command them. This bill gives us a chance to emphasize the fact that in the traditional manner voluntary enlistment and voluntary training go hand in hand with the selective theory.

I desire to refer to the provision on page 16 embraced in the first three lines, which are very important, and emphasize the fact that there has been great forethought in the wording of the bill:

> The men inducted into the land or naval forces for such training and service shall be assigned to camps or units of such forces.

If that means anything, it means that we will not cheat a boy out of his military service by giving him a supposed training some place away from camps. The concentration points will be large concentration points, because the weakness of officer personnel and rank and file of our Army is that they have not the chance or opportunity to train in large units. The provision I have read should give to the people of the country the guaranty that we will not turn educational institutions, for example, into military camps; that we will not interfere with the ordinary processes; but that a boy who goes into the Army for a year's training will get training in a great camp. We know how to build camps and we know how to conduct camps. We did splendidly in the World War with regard to this particular activity. We built in all 31 great concentration centers, and after 6 or 8 months' time those centers were centers of great and worth-while training.

The quotas which are to be called for this training will be determined—and this, too, is important—on a State-wide basis, so that an injustice under the selective-draft theory will not be imposed upon a State which has already furnished more than its quota by the voluntary method. In making the selection and ordering the men to the colors, this will be considered at all times.

I should say that the handling, classification, and ordering into service will be done as a result of the activity of local units, who will not be military men but civilians, acting in their civilian capacity, as they did during the last war.

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

Mr. THOMAS of Utah. I yield for a question.

Mr. RUSSELL. My question will be brief. Does the Senator from Utah understand the bill to provide that the number of those who have volunteered for service shall be counted in before the quota of those to be chosen under the selective system is arrived at?

Mr. THOMAS of Utah. That is the way I understand it will work, under the quota system outlined in the bill.

Mr. RUSSELL. Does the Senator know what date will be taken to start the computation?

Mr. THOMAS of Utah. That, of course, would depend upon the administration. I am assuming that the Army itself would be first classified, and then those who have volunteered under the present system would be considered and counted in, and then the new volunteers who will start with a year's training after the measure becomes an act.

Mr. RUSSELL. All the categories enumerated by the Senator would be deducted from the quota of those who would be chosen by the selective system?

Mr. THOMAS of Utah. I assume that would be the case.

Mr. JOHNSON of Colorado. That is the way the witnesses from the War Department testified it would be handled, not only as to the volunteers under the pending bill, but the enlisted men now in the service.

Mr. THOMAS of Utah. And the National Guard.

Mr. JOHNSON of Colorado. That is true; all of them.

Mr. RUSSELL. I have had a number of inquiries from my State on that particular point, and therefore I was very much interested in hearing the discussion of the able Senator from Utah.

Mr. JOHNSON of Colorado. Only the National Guard enlisted men who have been ordered into the Federal service will be counted, however.

Mr. THOMAS of Utah. Those who remain in State service will not be counted, because this is entirely a Federal proposition.

Another point is that the theory of deferment under the bill is based upon individuals and not based upon groups. There is but one exemption in the bill, which I will discuss later. It is an exemption which has to do with a person's occupation or a person's service in life.

All those who are now contributing to the training in the service of the Army and Navy of the United States, of course, are exempt from the registration. In conformity with an amendment offered in the committee by the junior Senator from Kentucky [Mr. CHANDLER], who is now presiding over the Senate, we very wisely, I think, accepted the idea that cadets of the advance course in the senior division of the Reserve Officers' Training Corps should also be exempt from registration. The theory behind that is simply a military theory. The boy who has gotten into the advance course of an officers' training corps is merely one step removed from a second lieutenancy. It would be unwise military policy to mar or to make ineffective the training of a commissioned officer for the sake of giving him a place in the ordinary training under the draft scheme.

In all other particulars groups are not recognized as groups, and each Senator should take into consideration the fact that wherever the committee had offered to it an amendment providing that a group as a group was to be made exempt, it did not accept the amendment, on the theory that the draft should act upon individuals, and each individual's condition should be taken into consideration, in spite of the fact that he belonged to a certain occupational group or to a certain scientific or professional group.

There is, of course, a single exception, the exception made for ministers of the gospel. It was assumed that the Army should not dip into the ranks of recognized, organized, and certified ministers of the gospel. Duly ordained ministers, therefore, may be spoken of as the only occupational group exempted, if I may speak of them as an occupational group.

Mr. President, I now come to what to my mind is one of the most important features of the bill, the attempt of the committee to make secure persons' jobs after the year's service, to make secure the insurance privileges they might have gained in their jobs, to make secure their seniority, and to make secure all of the relations they had gained as a result of working.

It was hard to draft this particular legislation, and the committee did try several expedients before it adopted the wording of the bill as it is before the Senate. Since in the discussion of the bill two great and worthy Senators questioned the constitutionality of this provision, it is necessary for me to go in rather a formal way into an attempt to show that the provision is constitutional. It would have seemed strange to me if we had the power, under the Constitution of the United States, to take a man and call him to service, but had not the power to guarantee his job after the service was over. I realize that is not law, that is merely sentiment, and since this is a government of law, perhaps it will be necessary to argue this subject sometime from the legal standpoint.

I should like to present now, in a rather formal way, what I think was the legal approach which the committee took when it adopted these very important amendments, and these amendments more than anything else will make the trainee provisions of the act successful from a national-defense standpoint.

The constitutionality of these provisions rests on the following basis:

First, the Constitution authorizes the Congress to make all laws which are necessary and proper for carrying into execution the powers vested by the Constitution in the Federal Government.

Second, the provisions in question are in their application to any case necessary and proper for carrying into execution the power to raise and support armies and to provide and maintain a navy and are, in the application to some cases, necessary and proper for carrying into execution the power to regulate interstate commerce.

Third, there is no provision in the Constitution which prohibits the exercise of these powers in this manner and for this purpose.

It will be noted that the employer is not required to restore the employee to his former position if the employer's circumstances have so changed as to make it impossible or unreasonable to do so.

REMEDY UNDER THE NATIONAL LABOR RELATIONS ACT

The provisions of section 8 (d) of the bill provide that the failure or refusal of any private employer to comply with the reemployment provisions quoted shall be an unfair labor practice within the meaning of and for all the purposes of the National Labor Relations Act. That act, like this provision of the pending bill, defines unfair labor practices in such a manner as to include practices engaged in by any employer, whether or not he is engaged in interstate commerce. But the procedures provided by that act for the prevention of unfair labor practices can, by the terms of that act, be availed of to prevent any person from engaging in unfair labor practices which affect commerce. Therefore, the remedy provided in that act for the prevention of the unfair labor practice established under the pending bill will be available only in those cases where such practice is engaged in in interstate or foreign commerce, or where the practice burdens or obstructs such commerce, or has led to or tends to lead to a labor dispute burdening or obstructing such commerce. Where such a showing can be made, it is obvious, in view of the many recent decisions upholding the validity of the National Labor Relations Act and the power under that act to order the reinstatement of employees, that the application of the provisions of the bill now under discussion can be upheld as an exercise of the commerce power. The rest of this discussion is, therefore, devoted to the broader grounds on which the application of the reemployment provisions in the bill can be upheld in any case.

REMEDY IN THE COURTS

The provisions of section 8 (e) of the pending bill provide that in any case in which no remedy is available under the National Labor Relations Act to require compliance by any private employer with the reemployment provisions quoted, the district court of the United States for any district in which such employer maintains a place of business shall have power, upon the filing of appropriate pleadings, to specifically require such employer to comply with such provisions.

This provision has no connection with the commerce clause. The question presented is whether the Congress has power, apart from the commerce clause, to require employers to restore employees to their former positions under the circumstances indicated above.

POWER TO RAISE ARMIES

The Constitution, article I, section 8, provides that the Congress shall have power to raise and support Armies and to provide and maintain a Navy. The Constitution does not specifically provide that the Congress shall have power to require employers to reinstate employees who have served in the Army, but, like many other powers which have long been exercised by the Congress, it is a power which may be exercised in order to make possible the most beneficial exercise of a power expressly granted.

DOCTRINE OF IMPLIED POWERS

The Constitution, article I, section 8, provides that the Congress shall have power to "make all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this Constitution in the Government of the United States, or in any Department or officer thereof." The broad extent of the powers which may be exercised by virtue of this provision, often called implied powers, has been long recognized. The application of this provision to new circumstances, or its application in support of acts somewhat different from any of the precedents, is essential to the orderly functioning of our Government under the new conditions which it must face from time to time. A brief reference to some of the familiar statements concerning this provision will be sufficient to indicate that it may properly be invoked to support the provisions of the bill now under consideration.

In the exercise of the general power given by this provision Congress may use any means appearing to it most eligible and appropriate which are adapted to the end to be accomplished, and are consistent with the letter and spirit of the Constitution—*Logan* v. *United States* (Tex. 1892), 144 U. S. 282.

The word "necessary" does not limit the right to pass laws for the execution of the granted powers to such as are indispensable, and without which the power would be nugatory.

> In ascertaining the sense in which the word "necessary" is used in this clause of the Constitution, we may derive some aid from that with which it is associated. * * * Let the end be legitimate, let it be within the scope of the Constitution, and all means which are appropriate, which are plainly adapted to that end, which are not prohibited but consist with the letter and spirit of the Constitution, are constitutional.

That, of course, is from the famous old controlling case of McCulloch against Maryland.

Mr. President, since the last citation is from the McCulloch case, and since the spirit of the Constitution is mentioned in it, and since the Senator from Montana [Mr. WHEELER] has taken part in the discussion earlier in the day, I cannot refrain from a response to these two stimuli which came to my mind as I read them, because my mind went back to a great discussion carried on by the late lamented Senator from Kentucky, Mr. Logan, and the Senator from Montana with respect to whether or not there is a spirit to the Constitution of the United States.

Mr. President, John Marshall recognized the existence of the spirit of the Constitution of the United States. Every boy who has ever been taught the glory or the destiny of his Government recognizes and feels its spirit. Every man who knows in a comparative and intellectual way, as the result of a study of what that great document has done to so many millions of people, not only in this country but throughout the world, realizes that it is a spirit above all other things. I may say here that if the Constitution of the United States is figuratively brought over into the sphere of a living being, made up of mind, spirit, and body, he who mars the spirit may quite as well destroy the whole body as he who argues only for the letter, the jot, the tittle in an ordinary legalistic discussion.

I may also say that it is the spirit of the draft measure to see that American boys shall not be imposed upon in any way; to see that so far as it is possible their ordinary individual course in working out their own ordinary individual lives shall not be interfered with. It is the spirit of the draft measure that I hope will be administered and will be obeyed.

Let me say at this point that on page 29 of the committee amendment there is provided instruction to the director of the Selective Draft Act, and on page 27 in section 3 there is provision for the appointment of the Director under the authority of the President, the Director to be confirmed by the Senate.

I may further say that I hope when the President of the United States selects the man who is to administer this law he will look outside the range of the ordinary militarily trained individuals. It is in the spirit of the Government of the United States that we want to go into the administration of the law, and I hope that the President will choose a man who understands the worth of American institutions, not only to the country as a whole, not only to the armed forces, but to every individual citizen, and above all he should remember and keep in mind, especially at times when he is entering into contests with other lands, when armies are being raised, when they are marshaled, that there is no other land in the whole world quite like the United States. I say that because there is no other government in existence which does not administer its affairs in the spirit of doing the best thing for the government. But the primary theory of the American Government is that the governmental affairs shall be administered in the spirit of doing the best thing for the individual person within that Government.

That is what I mean by spirit so far as the proposed law is concerned.

By the settled construction and the only reasonable interpretation of this clause, the words "necessary and proper" are not limited to such measures as are absolutely and indispensably necessary, without which the powers granted must fail of execution, but they include all appropriate means which are conducive or adapted to the end to be accomplished, and which in the judgment of Congress will most advantageously effect it—*Legal Tender Case* (N. Y. 1884) (110 U. S. 440).

SOLDIERS AND SAILORS' CIVIL RELIEF ACT OF 1918

The Soldiers and Sailors' Civil Relief Act of March 8, 1918 (40 Stat. 440), is analogous to the reemployment provisions of the present bill. That act provided, among other things, for the stay of actions brought in the State or Federal courts against persons in the military or naval forces, for a stay of evictions in certain cases where the families of such persons failed to pay rent, and for the postponement of the payment of taxes payable by such persons. It is important to note that that act imposed substantial burdens upon—and, incidentally, this is in answer to the Senator from Washington, who asked me about property—and substantially interfered with private rights of individuals in order to afford protection to persons in the military and naval forces.

At the time of its enactment the question of its constitutionality was considered, and the reasons which led the Congress to believe that act to be constitutional are equally applicable to sustain the validity of the reemployment provisions of the present bill. The basis on which the Congress acted at that time is indicated by the following excerpt from the committee report in the House of Representatives—55 CONGRESSIONAL RECORD, 7791:

Without burdening this report with citations, a single quotation from a well-considered decision of the Supreme Court in *Stewart* v. *Kahn* (11 Wall. 493, 1870) is of value not only as of general application, but as bearing directly upon the provisions of this bill.

In that case there was presented to the Supreme Court the question of the constitutionality of the Civil War Limitation Act of 1864, which provided that whenever, after an action should have accrued, the defendant could not, by reason of the interruption of the ordinary course of judicial proceedings, be arrested or served with process, "the time during which such persons shall be beyond the reach of legal process shall not be deemed or taken as any part of the time limited by law for the commencement of such action." The language of the Supreme Court in rejecting this contention is a direct application to the problem before us.

"Congress is authorized to make all laws necessary and proper to carry into effect the granted powers. The measures to be taken in carrying on war and to suppress insurrection are not defined. The decision of all such questions rests wholly in the discretion of those to whom the substantial powers involved are confided by the Constitution.

"In the latter case the power is not limited to victories in the field and the dispersion of the insurgent forces. It carries with in inherently the power to guard against the immediate renewal of the conflict and to remedy the evils which have arisen from its rise and progress. This act falls within the latter category. The power to pass it is necessarily implied from the powers to make war and suppress insurrections. It is a beneficent exercise of this authority. It only applies coercively the principle of law of nations, which ought to work the same results in the courts of all the rebellious States without the intervention of this enactment. It promotes justice and honesty, and has nothing penal or in the nature of confiscation in its character."

This law, it is to be noted, was held to apply not only to the Federal but to the State courts. As thus construed the decision was affirmed in 1884, in *Mayfield* v. *Richards* (115 U. S. 137, p. 142), where the Court said:

"The question thus raised was expressly decided by this Court in the case of *Stewart* v. *Kahn* (11 Wall. 493), where it was held that the act applied to cases in the courts of the State as well as those of the United States, and that thus construed the act was constitutional. We are satisfied with the judgment of the Court in that case and are unwilling to question or reexamine it."

The question before us, therefore, is, Is the proposed act appropriate or plainly adapted to the great end of the conduct of war and the support of an army? Does it or does it not present a direct effort to remedy the evils which have arisen and will continue to arise from its progress? If so, and no prohibition of the act can be found, it must be sustained. The question, therefore, very largely lies in a consideration of the purpose and scope of the law itself.

NECESSITY FOR REEMPLOYMENT PROVISIONS

To paraphrase the last paragraph of the excerpt quoted above: The present question is, therefore, whether the reemployment provisions of the bill S. 4164 are appropriate or plainly adapted to the support of an army. Do they or do they not present a direct effort to remedy the evils which have arisen and which will continue to arise whenever it is necessary to require large numbers of persons to serve in the armed forces. If so, and no prohibition of the provisions can be found, they must be sustained. The question, therefore, very largely lies in a consideration of the purposes and scope of the provisions themselves.

It would seem to be obvious that if the Congress has power to raise an army that power can be effectively exercised only if the Congress can take such measures as are necessary to make it an efficient army and to prevent undue hardships upon the persons who constitute the army. If there is any one factor in military science which is of all-embracing importance, it is the morale of the men who make up the fighting forces; and no one can deny that if we guarantee their jobs when their military service is completed we have taken a long step in providing the Army and Navy with patriotic men who are willing and anxious to serve their country. If it is constitutional to require a man to serve in the Army and Navy—and no one denies that power—it is not unreasonable to require the employers of such men to rehire them upon completion of their service, since the lives and property of the employers, as well as the lives and property of everyone else in the United States are defended by such service.

I am sorry that the Senator from Washington [Mr. BONE] is not present to hear this argument, because he will realize

that in the drafting of this measure we did have some thought as to property, we did have some thought as to responsibility, and we did not merely have in mind the narrow notion of taking a boy's life and using it for the Government's purposes.

CONSTITUTIONAL PROHIBITION

It does not seem likely that it will be seriously contended that the reemployment provisions of this bill contravene any of the prohibitions in the Constitution, unless it be the fifth amendment. It is well recognized and readily admitted that all the war powers conferred by the Constitution are subject to the fifth amendment. However, it is well established under the National Labor Relations Act that it is not a violation of the fifth amendment to require an employer to reinstate employees in appropriate cases. This bill by its terms does not require reinstatement in any case where it is unreasonable or impossible. If the Congress in the exercise of one of its great powers can require reinstatement of employees where it is necessary for the effective exercise of that power, it can likewise in the exercise of another of its great powers require the reinstatement of employees when it is necessary for the effective exercise of such other power. If the Congress can require an employer to reinstate employees so that interstate commerce will not be burdened, it can require an employer to reinstate employees whenever such requirement is reasonably necessary in the interest of the common defense.

Mr. REYNOLDS. Mr. President——

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

Mr. REYNOLDS. I am very happy to yield to the leader of the minority.

Mr. THOMAS of Utah. Mr. President, since I have been interrupted so many times, and since I have come to the end of what has been a rather formal presentation, I should like to conclude what I have to say——

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

The PRESIDING OFFICER (Mr. SMATHERS in the chair). The Senator from Utah [Mr. THOMAS] has the floor.

Mr. REYNOLDS. I understood the Senator from Utah to take his seat, unless there is something wrong with my eyes. I beg the Senator's pardon. I thought he had concluded.

Mr. THOMAS of Utah. The Senator from Utah had not taken his seat.

Mr. REYNOLDS. I assumed that the leader of the minority thought the Senator had concluded. That is why the leader of the minority requested that I yield; but I am always happy to accommodate my colleague, and I am glad to yield to the Senator from Utah.

The PRESIDING OFFICER. The Senator from Utah has the floor.

Mr. THOMAS of Utah. Mr. President, I am wondering whether or not the Senator from North Carolina would be glad to listen further.

Mr. REYNOLDS. The Senator from North Carolina would be delighted, because the Senator from Utah always talks most interestingly and delightfully. His words are better than music to my ears.

Mr. THOMAS of Utah. No ending I could make would be any finer than that, Mr. President. I desist.

Mr. REYNOLDS obtained the floor.

Mr. McNARY. Mr. President——

Mr. REYNOLDS. I am glad to yield to the leader of the minority.

Mr. McNARY. I thought the program was being followed, and that the Senator from Connecticut [Mr. MALONEY] was to speak next. I was about to suggest the absence of a quorum. Is it the desire and purpose of the able Senator from North Carolina to address the Senate?

Mr. REYNOLDS. Merely for the purpose of making comment upon a memorandum handed me a moment ago in the dining room, after which, of course, I would not think of interfering with the Senator from Connecticut.

Mr. McNARY. Very well.

UN-AMERICAN ACTIVITIES

Mr. REYNOLDS. Mr. President, when I was in the dining room a moment ago a man handed me a memorandum. It is appropriate at this time, in view of the fact that we are talking about national defense. According to my belief, national defense means to defend ourselves from within as well as from without. I think our first duty is to get rid of the enemies in our midst. When we get rid of them we shall have lifted a great burden from our shoulders and considerable concern from the minds of the American people.

The memorandum reads:

DEAR SENATOR REYNOLDS: This man Bridges—

He is speaking of Harry Bridges—

ignored and rebuked our Senate, and especially our great and noble United States Senator Royal Copeland, chairman of the Committee on Commerce, and now he is rebuking the F. B. I.

If we had a few more aliens like him in the United States and with his certain energies no doubt in a very few years our United States and interior would be as helpless as France, when the Germans of late marched right in and took it without maximum resistance.

The House passed the deportation bill—

Referring to the bill for the deportation of Harry Bridges—

by a great majority. Why does not the Senate pass it? It would be such a great rejoicing to dear Senator Copeland, if he could only know the Senate passed it, and that deportation bill became a law, because Bridges tried to tear down the merchant marine as fast as Senator Copeland tried to build it up.

Mr. President, I am sure that if the late Senator Copeland were here today he likewise would be interested in the deportation of Harry Bridges, America's enemy No. 1.

Attached to the memorandum is a newspaper clipping reading as follows:

BRIDGES ATTACKS G-MEN

DENVER, August 9.—Harry Bridges, west-coast labor leader, charged last night that the Federal Bureau of Investigation was "too busy chasing unionists to ferret out spies and Nazi agents." He said he referred to Pacific coast airplane factories where organized labor had called attention to subversive activities 2 years ago.

Mr. President, while I am on my feet, and without presuming upon the time of my friend from Connecticut, I wish to bring to the attention of this body an article concerning the subject of alien enemies, saboteurs, spies, and so forth. I wish to read it. I think it is worth the while of this body and of readers of the CONGRESSIONAL RECORD. I clipped the article from this morning's issue of the Washington Times-Herald. It reads as follows:

DIES TO PRESS MOVIE PROBE—WILL ASK CONGRESS FOR $50,000 MORE

LOS ANGELES, August 17.—Representative MARTIN DIES, chairman of the congressional committee on un-American activities, said last night his committee had uncovered sufficient evidence of subversive influences in the motion-picture and aircraft industries in southern California to warrant a "real investigation."

DIES said he would ask Congress immediately to appropriate an additional $50,000 to complete the committee's study of un-American activities on the Pacific coast.

I digress, Mr. President, to say that I hope that if the Dies committee requests an additional $50,000, the request will be granted without hesitation, because Mr. DIES and the members of his committee have done a marvelous work for the American people.

Continuing with the article:

"No more serious situation with relation to subversive influences is to be found in the country than on the west coast and particularly in southern California," DIES said. "The motion-picture industry offers unusual opportunity for subversive propaganda, the aircraft industry is a center of sabotage activities, and there have been reports of Japanese espionage work."

DIES boarded a train for San Francisco last night after 2 days of secret testimony by screen actors, Fredric March and Humphrey Bogart, writer, Frank Scully, nine members of the aircraft industry, and several others who appeared before the committee.

I think it worth while that the committee continue its investigation of activities participated in by enemies of the American Government. I dare say we do not hear as much about such activities as we should. I have heard that sabotage was taking place in the aircraft industry in southern California. No doubt many Members of the Senate have heard the same thing. The other day I heard that at Langley Field within 28 days there were 26 accidents, and that every one of the 26 accidents was caused by a defective landing gear. There must have been sabotage if the story

is true, because 26 accidents in 28 days would not have been occasioned by 26 defective landing gears.

Furthermore, I have heard it rumored that in the construction of ships on one occasion a certain very important bolt which aided in holding the gun to the deck of the ship was left out and that the place for the bolt was filled with an acid, so that within a short time the acid would destroy the foundation to the extent that when the gun was fired it would react backward instead of retaining its emplacement.

Those are merely two instances of which I have heard. I believe we may assume, from all we read in the newspapers—which is very little—and from what we hear, that investigations pertaining to such matters should be carried on very thoroughly, because our imminent danger is from the enemies within.

I apologize to my friend for having intruded upon his time.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its reading clerks, announced that the House had passed the following bills of the Senate, severally with an amendment, in which it requested the concurrence of the Senate:

S. 419. An act for the relief of Luke A. Westenberger;

S. 2758. An act for the relief of Wade Crawford, formerly superintendent of the Klamath Indian Agency;

S. 3400. An act for the relief of Capt. Robert W. Evans; and

S. 3710. An act for the relief of James H. Hearon.

The message also announced that the House had passed the following bills of the Senate, each with amendments, in which it requested the concurrence of the Senate:

S. 2627. An act to empower and authorize special agents and such other employees of the Division of Investigations, Department of the Interior, as are designated by the Secretary of the Interior for that purpose, to administer oaths in the performance of their official duties; and

S. 3354. An act for the relief of Nannie E. Teal.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H. R. 9751) for the creation of the United States De Soto Exposition Commission, to provide for the commemoration of the four hundredth anniversary of the discovery of the Mississippi River by Hernando De Soto, the commemoration of De Soto's visit to the Chickasaw Territory in northern Mississippi and other points covered by his expedition, and the two hundred and fifth anniversary of the Battle of Ackia, and for other purposes.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 428. An act for the relief of Edward Workman;

H. R. 532. An act for the relief of W. J. Hance;

H. R. 1174. An act for the relief of Euel Caldwell;

H. R. 1912. An act for the relief of the estate of Alfred Batrack;

H. R. 4441. An act for the relief of Alex Silberstein, Magdalene Silberstein, Alice Silberstein, Eleanor Goldfarb, Lillian Goldfarb, Jackie Goldfarb, and Florence Karp, minors;

H. R. 4571. An act for the relief of LaVera Hampton;

H. R. 5053. An act for the relief of Verdie Barker and Fred Walter;

H. R. 5264. An act for the relief of Maj. Clarence H. Greene, United States Army, retired;

H. R. 5814. An act for the relief of David J. Williams, Jr., a minor;

H. R. 5937. An act to confer jurisdiction on the Court of Claims to hear and determine the claim of Lamborn & Co.;

H. R. 6060. An act for the relief of John P. Hart;

H. R. 6091. An act for the relief of Samuel Roberts;

H. R. 6230. An act for the relief of James Murphy, Sr.;

H. R. 6457. An act for the relief of the Wallie Motor Co.;

H. R. 6512. An act for the relief of F. W. Heaton;

H. R. 7131. An act for the relief of C. M. Kiser;

H. R. 7139. An act for the relief of Joe L. McQueen;

H. R. 7346. An act to vest absolute in the city of Dearborn the title to lot 19 of the Detroit Arsenal grounds subdivision, Wayne County, Mich.;

H. R. 7815. An act for the relief of Boston & Maine Railroad;

H. R. 8333. An act for the relief of Ralph W. Daggett, formerly lieutenant, Quartermaster Corps, United States Army;

H. R. 8474. An act to further amend the Alaska game law;

H. R. 8613. An act to amend the act to provide for the retirement of disabled nurses of the Army and the Navy;

H. R. 8818. An act validating certain conveyances heretofore made by Central Pacific Railway Co., a corporation, and its lessee, Southern Pacific Co., a corporation, involving certain portions of right-of-way, in the city of Tracy, in the county of San Joaquin, State of California, and in the town of Elk Grove, in the county of Sacramento, State of California, acquired by Central Pacific Railway Co. under the act of Congress approved July 1, 1862 (12 Stat. L. 489), as amended by the act of Congress approved July 2, 1864 (13 Stat. L. 356);

H. R. 9073. An act to provide for the reimbursement of certain officers and men of the Coast and Geodetic Survey for the value of personal effects lost, damaged, or destroyed in a fire aboard the Coast and Geodetic Survey launch *Mikawe*, at Norfolk, Va., on October 27, 1939;

H. R. 9173. An act for the protection of the water supply of the town of Petersburg, Alaska;

H. R. 9921. An act to authorize the maintenance and operation of fish hatcheries in connection with the Grand Coulee Dam project;

H. R. 9942. An act authorizing the Secretary of the Interior to issue to Henry W. Shurlds and W. H. White a patent to certain lands in the State of Mississippi;

H. R. 9943. An act authorizing the Secretary of the Interior to issue to Ruth Gainey Branscome a patent to certain lands in the State of Mississippi;

H. R. 10004. An act to provide for the transfer of the duplicates of certain books in the Library of Congress to the Beaufort Library of Beaufort, S. C.;

H. R. 10086. An act for the relief of David Jacobson;

H. R. 10124. An act to provide for a grant to the Richmond, Fredericksburg & Potomac Railroad Co. of a right-of-way across certain land owned by the United States;

H. R. 10141. An act for the relief of the First National Steamship Co., the Second National Steamship Co., and the Third National Steamship Co.;

H. R. 10155. An act for the relief of William M. Irvine;

H. R. 10176. An act authorizing the Secretary of the Interior to issue patents for lands held under color of title;

H. R. 10181. An act to amend the Tariff Act of 1930, as amended by section 34 (c) of the Customs Administrative Act of 1938 (U. S. C., 1934 ed., Supp. IV, title 19, sec. 1001, par. 1529 (a));

H. R. 10191. An act for the relief of Anthony Borsellino;

H. R. 10205. An act to amend section 4 (f) of the Communications Act of 1934, as amended, to provide for extra compensation for overtime of inspectors in charge and radio inspectors of the Field Division of the Engineering Department of the Federal Communications Commission;

H. R. 10246. An act to further amend the act of July 30, 1937, authorizing the conveyance of a portion of the Stony Point Light Station Reservation to the Palisades Interstate Park Commission;

H. R. 10247. An act to authorize the use of a tract of land in California known as the Millerton Rancheria in connection with the Central Valley project, and for other purposes;

H. R. 10267. An act to authorize the Administrator of Veterans' Affairs to grant an easement in a small strip of land at Veterans' Administration facility, Los Angeles, Calif., to the county of Los Angeles, Calif., for sidewalk purposes; and

H. R. 10337. An act to authorize the Secretary of the Treasury to order retired commissioned and warrant officers of the Coast Guard to active duty during time of national emergency, and for other purposes.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated below:

H. R. 428. An act for the relief of Edward Workman;

H. R. 532. An act for the relief of W. J. Hance;

H. R. 1174. An act for the relief of Euel Caldwell;

H. R. 1912. An act for the relief of the estate of Alfred Batrack;

H. R. 4441. An act for the relief of Alex Silberstein, Magdalene Silberstein, Alice Silberstein, Eleanor Goldfarb, Lillian Goldfarb, Jackie Goldfarb, and Florence Karp, minors;

H. R. 4571. An act for the relief of LaVera Hampton;

H. R. 5053. An act for the relief of Verdie Barker and Fred Walter;

H. R. 5264. An act for the relief of Maj. Clarence H. Greene, United States Army, retired;

H. R. 5814. An act for the relief of David J. Williams, Jr., a minor;

H. R. 5937. An act to confer jurisdiction on the Court of Claims to hear and determine the claim of Lamborn & Co.;

H. R. 6060. An act for the relief of John P. Hart;

H. R. 6091. An act for the relief of Samuel Roberts;

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H. R. 6457. An act for the relief of the Wallie Motor Co.;

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H. R. 7131. An act for the relief of C. M. Kiser;

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H. R. 10155. An act for the relief of William M. Irvine; to the Committee on Claims.

H. R. 7346. An act to vest absolute in the city of Dearborn the title to lot 19 of the Detroit Arsenal grounds subdivision, Wayne County, Mich.;

H. R. 8818. An act validating certain conveyances heretofore made by Central Pacific Railway Co., a corporation, and its lessee, Southern Pacific Co., a corporation, involving certain portions of right-of-way, in the city of Tracy, in the county of San Joaquin, State of California, and in the town of Elk Grove, in the county of Sacramento, State of California, acquired by Central Pacific Railway Co. under the act of Congress approved July 1, 1862 (12 Stat. L. 489), as amended by the act of Congress approved July 2, 1864 (13 Stat. L. 356);

H. R. 9173. An act for the protection of the water supply of the town of Petersburg, Alaska;

H. R. 9942. An act authorizing the Secretary of the Interior to issue to Henry W. Shurlds and W. H. White a patent to certain lands in the State of Mississippi;

H. R. 9943. An act authorizing the Secretary of the Interior to issue to Ruth Gainey Branscome a patent to certain lands in the State of Mississippi;

H. R. 10124. An act to provide for a grant to the Richmond, Fredericksburg and Potomac Railroad Co. of a right-of-way across certain land owned by the United States;

H. R. 10176. An act authorizing the Secretary of the Interior to issue patents for lands held under color of title; and

H. R. 10247. An act to authorize the use of a tract of land in California known as the Millerton Rancheria in connection with the Central Valley project, and for other purposes; to the Committee on Public Lands and Surveys.

H. R. 8333. An act for the relief of Ralph W. Daggett, formerly lieutenant, Quartermaster Corps, United States Army; and

H. R. 8613. An act to amend the act to provide for the retirement of disabled nurses of the Army and the Navy; to the Committee on Military Affairs.

H. R. 8474. An act to further amend the Alaska game law; to the Committee on Territories and Insular Affairs.

H. R. 9921. An act to authorize the maintenance and operation of fish hatcheries in connection with the Grand Coulee Dam project;

H. R. 10246. An act to further amend the act of July 30, 1937, authorizing the conveyance of a portion of the Stony Point Light Station Reservation to the Palisades Interstate Park Commission; and

H. R. 10337. An act to authorize the Secretary of the Treasury to order retired commissioned and warrant officers of the Coast Guard to active duty during time of national emergency, and for other purposes; to the Committee on Commerce.

H. R. 10086. An act for the relief of David Jacobson; to the Committee on Immigration.

H. R. 10191. An act for the relief of Anthony Borsellino; to the Committee on the District of Columbia.

H. R. 10205. An act to amend section 4 (f) of the Communications Act of 1934, as amended, to provide for extra compensation for overtime of inspectors in charge and radio inspectors of the Field Division of the Engineering Department of the Federal Communications Commission; to the Committee on Interstate Commerce.

H. R. 10181. An act to amend the Tariff Act of 1930, as amended by section 34 (c) of the Customs Administrative Act of 1938 (U. S. C., 1934 ed., supp. IV, title 19, sec. 1001, par. 1529 (a)); and

H. R. 10267. An act to authorize the Administrator of Veterans' Affairs to grant an easement in a small strip of land at Veterans' Administration Facility, Los Angeles, Calif., to the county of Los Angeles, Calif., for sidewalk purposes; to the Committee on Finance.

SELECTIVE COMPULSORY MILITARY SERVICE

The Senate resumed the consideration of the bill (S. 4164) to protect the integrity and institutions of the United States through a system of selective compulsory military training and service.

Mr. MALONEY obtained the floor.

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

Mr. MALONEY. I yield.

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

The PRESIDING OFFICER. The clerk will call the roll.

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

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

The PRESIDING OFFICER. Eighty-six Senators having answered to their names, a quorum is present.

Mr. MALONEY. Mr. President, as I arise to make an explanation of my proposed substitute for the so-called Burke-Wadsworth bill I want first to set aside a few misunderstandings which I find now exist. First, I want to insist that in whatever form the bill may finally pass—and I hope and am confident that it will pass—it is a peace measure. It is intended and designed to keep the United States from the horror of war. That we can avoid war I am confident—but I am confident only because I am certain that we are now well on our way toward a national preparedness that will destroy any possible plan that any foreign power may have to attack our

country. The passage of this bill may be most important among the factors of our preparedness and national defense.

To set aside another misunderstanding I want to point out that this is not what is frequently referred to as an administration bill. I am informed that it was drafted under the direction and leadership of Mr. Grenville Clark, of the Military Training Camps Association, a New York attorney, who had come closely in touch with the activities which resulted in the building up and training of our military forces prior to and during the last war. I have heard—but am not certain about it—that Mr. Clark is a member of the Republican Party. The bill was thereafter—at the suggestion of Mr. Clark and his associates—submitted to the House of Representatives by Representative JAMES W. WADSWORTH, of New York—a prominent and very able member of the Republican Party, and a former Member of the United States Senate. It came to the Senate through our distinguished colleague—the junior Senator from Nebraska [Mr. BURKE]. I have been advised that the Senator from Nebraska was asked to sponsor the bill in this body to avoid any thought or charge that it be regarded as the handiwork of a political party or group—and to make as certain as possible that it be considered free from any partisan atmosphere. Since that time the Senator from Nebraska has announced that he is taking a political vacation and has temporarily left the homestead of his long-time political kinsmen. I say this with no intention of facetiousness—and with complete respect—but with the purpose of removing the thought which prevails in the minds of some people that this is a bill originating and sponsored by President Roosevelt or his administration. In truth it is a bi-partisan and non-partisan effort, properly to prepare our country and its young men against the possible danger of attack or invasion.

I know and respect Mr. Clark, and have served with Representative WADSWORTH and the Senator from Nebraska [Mr. BURKE], and I am entirely convinced that they have been motivated by the highest ideals of purpose and patriotism. Insofar as a means of preparing our country against an aggressor is concerned—and assuming no other consideration was involved—I could applaud their effort and their proposal. But there are other considerations, and other conditions, and views, which must be taken into account as the Congress of the United States studies a bill which is new to our way of life while we are at peace—and which would reach into almost every home, palatial and humble, and might vitally affect every one of them.

Mr. President, I do not now—and have not heretofore—associated myself with the views and statements of those conscientious men who are opposed to a selective-service bill under any circumstances. I respect them—and their right to their opinion—but those who see no potential danger to our national life and way of living—and can visualize no emergency or possible threat—excite my sympathy for what I regard as their poor judgment, and a weakness in their power of perception. If these men have called the turn wrong, and their wishes prevail, God help our country.

Perhaps there is no danger—and possibly no real threat. It may be true that we are invulnerable and that we are not threatened with attack or invasion. It is quite possible that no foreign nation or leader has designs upon our land or our fortunes—or has a thought of robbing us of our commerce or the peace we have earned by right living as a nation. It may be true that they are now or soon will be gorged with their conquests and captures—but the Senator from Connecticut has no such faith in the benevolence of tyrants.

I choose to look upon the international situation from the worst conceivable viewpoint—rather than from the standpoint of the most comforting case that can be made. My judgment and conscience—and my love of my country, and my family, and my fellow Americans—compel me to take the position that we prepare for the worst and pray for the best. I have an undying faith in God's goodness—but have learned out of my childhood training and His admonition, that we are to work out our own salvation—and that to enable us to do so He has endowed all men with an irrevocable free will.

The people of our country are more aroused and bewildered and excited by the war conditions about us—and over our action on this bill, and the defense program, than they have been before in the life of the Republic. None of us may ever have proof that our vote on this measure will have been the right vote—but we are bound by our oath and our sacred trust to forget all else but our solemn duty to seek to find a clear light and sound guidance as we make this momentous decision.

If I felt that war for us was a certainty—or likely—I would now tear up what is referred to as the Maloney amendment, and I would vote for the strongest selective service or conscription bill that the Congress could compose, to be effective this very day. But I do not think war is a certainty, or likely, at this time. War today, Mr. President, is only a possibility. Consequently I will not now tear up my substitute—nor will I tear up the teachings and traditions and practices more than a century and a half old. If it was clear to me that war for this country was imminent I would regard myself a traitor and a coward if I invited our young men to volunteer and gave to others, the less loyal, the privilege of waiting for a later compulsory call to service which might be tragically late.

I want all young men in our country treated exactly alike. Whether or not a sufficient number of young men will offer their services to this country in a peacetime emergency I do not know. There is no earlier experience on which to base an opinion and this would be the first time it was seriously attempted. I do know, however, Mr. President, that millions of our people think that there would be enough volunteers. I do know that the number of volunteers up to now has equalled our desire—and that the number of young men who have presented themselves for service has surpassed our declared needs.

My proposal takes into consideration the possibility of a failure to get the required number of soldiers. The call to arms by selective conscription is to be sounded only if our traditional peacetime voluntary system, in which we have long had pride, should not provide us with a needed Army. Perhaps those holding to this view are in the minority—and I am willing to concede for the sake of argument that they are. Who here is actually willing to ride roughshod over the opinions they hold—which are born of the love of their children and neighbors—and of the system of government we all cherish.

For many exciting and trying months I have been exerting what energy and talents I possess, to a strengthening of our national unity—both in the Senate and outside. I insist that without this national unity the Republic cannot endure. Consequently, if without danger to our country's security we can provide a reasonable period within which the enlistment process can be tried, and at the same time give adequate assurance that when the time comes a sufficient army may be put on the field, through the selective-service process, then we can preserve and maintain a unity among the American people. Neither extremists can then complain. Those favoring volunteers will have had ample opportunity to justify their belief. Those favoring conscription will have assurances that within a reasonable time the necessary armed forces will be forthcoming.

None but Members of Congress can completely appreciate how heated are the passions and excited the emotions of our countrymen, or how fixed and divided are their views on this issue. We hear from them every day—while those not in Congress are limited in their opportunity to feel the pulse and catch the heartbeats of the people over the land—from Broadway to Main Street, and in the humble homes on the hills and in the valleys and on the plains.

For all of these reasons, and for many more, Senators, I have sought to find a meeting place of the minds of our people. Ours is a heterogeneous Nation—and among us are rich and poor and all of those in between. They will not and they cannot think alike—because they live in localities of different viewpoint, and with some differences of social and economic practice.

These people are confused by the expression of opinions in Congress—and by the conflicting testimony of the high ranking officers of our armed forces, and by those without official connection who, with good intention, and possibly in rare instances with evil intention, tell us what should or should not be done. We here do know—on the basis of testimony by officers of the Army and Navy—that up to this day and hour the voluntary enlistments have exceeded the desires and demands of both the Army and the Navy. We know as well that young men in great numbers are constantly being rejected because of some such slight physical handicap as defective teeth—when they might be accepted, and given the chance at the kind of career or life to which they aspire—and at the same time be afforded assistance in correcting a minor defect which their financial circumstances puts temporarily beyond their reach.

In the small city of Meriden, in which I live, the American Legion has undertaken to assist in the national defense program by conducting classes in aviation. Approximately 200 young men enrolled for the training some time ago—but it was not until a few days ago—and after much pleading and effort—that the necessary papers were made available to undertake the work. In this instance the public—in its desire to move toward the perfection of our defense program—was ahead of officialdom. I now understand—as the result of a recent change—this delay is a thing of the past, but I mention this instance as evidence of the fact that so far as the peacetime volunteer system has been tried, it has not failed.

Keep in mind if you will that the volunteer plan is made at least slightly more attractive by provisions of my substitute proposal. I would give young men the opportunity to enlist for 1 year, rather than 3, but would thereafter have them in reserve for a period of years, and thus make their service less binding in period of time if their experience in Army life did not measure up to their expectations. Keep in mind if you will that I have proposed an increase in pay which, although in my judgment not yet sufficient, is at least more inviting than the $21 a month now paid to these young men.

I should like to say here, in parentheses, in answer to those few people who have written to tell me that the pay increase proposal cannot be justified because "patriotism cannot be bought," that I am out of sympathy with their argument, although in accord with their statement that patriotism cannot be bought. Patriotism, though not purchasable, can be dimmed, however, by a disregard for men's needs. I did not propose the increase solely to attract men to the Army, but rather to give them a compensation more nearly in keeping with Federal payments to other young men, and for the purpose of pointing toward a proper payment, more in keeping with their wants, and more nearly proper for what they give to their country. I want to lift up the standards of the Army as best we can in this hour of hurried emergency—and I should like to say that had I been assigned to the task of directing our military forces I feel that I should have approached the undertaking in a manner differing greatly from that which has prevailed—particularly during this period of world turmoil.

Let me say again that I admit the probability of great danger. Let me say—and I say it with a heavy and an aching heart—that I fear the courageous British may fail. I dislike to say it—and I pray my fears are entirely wrong—but I say it because my conscience is compelling on the question of frankly expressing my opinion and feeling to those whom I represent and those with whom I serve.

Admitting this danger I insist that with my substitute we avoid the added risk of prolonging the hysteria among some of our people—and of stimulating their emotions in the wrong direction. I want to bring all of them back—as I always have—to a nation united in purpose. They are not without the patriotism—or the courage—or the will to sacrifice—but the shock of this proposal has been severe—as we might expect—and our duty here, as I see it—cannot be considered well done until we have given a leadership to those who have given us their trust, and who have placed in our hands—and in the hands of President Roosevelt—the guardianship of their lives and their fortunes and their future happiness—and in a time like this the lives of their children.

May I be permitted to say at this time that, in my humble judgment, no leader of our Nation—not excluding Washington or Lincoln or Wilson—has been confronted with a period of service more vexatious or trying than the great humanitarian and statesman who now leads our people—and who has maintained the trust and confidence of his countrymen through panic and world strife, the like of which until our time had not befallen America. As he meets the continuing and aggravating changes in a world of chaos and crisis, I pray that he may have Divine guidance. I also most earnestly pray that those who see no emergency or occasion for decisive action may have a clearer vision of our national peril and our solemn duty.

I say again that the emotions of our people are stirred to a fever pitch—and I say sadly that they are divided. Every Senator has received mail charging Congress with a needless delay and mail pointing to what the authors describe as the horrible example of the politicians of Europe. Despite all of this Senators know that the rate of speed necessary to satisfy some of them could be brought about only by the abdication or abolition of Congress—and God knows that is not what we want.

Because I happen to be the individual who sought to find a place where we might nearly agree, I have received more mail and messages than some other Senators, and have had the better chance to know the passions of the feelings and the positiveness of peoples' views. I doubt that I have escaped a single one of the charges that the rest of you know—and I need not remind you that there is little immediate applause for the man who seeks to find an "in between" solution to a great legislative problem. There might have been an easier path than the one I selected, but in this exalted body every Member is called upon to give the limit of his time and energy and talents to his country—and permit me to add that for as little or for how long a time as I stay here I shall endeavor to do it.

I was once accused by a few people who disapproved of my votes to build up the Army and Navy of being a militarist. Since then, as a member of the appropriations subcommittees handling the Army and Navy appropriations, I have at times found myself impatient with what seemed to me to be the impaired vision of certain officers, as on occasion I found them lagging behind my desire to go more deeply and heavily and quickly into the program of national defense. All of this was before the march into the Low Countries of Europe. After that march some of those who as long as 8 years ago publicly charged that I was not concerned with the matter of world peace, proceeded to scold me for having contributed to "our delay and deficiency" in the matter of national defense. I make these personal references because I want the record to be clear, and that our observant and interested countrymen may have the opportunity to know the problem with which we are confronted—and why I have offered the substitute which I will soon explain.

I insist that my proposal has not until now delayed the Senate 10 minutes, and I insist that it would not delay the desire and need to strengthen our Army. I firmly believe that it would accelerate our national-defense effort because it would tend to solidify and strengthen the spirit of America. It would do this by giving proof of one kind or another to those who are intense in their feeling—some of whom charge that the immediate adoption of peacetime conscription abruptly violates our practices and traditions without fair trial—and at the same time disrupts our economic and social life. I do not insist that my proposal will prove the contention of the latter group, but it will give them the chance first to find out if they are right—and next to adjust themselves to the new practice should they be in error.

I ask my colleagues to please note that I am endeavoring to be completely frank. Before I have concluded I shall try even more frankly to explain how I feel about what is happening—in order that you here may know, and those who

come after us may know, that I am not trying to hedge on my position, but am trying, feebly perhaps, to bring order out of confusion, at a time when we should not only be of stout heart—but also of clear mind.

Perhaps I should stop here to give expression to how I feel about what goes on across the seas. I am partially prompted to do this by messages which I have received, asking if I lacked an understanding of what was happening abroad, or if I sought for political purpose to appease any of those who might be without sympathy for the Allied cause.

Let me say—with as much clarity of language as I possess—that I want to help England—but let me add that we cannot help her by smashing our own morale. I want to give refuge to the terrorized and helpless children of the Old World, by sending mercy ships to bring them to places of safety. I want to give Great Britain every assistance properly possible—and will only insist that we keep within the bounds of international law as interpreted by our State Department—and only to the extent (and I intend this to be taken in a broad sense) that our own defense is not impaired. I do not want to declare war or become involved in war, and I will not vote to send our soldiers to participate in a foreign conflict, but I will not be blind to the fact, or try to hide the fact, that our fortunes are to no little extent bound up in the fortunes of the stout-hearted and sturdy British people who are fighting with their backs to a wall. The admiration I feel for the people of Britain is beyond my gift of expression, and in their terribly sad adventure they carry my hopes and my prayers.

A man and woman in my State sent me a telegram a few days ago stating that it was time to end the ancient Irish-English feud, and go to the help of the British people. God knows no ancient animosities have affected me. The same suggestion was injected—without evil intent—in our discussion of the neutrality resolution of last year. Will you bear with me while I briefly read from a statement which I made at that time? I said:

> During the days just behind us I have listened to Senators tell of the black marks on the record of the British Government. Theirs was not a new story to me. All my life I have heard of Britain's persecution of God-fearing and God-loving people. Almost by heart I know the whole story of those subjected to the violent dictation of England's might. My abhorrence of the dark shadows which British leaders have cast upon decent governmental practice has been as violent as England's rule; but I am not so blind as not to know that the English people were not to blame.

That is the end of the quotation. Let me add a further word now. This may be of no importance to anyone but me, but I want to say it for my own sake. I not only admire, but have a great affection for the English people, and I never knew one of them whom I did not like. I pray for their successes—and their liberation from the living hell which they are these days compelled to endure—and I pray that through the British Empire may come a returned freedom for the once free men of Czechoslovakia, and the men and women who lived under the flag of democracy in proud Poland. I share these prayers for the people of peace-practicing Norway—and those who were crushed in Denmark and Holland and Belgium and in Austria—who also loved peace more than all else save God and liberty and honor.

No less a fraction of hope do I have for the martyred people of the recently powerful nation and good people of France—and lest I yet be misunderstood, let me add that I do not now or ever want the support of those who are in disagreement with my feeling for those whose homes have been burned—whose children and loved ones have been destroyed—and whose liberties have been taken away. I have naught but scorn for those who see in my proposal, or my actions here, a bid for political profit. No greater public honor can come to a man than a place in this body, but the distinction is not worth the destruction of an innocent child in Europe, or a single man who wears the uniform of an American soldier. After having said that—let me emphasize that I want to help those who are searching for the high road to peace—and—let me repeat that we must keep peace among ourselves if we are to help bring peace to others.

I want to see the godless philosophy now rampant in the Old World completely destroyed. I do not want to see the peoples of any nation crushed, but I want to see the torn and oppressed nations liberated, and restored to their rightful standing and opportunity, and I hope to live to see the shackles removed from the good peoples of the totalitarian states—who first suffered from a moral and an intellectual kidnaping, and were then molded into a hateful war machine. As surely as the sun rises that machine—now bringing death and destruction to other people, will one day destroy the philosophy which drives it, and will leave long lasting scars on the drivers. The long painful climb of civilized man—and the glorious record of religious civilization, compel our faith in the eventual death of tyranny.

Mr. President, I have perhaps delayed too long in coming to an explanation of my proposal, but I have done so to attempt to make clear what has prompted it—and how I feel. I have not, and do not, and will not, condemn the Burke-Wadsworth bill. I only point out—again with a desire to emphasize—that it is not an administration bill—or even an Army bill. I tell you, what so many if not all of you know, that a great many millions of our people do not yet want this bill in its present form. Some of them may never want it, but in a darker hour I think most of them would demand it.

It has been said that my proposal is really an anesthetic for the conscription operation. I should prefer it be referred to as a possible cushion against a shock to our national life—or to the body politic. There is still an even better explanation which I doubt that I would have used if it were not so conveniently put at my disposal. I found it in an article written by Ernest Lindley—a prominent reporter and author, who is held in high esteem. In his newspaper column of August 16, a copy of which I have, he wrote in part:

> One reason why conscription for military service is encountering an uphill struggle is the feeling that business is not being called upon for corresponding sacrifices.

I shall not now read all of the article, but further on it says:

> The Anti-Trust Division of the Department of Justice has pending several suits involving industries of importance to the national defense. But it is feeling the pressure to "lay off," lest it make the industries involved non-cooperative with the defense program.
>
> It already has run into difficulty in its suit against a number of the large oil companies. This was to have been filed almost 3 weeks ago. It was not regarded with open hostility by the oil companies, because it was a civil suit. It covered various questions which had been raised already in criminal suits and which would be raised eventually in additional suits, if this over-all civil suit were not carried through.

I beg the attention of Senators while I read the next quotation from Mr. Lindley:

> The filing of the suit, however, was deferred on representations from the Defense Commission that it might impair the psychological attitude of the oil company officials toward the national defense program.

I shall not read further, Mr. President, but that seems to me to make a case for my proposal. I am concerned with the psychological effect on the many more millions of people—who are even more vitally affected—perhaps one day even to the point of offering their lives—by our defense program. How they feel—and what their attitude is, is of importance to me, and to our defense program—and to national unity, and to our country.

Mr. President, I am not now defending, approving or condemning, the Anti-Trust Division of the Department of Justice—nor do I care at this moment to associate myself with what else Mr. Lindley has written—but I think I might find logic in what seems to be referred to as the view of the Defense Commission. As a matter of fact I think the Defense Commission and its leadership is earning our approval and gratitude—but if they have taken this attitude and position they could not with consistency reject my suggestion—and I doubt that they would. I am concerned with industry's attitude—and want to protect industry's position, but I am at the moment—and I am sure I always will be—as much or more concerned with the attitude and feelings of those who have no others to intercede for them, or present their case, than I am with the attitude of those whom they elected.

I ask unanimous consent that Mr. Lindley's article—so that it may be fully understood—be printed in the RECORD at this point.

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

The article is as follows:

NECESSARY SACRIFICES—IS BUSINESS TO BE PAMPERED?

(By Ernest K. Lindley)

One reason why conscription for military service is encountering an uphill struggle is the feeling that business is not being called upon for corresponding sacrifices. There are multiplying signs that the national policy with regard to business enterprise in its relation to national defense is to become one of extreme solicitude, bordering on pampering.

On one side it is proposed to compel men to bear arms. At least, they will have to take a year of military training. At most, they will be called upon to sacrifice their lives.

On the other side, it is not proposed to apply in any way the principle of compulsion to the industrial mechanism which must provide the weapons for these men, or to any other sector of the American economic system. Instead, to some who are dubious about the conscription of manpower, the official approach to business enterprise seems to be a compound of cajolery and bounties.

The two chief exhibits of the present approach to business are (1) taxation and (2) the efforts to throttle certain suits under the antitrust laws.

The tax question falls into two parts: Depreciation and the taxation of profits. It is generally conceded that if private capital is to be induced to invest in new buildings and new tools for the manufacture of munitions, it must be given reasonable assurance of recovering the investment within the period that the orders for munitions probably will occur. Accordingly, the Defense Commission obtained an agreement among all Government agencies that companies making these special investments, useful only for military purposes, should be allowed to write them off in 5 years. This means that they can deduct 20 percent for depreciation each year for 5 years as an item of cost in calculating the profit on which they may be taxed. The understanding is that if orders for military-defense purposes do not continue over a 5-year period, these companies can come back and obtain a further readjustment of taxes in their favor.

Until this arrangement is set up by law through Congress, the defense program on the manufacturing side is held up.

This liberal allowance for depreciation supposes, however, that the industries receiving it will make very small profits. Since industries, understandably, do not want to shoulder the risk of loss through failure of Government orders to continue long enough to justify the new investment, they are not entitled to a counterbalancing reward for taking the risk.

When it comes to taxing profits, however, the policy seems to be "go easy." In the view of several influential Members of Congress, the Government tax policy with regard to national defense is, for business, a "heads I win, tails you lose" proposition.

The Anti-Trust Division of the Department of Justice has pending several suits involving industries of importance to the national defense. But it is feeling the pressure to "lay off" lest it make the industries involved noncooperate with the defense program.

It already has run into difficulty in its suit against a number of the large oil companies. This was to have been filed almost 3 weeks ago. It was not regarded with open hostility by the oil companies, because it was a civil suit. It covered various questions which had been raised already in criminal suits and which would be raised eventually in additional suits, if this over-all civil suit were not carried through.

The filing of the suit, however, was deferred on representations from the Defense Commission that it might impair the psychological attitude of the oil company officials toward the national-defense program. Thurman Arnold, Assistant Attorney General in charge of antitrust work, has taken the reasonable position that he will not prosecute any practice, otherwise in contravention of the antitrust laws, which is essential to the national defense. But he balks at being asked to discontinue a suit, otherwise justified, on the ground that it might instill in the leaders of a particular industry a noncooperative psychology.

When the Defense Commission has completed its study of the specific hearing of the case on national defense, it may agree with Mr. Arnold. It may have to pass similarly on four or five other impending suits.

It seems clear enough that if a specific business practice, otherwise illegal, is valuable for national-defense purposes, it should be openly sanctioned during the period of the emergency.

But the contrast between the wary solicitude for the "psychological" attitude of business and the approach to the problem of obtaining men to bear arms is griping some of the administration's sturdiest supporters in Congress. It may lead shortly to a real political explosion.

Mr. MALONEY. Mr. President, there are many underlying reasons for the thousands of pleading and sorrowful and pitiful, and sometimes violent messages, that Members of Congress have received in connection with the pending bill. The leadership of the great labor organizations of the country—the American Federation of Labor, and the Congress of Industrial Organizations—have publicly opposed it, and have notified their members of the opposition. Many church groups are opposed to it. I noted in the press the other day that the W. C. T. U. had announced its opposition to a draft measure. Millions of individuals over the country—for many varying reasons—are hopeful that an immediate selective draft bill will not be passed by Congress.

The grandfathers and the fathers of many young Americans long ago left their native lands to run away from compulsory military service. They not only abandoned the places of their birth, and for the last time looked upon their humble homesteads—but in countless instances looked for the last time upon their own mothers—as they hastened by steerage passage to a land of freedom. They had developed a hatred of conscription and compulsory service, and I presume over the years they have time and time again told their children of that hate—not only of war and war machines—but of compulsory army service. I do not know that they were always right, nor am I at all satisfied that good has come out of the recollections that they have passed on to their children—but I do know, Mr. President, that the seed sown over these years has blossomed, and it cannot be immediately and quickly taken from the minds of these young men. I hasten to add that the situation confronting them now is not at all like the situation confronting their parents and grandparents, but actually is the horrid and hateful and bitter result of these earlier conscriptions in lands across the sea. We have come to the time of our lives when we may be compelled to fight fire with fire, and certainly to a period in our lives when we must meet the situation from which men of another day fled—but from which, Mr. President, we cannot now flee. I mention this only because I want to show a need that we be realistic.

Right or wrong, the views, wishes, and opinions of these groups and these individuals certainly must be considered; and while I cannot go all of the way with them—or even very far—I want to meet them some place on the road—and try as best I can to provide a substitute that is in every way sufficient for our need and tries to meet the country's composite view.

Earlier in my statement I admitted the potential danger, and even the possibility of attack, but I am sure that the time has not yet arrived to distribute gas masks, to plow up golf courses, and to build bomb shelters. I am confident that there is at least yet a little while for an orderly and calm procedure. I believe that we will enlist men under my plan just as fast as the Army can digest them, although I want to insert here my belief that it is not necessary to wait until there is equipment and a rifle for every soldier before he be permitted to undergo training. I realize that much can be done to train men without all the equipment that they will finally need, but that is not by itself a sufficient reason for calling away from their professions, and their business—and their families—young men who are in peacetime at least not quite ready to make the change.

Were we in the midst of a war—or were war at our door—we would have to go further than the Burke-Wadsworth bill would go. But as all Senators know, any kind of a draft—so long as we are at peace—should be approached cautiously, even if not reluctantly. There are some men who would even draft industry and capital—but I want to say here for the record, that I would be opposed to such a program. The next step after the conscription of capital and industry would be a conscription of labor, and I would just as bitterly oppose that. A conscription of either would lead to the conscription of the other and at that point we would have thrust upon us the way of life against which democracy is fighting. I know that should war come to America, industry and capital and labor would be called upon to make sacrifices—and would make them I am sure—but do not let us rush into the business of compulsion and conscription too quickly and blindly. I do not mean that we want to ease into it, either; but let us have a sufficient breathing spell to adjust ourselves to a necessary intrusion upon our orderly and present way of life. If we do it I am confident that we

will better prepare ourselves for any emergency, and give a greater strength to America and American arms than if we made a headlong dash into a situation that we do not yet fully understand.

During the past several days the newspapers have printed thousands of columns on the subject which we are debating. Radio commentators, other men in public life, and patriotic spirited citizens on either side of the issue, have discussed this proposal. There is speculation one way and the other as to how President Roosevelt feels about the Burke-Wadsworth bill, and how the man opposing him in the coming election feels about it. I do not know how either of them feels, but, on the basis of the statements they have made, I am able to believe that they are not in disagreement with my suggestion. I know that in my own State there is a strong feeling concerning the danger with which we may be confronted—but I know as well that there is a strong support for the suggestion that I have made. The Governor of my State, who in his capacity as chief executive of our Commonwealth is endeavoring to contribute to the national-defense program, has taken no position on this bill, or on my proposal—although on many other matters considered here I have had an expression of his views by wire and by mail. It so happens that I am a candidate for reelection this fall; and it also so happens—and perhaps it is not strange—that there is more than one man seeking the nomination in the other party. None of them has offered a word of criticism to the suggestion I have submitted, and I am assuming, in the absence of an expression of opinion by them; that they may be in accord with my view. I think that my State as a whole is in agreement with me—although I confess that I have no very definite proof of it—and I can judge only from my personal experience, and from what I have heard and read—that an overwhelming majority of my constituents feel that the matter can best be left to the deliberation and judgment and decision of Congress.

I do know, Mr. President, that three of the leading newspapers of Connecticut have printed editorials which express sympathy with my effort, or suggest that the idea is deserving of the most careful consideration.

I shall not read the editorials, but I ask unanimous consent that there may be printed in the RECORD at this point an editorial from the Hartford Times dated August 13, 1940, entitled "Make Haste Slowly."

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

[From the Hartford (Conn.) Times, August 13, 1940]

MAKE HASTE SLOWLY

The only issue involved in the conscription bill, to all intents and purposes, is as to the immediate necessity for resorting to the draft process to increase the armed forces of the country.

Some few persons might object to conscription under any circumstances, even if the Nation were faced inescapably by a defensive war. Such persons must be few in number indeed. Most reasonable-minded persons accept conscription as an inevitable concomitant of actual war.

The basis of objection to the Burke-Wadsworth bill is first of all a denial that war actually impends. If the danger of war were plainly great, practically all the objection to conscription would vanish overnight.

In the face of conditions it is not at all surprising that doubt exists. The idea that Hitler might attack the United States seems fantastic, in spite of all that has happened abroad. Even those who are enthusiastic for the conscription bill do not believe such an invasion will take place. They would merely safeguard the country against the possibility.

Nor is there any conclusive agreement that the need for such safeguarding calls for immediate conscription. For almost every authoritative opinion favoring conscription there is an equally authoritative one that the necessity for conscription is not clearly indicated. If some of the votes on amendments to the National Guard bill afford criterion, at least a third of the Senate will be found unconvinced as to conscription.

Despite the Gallup poll as reported yesterday it is patent that there is a large division in public opinion.

Regardless of Senator BARKLEY's attempt to brush aside as unimportant the proposed substitute bill offered by Senator MALONEY, that plan furnishes a large degree of answer to the problems raised by the issue. The Senator is not an anticonscriptionist. He realizes that it would be the only fair and probably the only practical method of raising an army in the event of war. But he is unconvinced that the situation is such that the Nation must resort to it now.

The Maloney bill contemplates first an attempt to obtain the necessary number of men for the Army and the Navy by voluntary enlistment, under a plan by which the pay in these services would be rendered more attractive.

If this has not achieved its purpose by December 1, then the Maloney bill would authorize the President to obtain by draft process the number of men needed to bring the Services to the required figure. Such a law would answer many objections to the Burke-Wadsworth bill. It would provide for a system of selective draft whenever needed, provide a waiting period before the country commits itself to that.

In such waiting period the events of the future may more clearly indicate themselves. The bill would give the voluntary enlistment plan a thorough test under conditions more favorable to its successful use than those which now prevail.

Something of the order of the Maloney plan would appear to be wiser legislation than forcing through the Burke-Wadsworth bill now in the face of a largely hostile public sentiment. Happenings of the next 3 months are more likely to clarify the situation as to our own immediate military needs than to create any danger arising out of our delay. Pressing all our preparations in producing material, we can afford to await a second thought and a clearer view before going into conscription.

Mr. MALONEY. I ask unanimous consent, also, Mr. President, that there may be printed in the RECORD at this point an editorial from the Hartford Courant dated August 16, 1940, entitled "The Possibility of Enlistments." This latter is not an approval of my substitute, but contains an interesting comment upon the matter of giving a further trial to the volunteer system.

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

[From the Hartford Courant of August 16, 1940]

THE POSSIBILITY OF ENLISTMENTS

If sentiment is growing in the Senate for amending the conscription bill along the lines proposed by Mr. MALONEY, of Connecticut, who believes that conscription ought not to be resorted to until voluntary enlistments have been proved to be insufficient for the present needs of the armed forces, the reason probably is to be found in the effectiveness of the debate that has been carried on in the Senate in recent days. Although it started off in the worst possible manner with the personal exchanges between Mr. MINTON and Mr. HOLT, the debate has now reached the plane where facts are being developed and theories are being tested by them.

The speech of Mr. WHEELER, of Montana, was particularly noteworthy for the light that it shed on the question of how many men are needed for the defense of the Nation at the present time. First of all, Mr. WHEELER cited the opinions of several outstanding military authorities—Mr. Hanson W. Baldwin, Maj. George Fielding Eliot, Col. Frederick W. Palmer, and Mr. Basil C. Walker. Three of the four—Mr. Baldwin, Colonel Palmer, and Mr. Walker—have expressed the opinion that the situation calls for an army of not more than 400,000 men, while in the judgment of Major Eliot the proposed Army should not exceed 600,000 men. Such estimates contrast sharply with the one made by the Assistant Secretary of War, Mr. Patterson, who in a recent broadcast declared that forces numbering 1,300,000 men were necessary. Yet it was the judgment of the lay authorities, not of the Assistant Secretary of War, that was upheld by the Chief of Staff of the Army in his testimony before the Military Affairs Committee of the Senate when he said that 500,000 men should be regarded as the war strength of the Regular Army.

How many men, then, are needed to bring the armed forces up to war strength? At present the strength of the Army is supposed to be about 255,000, with enlistments coming in daily. The National Guard now has a strength of 230,000 men, which the Chief of Staff would like to see increased to 400,000. The upshot is that in order to bring the armed forces up to the strength that the Chief of Staff believes to be necessary new men to the number of 415,000 must be raised, about a third of the whole number that would be put into training under the conscription bill as originally planned, whereby 400,000 men would be called to service in October, another 400,000 in January, and still another 400,000 in April.

Is conscription necessary to raise 415,000 men? Mr. Baldwin does not think so. The Chief of Staff and Major Eliot, among others, do, but the point to be noted is that they appear to favor conscription only because the system of enlistment would not raise the desired number of men in the period of time that they believe is essential. In the hearings before the Military Affairs Committee the Chief of Staff expressed the opinion that 335,000 men could be raised under the present system of voluntary enlistments, but we cannot get them rapidly enough. At the same time, he testified that in June, when the Army had to pursue a cautious policy because of a shortage of funds, it enlisted 18,000 men, 3,000 over its quota, out of 27,000 applicants. The figures for July are not complete, but the indications are that the rate set in June is being maintained, if not exceeded.

At the rate of even 20,000 enlistments a month, some 20 months would be required to fill the quotas that the Chief of Staff has set. But the point is to be noted that the enlistments thus far have been made under what General Marshall called a cautious policy. What are the possibilities of improving the rate of enlistment by making enlistment more attractive? One step has already been

taken in the Senate by increasing the pay of the soldier from $21 to $30 a month, a change that, according to information received by Mr. David Lawrence, would make enlistment more attractive than it now is to boys discharged from the C. C. C. Furthermore, a reduction of the term of enlistment to the same period as is proposed for the training of the conscripts might increase enlistments to a point where conscription would cease to be necessary.

Perhaps when all the facts are in, the weight of the evidence will indicate that conscription is still necessary, although almost certainly on a smaller scale than is envisaged by the bill as it now stands.

Mr. MALONEY. I ask unanimous consent, also, Mr. President, that there may be printed in the RECORD at this point an editorial from the Day of New London entitled "Conscription Modified."

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

[From the New London (Conn.) Day]

CONSCRIPTION MODIFIED

The plan proposed by Connecticut's senior Senator, FRANCIS T. MALONEY, to modify the Burke-Wadsworth bill, which would conscript the men of this Nation and train them in military sciences, has much to recommend it. There is, in fact, mounting doubt that the provisions of the conscription bill are needed to obtain an adequate defensive force of soldiers if the rate of pay offered in the Army is increased by some reasonable figure and if the term of enlistment is lowered to 1 year.

One high Army executive told a congressional committee, in fact, that he believed sufficient enlistments to fill the Army's needs could be obtained if these conditions were changed. Others have disagreed, but there seems to be no doubt that a sharp increase in enlistments would follow a boost in the soldier's pay, a decrease in the length of time for which he is "signing up," etc.

There is also the official admission in Washington that if large numbers of conscripts are called out, almost at once after passage of the measure, the Army won't have the equipment and facilities to handle them. This unpleasant fact isn't going to change, of course, whether the men needed enlist or are drafted; one might as well recognize that fact, of course. But a volunteer system of enlarging the Regular Army still seems preferable to a conscription system if it will obtain the men needed just as readily. Conscription, in fact, has never before been resorted to in peacetime in this Nation, and as a fundamental theory doesn't appeal to many citizens in this instance, if it can be avoided, without loss of efficiency and speed in building up the defensive force needed.

Brig. Gen. William E. Shedd, Assistant Chief of Staff, admitted the other day that the Army would be unable to absorb a full quota of conscripts before December at the earliest. Senator MALONEY'S compromise suggestion is that the Government require young men between the ages of 21 and 31 to register immediately, but delay until 1941 the calling of the first class of conscripts for training. Meanwhile Army officials have revealed that the service has been obtaining new recruits without too much difficulty under a "cautious policy" dictated by lack of funds. It enlisted 18,000 men out of 27,000 applying, and was thus 3,000 men over its assigned quota in one recent period alone, the month of June. There is ample reason to believe that with a higher scale of pay, a shorter term of enlistment (a factor that has an important bearing on the decision of young men who want to try life in the Army but hesitate to agree to serve 3 years when not certain they will like it), and an abandonment of the "cautious policy," the Army could obtain a much larger number of volunteer recruits. Whether it could obtain all that are needed remains to be seen, since it isn't going to be ready to receive men in large numbers until well along toward the first of the new year, if not after that, it certainly wouldn't do any harm to find out how new conditions of enlistment and pay appeal to young men. This may show that all of the debate about conscription was unnecessary. It may not be such a spectacular way of preparing this Nation to defend itself, but it seems likely to offer a saner course nevertheless.

Mr. MALONEY. These editorials are from three great newspapers, Mr. President, and represent honest and candid expressions of opinions.

Now Mr. President, I should like to explain a few—although important—differences between my proposal and that submitted by the Committee on Military Affairs.

I have heretofore spoken briefly on the matter of a pay increase. The suggestion was contained in the original draft of my substitute, which I submitted to the Senate on the day that the Burke-Wadsworth bill was reported by the Committee on Military Affairs. Several other Senators at about that time, or since that time, have submitted somewhat similar amendments, and other amendments dealing with other subjects, somewhat like those included in my proposal.

The pay increase amendment was accepted by the Senate several days ago after having been submitted by the junior Senator from Oklahoma [Mr. LEE]. I said then, and I now repeat, that I think that it could be improved upon, and because I explained at that time in what way I felt that it might be improved, I shall not dwell longer upon this item of the bill. I think the suggestion I make is an improvement over the one accepted last week.

My proposal also makes provision—and I think that this is extremely important—for an exemption from draft for regular or duly ordained ministers of religion, and students who are preparing for the ministry in theological or divinity schools recognized as such for more than one year prior to the date of the enactment of this act. This in my judgment is extremely important to our country, and to our way of life, and to the civilization of the world.

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

Mr. MALONEY. Mr. President, since becoming a Member of this body, and while I have been a Member of Congress, I have never refused to yield promptly; but I prefer to complete my statement, and then I shall be pleased to yield for any question the Senator may desire to ask.

Mr. LEE. I wish to direct an inquiry to the very point which the Senator is discussing.

Mr. MALONEY. I shall be pleased to try to answer the inquiry at the conclusion of my statement.

The PRESIDING OFFICER. The Senator declines to yield at this time.

Mr. MALONEY. Mr. President, a large part of the reason why the world is sad, and ablaze, and at war, is due to the fact that men in some countries abandoned religion and the teachings of God. There can be no happiness where there is godlessness, or no success worth while where men are not conscious and proud of their relationship with God. If the leaders of the foreign totalitarian states had mobilized their people in the legions of the Redeemer, and had taught their children to walk in His path, there would have been no bloodshed, no terror, and no strife. Some day these peoples will come back to the teachings of the gentle Galilean, but, until they do, those parts of the world which have neglected Him will continue to be an inferno, and the flames will reach out to cast devastation upon defenseless states—and may well threaten the powerful if they be not vigilant.

No country or no individual can have too much religion. Give a country enough religion and it will acquire such other treasures and happiness as are necessary.

And so in connection with the consideration of this bill, let us make certain that we do not lessen the extent of God's teachings—and that we strengthen His legions—and give force to His ministers regardless of the religion they profess and practice. We cannot weaken our moral fiber by taking off the armor of the church. We know that what successes we have had have come out of God's goodness—and I want to—by way of this section of my proposal—make certain that as we build our military forces we strengthen our spiritual armament.

In addition to an exemption for the men who are anxious to devote their entire lives to the work of God and their fellow men, my proposal would temporarily exempt from compulsory service young men enrolled as students in any recognized college or university and who were so enrolled during the year 1939–40. These young men would not be permanently exempt from conscription—if conscription becomes effective—but would be granted deferment until their year of graduation, or, in any event, until they became 24 years of age.

I have attempted to provide that the President be authorized to organize and maintain training units at any college or university, for the purpose of providing military training, or such other training as he may deem to be necessary in the national interest, for students who are enrolled in and are regularly attending such college or university, and to furnish officers, instructors, and equipment for such units. The President would be authorized to fix the terms and conditions of service in such units and to induct into such units students who volunteer for such service. Under my proposal such students would receive compensation at the rate of $5 per month while they are in service and in college.

I can say almost as much for this provision of my substitute as I can for the one to which I have just earlier referred. Our Nation is great and powerful largely because of our splendid educational system. We are further advanced than other countries because from the earliest days we have recognized that the best way to store up national wealth was to deposit learning in the minds of our children, and in our young men, and young women. We have made those deposits regularly, and up to a certain age have made them on a compulsory basis, and we have to a very great degree reaped a rich harvest in culture and every other kind of success. They have made us the richest and most powerful Nation in the world. To disrupt this part of our national life, and to interrupt the studies of young men in the midst of their college careers—in time of peace—would not only give a disappointing set-back to the young men themselves—but would rob our country of that wealth of knowledge and learning that may be much more needed in the days ahead, than it has been necessary in the days behind us. If war should one day come I would abolish the exemption—but we must not have a moratorium on intelligence.

To strengthen my argument for the approval of this section of my proposal I am able to call a great witness. On August 14 I read in the newspapers a statement announcing that President Roosevelt, the Commander in Chief of the Army and Navy, had advised college students that "it is their patriotic duty to continue their education rather than to enroll in the Army or Navy or to find employment in strategic industries."

I think other Americans share the feeling and opinion of our President, and I do not believe that the Senate is in disagreement.

I should like to point out now, Mr. President, that several days ago the able Senator from Nebraska [Mr. BURKE], cosponsor of this bill, made the statement in the Senate that he approved of the sections or parts of my substitute proposal that I have just discussed. He told me earlier, and privately, that they were not only acceptable to him, but that they had his approval, and that he hoped that they would be incorporated in "his" bill, or any bill that was passed. I have not discussed the matter with the chairman of the Committee on Military Affairs, but I hope that he may find himself in accord with the views of the gentleman who sponsored this legislation, and I hope that the Members of the Senate may come to a like conclusion.

And, now, Mr. President, I come to the section of the substitute which is more controversial. It is simple—and can be very briefly explained. I would provide that, after registration, we try the volunteer system, as we seek to obtain such numbers of soldiers as the President feels are immediately necessary. After the President had issued a proclamation calling for a limited number of men, my plan would delay the draft provisions until January 1, 1941—or, as it now appears, for a period of about 4 months. If it was at that time found that the number of qualified men who had volunteered was less than the number called for in the President's proclamation, he would be authorized to immediately induct into the land and naval forces such additional men as were required to make up the necessary quota. That is a brief and quite simple explanation of my proposal. The only difference between what I offer, and what is offered by the Military Affairs Committee, is that under the committee's proposal the President would be authorized to immediately put into effect the selective service and compulsory plan.

I have given you all my reasons why I thought it best, for our country's sake, to delay the compulsory feature until the volunteer plan is tried. I make no prediction as to whether or not the plan will work—and insofar as time and preparation are concerned I insist that it will make no difference whether or not it works. On the basis of past experience—including the experience of these last several months—we did get enough volunteers to meet the Army's demands, and the Army's ability to digest or assimilate them. Countless people would go as far or farther in one direction than the Burke-Wadsworth bill. Another countless group of people would go as far or farther in the opposite direction. I have tried to find an acceptable middle ground, and, for the reasons which I have given in this statement, which I make under the pressure of the heavy work with which all of us have been confronted.

None of you here have escaped criticism for your attitude or decision on this subject. Regardless of what we do we will be criticized. People will become impatient with us for what they regard as delay—even though we hurry—and others will be just as harshly critical, and equally impatient, and charge that we go too fast.

Mr. President, I am just about old enough to remember very clearly the World War—and its sad as well as questionably romantic side. I can still see the tear-stained faces of mothers and sisters and sweethearts say goodbye to their sons and their brothers and their sweethearts. I know that their feelings were a mixture of pride and sorrow, and I know as well that the overwhelming majority—if not every last one of them—gave their sons with a patriotic and "willing" reluctance—a reluctance born of parental love—and yet a willingness born of a deep patriotism—fused in a spirit of national unity. We were then a united people, and the country knew that President Wilson had come to the historic decision, only after all else had failed but war. Let me repeat we were then a united people.

We will again be a united people, Mr. President, but we must convince our fellow Americans—that we, their chosen representatives, share their horror and hatred of war—and that we delay the calling of their sons and their sweethearts and their brothers only for so long as it can be done with safety.

The service flags in my neighborhood were up early in the World War—as they were in so many other neighborhoods over this far-flung country—and they will be again should the country call. Some people cannot yet see our danger as clearly as others. We must help those who fail to sense the possible peril to the Nation, by keeping their confidence, and by trying to preserve their trust in us—and in our judgment. We must make them aware that we can be calm—though we are compelled to hurry.

I want to give no comfort to any potential foreign foes. I am hateful of their philosophy and practices, and I am in accord with the foreign policy of the President of the United States. I believe that for our country our beloved President would burn at the stake—and I believe that for their country, every man, if the need came again, would make every sacrifice necessary. To all of us here liberty is sweeter than life itself, but to all of us it should be clear that at this moment we can preserve the true and complete spirit of liberty by giving our countrymen a chance to make up their minds, and a chance to demonstrate their patriotism.

The last thing we want in America is a dictated unity. The totalitarian powers have complete unity—but of the false and temporary and dictated kind. Probably there will come a day—and in the not distant future—when we may be compelled to impose restraint and restriction upon our normal desires and practices—and it is with that thought in mind that I approach this great question. I have tried to avoid delay in the consideration of every national-defense matter that has come before the Congress—but sometimes careful deliberation makes haste. I think that this subject has been as carefully considered and debated as the vicissitudes of the hour permit. I have faith in our people—and complete faith in the judgment of my colleagues—and on that faith I submit this suggestion and this substitute. I ask that we enact into law "the middle way"—which offers to those in favor of conscription, and to those who desire enlistment only, a common basis for reconciling our democratic traditions, and our pressing need to be strong. By this law we can help to vindicate our democratic process, and by a demonstration of national unity proclaim to the world that we stand ready to meet the awful challenge of those whose announced destiny is the destruction of the democracies. Our way—the hard way—will confound them—and our people will rejoice in a rebirth of freedom.

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

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Vermont?

Mr. MALONEY. I yield.

Mr. AUSTIN. It has been a privilege to listen to practically every word of the patriotic and spiritual address of the distinguished Senator from Connecticut. The few interrogatories I desire to propound I wish him to understand are in search of truth with respect to the differences and the likenesses between the original bill and the amendment which he proposes in the nature of a substitute. I will not weary him with many questions.

In the first place, I want to ask if he understands that his amendment imposes exactly the same liability on all young men between the ages of 21 and 31 which the original bill imposes?

Mr. MALONEY. Yes, with the exception which I noted in my statement.

Mr. AUSTIN. That is to say, every male citizen of the United States and every male alien residing in the United States who has declared his intention to become such citizen between the ages of 21 and 31, other than those excepted from registration under section 5 (a), shall be liable for training and service, and so forth.

That is identical language, is it not, in both the substitute and the original bill?

Mr. MALONEY. That was my intention, I will say to the Senator.

Mr. AUSTIN. The striking difference, if there is a difference, in effect, occurs in the language following that in the proposed amendment. The Senator's proposal provides that the President shall have authority to issue prior to December 1, 1940, a proclamation calling for volunteers, whereas the original bill provides:

> That any person between the ages of 18 and 35 shall be afforded an opportunity voluntarily to enlist and be inducted into the land or naval forces of the United States for the training and service prescribed in subsection (b), if he is acceptable to the land or naval forces for such training and service.

I should like to ask the Senator's opinion as to the difference between those two provisions? Does the Senator consider that there is a difference?

Mr. MALONEY. Yes, I do consider that there is a difference, I will say, as I understand the bill of the committee. It seems to me my amendment very definitely imposes a restriction insofar as the selective service feature is concerned; that is, under the committee draft of the bill as submitted to the Senate there is a provision that the President may issue a call for volunteers, and they may be accepted, but, at the same time, as I understand the committee bill, he is authorized to put into effect the compulsory military plan, whereas I would defer it under any and all circumstances until January 1, 1941.

Mr. AUSTIN. I apprehend that is the construction almost anyone would put upon the language. The essential difference, then, is the difference in the time when the compulsory selective training service goes into effect?

Mr. MALONEY. So far as that feature is concerned, that is the only difference.

Mr. AUSTIN. Then I wish to have the Senator's opinion on another point. If his amendment should become law, and the voluntary plan should go into operation, and many more volunteered than were necessary, does the Senator understand that the same selective element which exists in the original bill exists under his amendment as to volunteers?

Mr. MALONEY. I have not attempted to go beyond the purposes and the language of the bill of the committee after January 1, 1941.

Mr. AUSTIN. Very well. Let us assume that under the original bill many volunteers, many more than are necessary, come forward; in other words, assume that the conduct of young men in the United States would cause them to take the same action under one law as under the other, and an ample number, more than necessary, volunteer, it is my understanding that the original bill then puts into effect the selective plan and those who are entitled to deferment for one cause or another, those who are not qualified because of physical defects are searched out and a selection is made from which induction follows. What I am trying to find out is, Does the Senator understand that his amendment would do the same thing in the same way?

Mr. MALONEY. The Senator is quite necessarily making his question somewhat long, but I think I follow him. I understand that it is physically possible to do about the same thing, but I find, if I may use the word, it is hardly conceivable.

Mr. AUSTIN. I notice on page 3 of the amendment the following language, beginning in line 9:

> The President is authorized to induct into such forces—

That is, the land and naval forces of the United States—

> for such training and service so many of the men who volunteer pursuant to any such proclamation as are not in excess of the number called for by such proclamation. If the President finds that upon January 1, 1941, the number of qualified men who have volunteered pursuant to such proclamations is less than the number of men called for in such proclamations, he is authorized to induct into the land and naval forces for training and service under this act such number of men—

Note this language—

> selected in accordance with section 4 (a).

And so forth. I will not read the entire section.

It seems to me that language contains a provision for exactly the same type of selective method that is contained in the original bill, even when the law is operated on the volunteer basis, under either the original bill or the amendment. I should like to have the Senator's opinion on that point.

Mr. MALONEY. I should wish to review the language again carefully, in view of the opinion of the distinguished Senator and very able lawyer from Vermont. I endeavored to point out a moment ago as best I could, in the statement which I made, that I was vitally concerned, for reasons which I gave, with the period between now and January 1, and perhaps I have not carefully scrutinized and examined the other possible conflict or agreement between the original and my substitute.

Mr. AUSTIN. I do not regard it as a conflict, and I am not pointing it out with that in mind. I am trying to bring out whether it is true that, so far as the voluntary element contained in the amendment goes, it is in effect, and in its application it would be, similar to what is provided in the original bill.

Mr. MALONEY. I think that is true.

Mr. AUSTIN. My theory is that under the original bill, assuming the premise that is assumed for the amendment, we would arrive at exactly the same result; that is, assume that the patriotic fervor of the 12,000,000 young men who would be registered under both measures would bring to the colors enough volunteers then the quota features of both the original and the amendment proposed by the Senator from Connecticut would result in this, that no one would be taken and no one could be taken except a volunteer. Does the Senator understand that?

Mr. MALONEY. It is physically possible; we might get 500,000 volunteers tomorrow, and the Senator is entirely correct, if his statement is taken literally; but I myself seriously doubt, although I say it regretfully, that such would be the case.

Mr. AUSTIN. Will the Senator yield for one other question?

Mr. MALONEY. Certainly.

Mr. AUSTIN. I observe in the Senator's proposal something which is entirely absent from the original bill. It is on page 10, and it is section 6, which grants the President power to organize and maintain training units in any college or university for the purpose of providing military training, and so forth. Briefly, I ask the Senator, does he not recognize that the principle of compulsory military training is at least 75 years old in the United States?

Mr. MALONEY. Except as to isolated wartime instances, the Senator in my judgment is in error.

Mr. AUSTIN. That is not what I referred to.

Mr. MALONEY. Does the Senator refer to land-grant colleges?

Mr. AUSTIN. Yes; I refer to the Morrill Land Grant College Act and the statute creating the Reserve Officers' Training Corps, both of which are upon conditions that the States which receive the benefits of military officers, equipment, and grants of various kinds receive them upon conditions that military training shall be afforded; and when we speak of the Land Grant College Act we know it includes at least one university or college in a State.

Mr. MALONEY. If I might interrupt the Senator at that point, I should like to say that it seems to me that is a very frail degree of compulsory training.

Mr. AUSTIN. It has been so strong that only a few States of the Union have been able to break it down. In addition to the land-grant colleges, of which there are 51, there are high schools or secondary colleges which also have compulsory military training.

The idea is this: I assume that in putting that element into his amendment the Senator recognized an historical fact, that compulsory military training is democratic, has been in actual practice in the United States for a long time, and has been voluntarily sought by the several States of the Union.

Mr. MALONEY. I should like to say to the Senator at that point, if I may, that he is only partially correct, and he does not go very far. It is not literally compulsory military training. In the first place, a boy is not compelled to go to a land-grant colleges or to a high school which may make available military training. So that they have a complete choice. I quite understand the law, but I think it does not go so far as some of the listeners or some of those who hear the Senator might assume from his statement.

Mr. AUSTIN. Very well.

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

Mr. MALONEY. I yield.

Mr. NYE. I should like to suggest that in at least three States it has been demonstrated that the compulsory military training, so called, provided for under the act to which the Senator from Vermont has referred, does not involve any degree of compulsion whatsoever. In those three States training is not compulsory, and the aid from the Federal Government is continuing to the institutions concerned.

Mr. MALONEY. I think one of them is the Senator's own State, is it not?

Mr. NYE. That applies to North Dakota, Minnesota, and Wisconsin, I believe.

Mr. AUSTIN. Mr. President, I want the Senator to understand that I am not trying to emphasize the legal effect of the Land Grant College Act or the R. O. T. C. Act, which depend entirely upon compulsory training. I am asking the question whether the Senator first introduced that spirit, that thought, into his own amendment, by section 6 of it. That is what my question amounts to.

Mr. MALONEY. No. I will have to say "no," and then give an explanation. The only excuse I would care to make at the moment for the inclusion of section 6 would be the deferred status my amendment would give to certain undergraduates under another part of the measure.

Mr. AUSTIN. That is, the Senator in another part of the amendment gives the right to a boy who is in college, taking, we will say, his sophomore year, to be deferred?

Mr. MALONEY. That is correct.

Mr. AUSTIN. Which the original does not do.

Mr. MALONEY. Until the time of his graduation, or until he is 24 years of age. In order that such a boy will not be denied the opportunity for training, this section was included; and it had no other purpose.

Mr. AUSTIN. That is exactly what I suspected. So, really the patriotic purpose, and I think the wise and constructive purpose, of the Senator from Connecticut in this matter, is to educate our citizens. The purpose is not to create a big standing army, but to have our citizens so educated in military training that they will be competent to perform whatever duty they may be called upon to perform.

Mr. MALONEY. I do not mind saying to the Senator that sometimes, in the excitement of conditions around us in the world, I have thought it might be wise as well as necessary to have universal military training—and applicable only while this great emergency lasts—for boys of a certain age, probably 18 or 19, for 1 year, and under such a condition I think probably I would have a reasonably large, but not too large, highly-skilled, well-paid standing army, to train those boys in the event such an emergency became acute.

Mr. AUSTIN. Mr. President, I thank the Senator for having answered the questions I had to propound.

Mr. MALONEY. I thank the Senator from Vermont.

Mr. WALSH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Massachusetts?

Mr. MALONEY. I yield.

Mr. WALSH. Mr. President, I will take the floor in my own right, if the Senator does not object. I intend at a later date to give my views on this important question, but first of all I wish to compliment the Senator from Connecticut for the intelligent and able manner in which he has presented his views. I am sure we are all indebted to him for the evidence he has displayed of much study, careful analysis, and sincere disposition on this important subject.

Mr. President, as I view the two measures we are now considering—and I am withholding final judgment—there is very little difference between the committee bill and the substitute proposed, the main difference being as to the date when conscription would take effect. One bill provides that upon its enactment conscription will be immediately applicable under the terms defined in the measure. The bill presented by the distinguished Senator from Connecticut in the nature of a substitute makes conscription applicable approximately January 1, in case the voluntary-enlistment provisions are not met.

I intend to present a bill, and to have a test vote in the Senate, which will do everything both the measures before us provide for, registration, set up all the possible necessary machinery for conscription but postpone its operation to the day, if that day ever comes, when the Congress declares the existence of a state of war.

Thus we will have three alternatives—at least three different points of view—to decide between and to act upon.

I shall not discuss this matter at length, but I want to say at this time that my conception of requirements for our national defense is, first, as I have said repeatedly upon this floor, that we should have a powerful, strong, invincible navy. Every lesson I have been taught by naval officers and experts on the subject of the national defense of this country up to this day has impressed upon me two things. First, the importance and the necessity of a strong navy, because any attack upon us must come across one ocean or another. We are vulnerable only from the water. The same experts have minimized to me, until recent events have happened in Europe, up to within 2 or 3 months, the necessity of a large standing army in this country. I wish to be fair in that statement. I think they have perhaps modified or changed their viewpoint by reason of what has happened in Europe in recent weeks.

The next step in our national defense, in my judgment, is the acquisition of a multiplicity of airplanes and particularly bombers, which will supplement our Navy and provide for our defense against air attacks.

I have not seen such a program on an extensive scale yet proposed by those who now urge conscription of the youth of the country. I challenge anyone to say that there is in existence or even on order the combat aircraft which, as a result of the lessons of the European war, we have learned must be provided.

Thirdly, I believe that the land ought to be dotted from one end to the other with antiaircraft guns, and with men to man them. Where are they? Are they even in the blueprint stage? And yet before taking those steps it is proposed to conscript the young manhood of the country. Before a pro-

fessional army has been built up—and that is what we must have today, and not a conscript army—we must have an army of mechanics, men who can get upon these death-dealing machines and man them and control them—men trained for months and years in handling the new powerful weapons of attack and defense. Where are they? Where are the plans for such Army equipment? If we have a strong navy and these secondary defenses, no enemy can invade the land, no enemy soldier can attack us here, because if they get by the Navy they will be stopped by the secondary defenses.

Of course, the next step is the building up of an army, and I have referred to that as a truly professional army, comparatively small in numbers but of the highest proficiency, an army composed of men who have the long and exacting training that is required of pilots or those who operate and man mechanized ground weapons. Where are the pilots to man the vast number of airships needed? Why not draft men now for training as pilots? We do not need to, because if we provide the airplanes for which we have made appropriations, and provide the compensation for pilots as provided by law, we will have the enlistment officers crowded with men eager and anxious to defend and serve our country in the air.

If one lesson has come out of the present world war, so far as I read it, it is this, that not large numbers of soldiers are so necessary as a limited number of highly skilled and highly trained and highly developed men who are making a profession of war, of the defenses in war, of the means and methods of waging war as against the old form and the old system.

With respect to the question of whether or not we are able to get the necessary numbers of enlistments, I have only this to say. I know the Navy has no such complaint. The Navy is obtaining today all the enlisted men it needs on a voluntary basis. I have some figures in respect to that which I shall present later. It has all the men that it has ships in which to place them. It has a waiting list of thousands of accepted recruits. But here is the difference between the Army and the Navy—esprit de corps. I do not say that offensively. There is a relationship in this country between the naval officer and the enlisted man which does not exist in the Army. There is a mutual understanding of the relation of one to the other, a fraternal spirit, a cooperative spirit, not the spirit of an officer and a rookie, but the spirit of enlisted men and officers respecting each other in their spheres and occupations, and jointly fighting and training for the best interests of their country.

I shall say nothing in criticism of the Army, but in my opinion that condition does not exist in the Army to the degree and to the extent that it does in the Navy. The situation that exists may be because of the necessities of the two services.

The other day, while at my home in Massachusetts, I picked up a newspaper clipping. It reads as follows:

During the month of July 70 men applied at one marine enlisting station in Boston, and 9 were accepted.

Nine were accepted! Think about that! If that is a fair representation of the young manhood of this country and if present requirements are not relaxed it will take a conscription, a draft of 10,000,000 men, in order to get a million who are admitted to training. In my opinion the requirements are extreme.

Why should not the Army and Navy apply the physical conditions that they will make applicable to those conscripted at once to those voluntarily enlisting? It is conceivable it would settle the whole question.

Furthermore I think—and I have seen it in the Marine Corps—that there is not opportunity for advancement and opportunity for promotion in both the Army and the Marine Corps, has a very deterring effect upon enlistments and reenlistments. When I was visiting a naval vessel within a week, one of the enlisted men approached Secretary Knox and myself, who were together at the time. The enlisted man said, "I am from your home town." I asked, "How long have you been in the Navy?" The enlisted man said, "Seven years." "What is your pay?" The enlisted man said, "$96 per month."

That man enlisted as a gob. He showed industry. He showed capacity. He applied himself, and he has advanced in 7 years to $96 a month besides his rations, of course.

I have met other men in the Navy who received $125 and up to $150 a month. Where is there similar opportunity in the Army? But the opportunity is here now, because the same kind of skill and training and mechanical knowledge will be just as necessary under modern warfare in the Army as is necessary in the Navy.

I would revise the qualifications, the terms of service, and increase the scale of compensation before applying conscription. Someone called my attention to the fact that Assistant Secretary of War Patterson announced within a day or two that there were 1,000 young men in this country applying for enlistments in the Army every day. In 300 days that would mean 300,000 men enlisted. Of course, a good many of those who apply are unfit and unsuited for service, but there ought to be a revision, in the light of the fact that we are proposing to depart from a great American policy and principle which we have retained during all these years, before we resort to the draft.

Mr. President, I am ready to conscript if we really need to do so, but I want proof first that there is an actual need for it, and I want removed from my mind and the minds of the American youth that enlistment in the Army today may mean participating in a foreign war rather than in the defense of America.

I have confidence in the youth of America. They are patriotic. The very fact that they are presenting themselves for enlistment in such large numbers, despite the strict and poorly paid Army requirements, satisfies me that America never needs to go beyond showing its actual military needs and asking the youth of the country to respond to the defense of America.

Mr. President, in my judgment it is unfair to require of any man a public service in the armed forces at trifling compensation while his fellowmen, whether of his own age, younger or older, each are paid much more in private employment and at the same time enjoy the blessings of home life and the contentment, happiness, and opportunities of position and advancement that provides him and his family with at least the meager comforts of life.

Until voluntary enlistments on a fair basis have been tried and there is evidence of a real need, I am not disposed to embrace, in peacetime, the power of the Government to conscript. The power to conscript, levy, and maintain armies are the prerogatives of a dictator. We may have to come to that in this country, but I am not convinced that the time has arrived to do so until the voluntary plan has had a fair trial.

We have 1,000,000 civilian employees on the pay roll of the Federal Government, and the pay of each is commensurate with pay in private employment; yet we deny the same measure of compensation to our well-trained and patriotic enlisted men in the Army, Navy, and air force. Let us make their pay commensurate before we conscript those who have no particular desire to enter the military service, to whom the life may not be attractive, and which may exact sacrifices that are not defendable in peacetime.

Furthermore, it is incumbent on the proponents of this measure to prove that it is necessary and to prove that the equipment and facilities essential to the Army are provided and manned before conscription is resorted to.

When I rose, Mr. President, I intended only to ask several questions of the distinguished Senator from Connecticut [Mr. MALONEY], but I was prompted to present these views, and to call attention to the fact that before this debate is over I hope to have an opportunity to present a bill which will do everything these bills do, but prevent fixing a day or a time or an hour when the iron hand of the law takes away from homes the young men of this country in the very best years of their lives.

The PRESIDING OFFICER. The question is on the modified amendment of the Senator from Pennsylvania [Mr. GUFFEY] to the amendment reported by the committee.

Mr. BARKLEY. Mr. President, I rise simply to ask if we should not have a vote on the pending amendment. We have been here nearly 5 hours today and no one has mentioned the question which is now pending. All the time has been taken on an amendment which has not been offered. It seems to me that we might vote on the pending amendment, to which everyone is in practical agreement, and we can then proceed with further discussion.

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

Mr. BARKLEY. I yield.

Mr. CONNALLY. So far as I am concerned I have no objection to that. I simply wanted recognition for about a minute to give notice of what I had in mind.

Mr. BARKLEY. I have no objection to that. But several Senators have been waiting to vote on the pending amendment.

Mr. CONNALLY. Mr. President, I wish to compliment and congratulate the eminent Senator from Connecticut [Mr. MALONEY] for his very able and illuminating address in support of his amendment to the bill. I also enjoyed very much the remarks of the able Senator from Massachusetts [Mr. WALSH] in which he approved some aspects of the Maloney amendment.

However, I wish to say that I disagree so strongly with some of the features of the amendment that tomorrow, as soon as I can get recognition, if at all, I hope to address the Senate in opposition to the main Maloney amendment.

The PRESIDING OFFICER. The question is on agreeing to the modified amendment offered by the Senator from Pennsylvania [Mr. GUFFEY] to the amendment reported by the committee.

Mr. BONE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BONE. What is the amendment of the Senator from Pennsylvania?

Mr. BARKLEY. Mr. President, the pending amendment is the amendment which exempts ministers of the gospel and students for the ministry.

Mr. BONE. There have been so many such amendments offered that I had forgotten which it was.

Mr. CONNALLY. Mr. President, the bill exempts ministers so long as they are working at their calling, but the amendment exempts everybody who hopes to be a minister, no matter when; and I understand that it permits young men to become ministerial students even after the law has been enacted.

Mr. GUFFEY. Mr. President, I can read the amendment if the Senator from Texas so desires.

Mr. CONNALLY. I know what is in it.

Mr. BANKHEAD. Mr. President, I should like to have the amendment stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. In the committee amendment, page 20, between lines 2 and 3, it is proposed to insert the following:

(c) Regular or duly ordained ministers of religion and students, who are preparing for the ministry in theological or divinity schools recognized as such for more than 1 year prior to the date of enactment of this act, shall be exempt from training and service (but not from registration) under this act.

On page 20, line 3, it is proposed to strike out "(c)" and insert in lieu thereof "(d)."

On page 20, line 9, beginning with the word "interest", it is proposed to strike out all down to and including "duties" in line 13, and insert in lieu thereof "interests."

On page 20, lines 15 and 16, it is proposed to strike out "except in the case of regular or duly ordained ministers."

And on page 21, line 3, it is proposed to strike out "(d)" and insert in lieu thereof "(e)."

Mr. LA FOLLETTE. Mr. President, I wish briefly to register my support of the pending amendment. I should like to point out that even during the World War a similar exemption was provided. It seems to me absolutely indefensible to deny such an exemption or deferment at a time when the country is at peace.

In this connection, and as a part of my remarks, I ask that there be inserted in the RECORD at this point an editorial from the Catholic Herald-Citizen, published at Milwaukee, Wis.

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

[From Catholic Herald-Citizen of August 10, 1940]

THE FIRST ATTACK ON RELIGION

No American citizen should fail properly to evaluate some of the proposals for national defense that certain well-meaning individuals are sponsoring. Such, for instance, is the Burke-Wadsworth conscription bill as now drawn, which, to a certain degree, undermines one of the pillars of our democratic form of government—freedom of religion.

The enactment of such a law would deprive citizens of the United States of a right guaranteed them by the Constitution. The Constitution in guaranteeing this right, likewise necessarily guaranteed the means necessary effectively to exercise this right, namely, that there be available at all times ministers of religion to care for their spiritual needs. Depriving persons of the means necessary to exercise a right that is theirs is equivalent to depriving them of that right, since a right without the means to exercise it is valueless.

In 1917 the Congress of the United States recognized this right and exempted all ministers of religion and divinity students from military service. The present proposed law is a leaf out of the book of the dictators and is alien to the spirit of a democratic nation. No one denies the necessity of training men for the defense of the nation, but it is likewise necessary to train students for the ministry and the priesthood in order that the citizens of the nations may have ministers of religion available to care for their spiritual needs, which right the Constitution guarantees them. The citizens in the land and naval forces of the United States like all others need the spiritual care that ministers of religion alone can give them. At no time in the history of the Nation have the various religious denominations failed to provide chaplains for the men in the service of the Nation. Seeing that the Constitution of the United States is nowise changed in this respect, the right that was recognized in 1917 should be recognized in 1940.

The Selective Draft Act of 1917 also exempted all Brothers who had taken solemn vows to dedicate their lives to the service of God. This too was in perfect accord with the spirit and intention of the founders of the Nation, as manifested in the Declaration of Independence. These brave, noble men, whose thoughts scanned the whole fabric of God's creation in the world in which we dwell, studied the laws of Nature, and of Nature's God; appealed to the Supreme Judge of the world to bear witness to the rectitude of their intentions; and proclaimed their firm reliance on the protection of Divine Providence.

To enact now a law contrary to the principles enunciated in the Declaration of Independence and the Constitution would be to go backward; would be a return to the tyranny of a government that refused to recognize that "all men are endowed by their Creator with certain inalienable rights," which the founders of the Nation declared "to be self-evident;" would be to jettison all for which these patriots lived, labored, and sacrificed.

In order to preserve for himself and posterity the free exercise of the inalienable rights the patriots who established the Nation secured for him, every religious American should request his Senators and his Congressmen jealously to safeguard the rights of his constituents, by seeing that exemption is granted to all ministers of religion, to all students for the ministry and the priesthood, and likewise to those others, who by solemn vows have dedicated their lives to the service of that God, to whom, as the Supreme Judge of the world, the illustrious Father of the Nation appealed to bear witness to the rectitude of their intention, and on the protection of whose providence they proclaimed their reliance. That posterity might never forget all this they caused to be impressed on the currency of the land, "In God we trust."

By doing this you will stop this first subtle attack on religious freedom, the cornerstone of democracy, and without which no democratic nation can endure. Let your Representatives know that on this point you stand with Washington and the other patriots of '76, and not with some of the modern sages, who seem to think that the Nation no longer has any need of "the protection of Divine Providence," on which the founders of the Nation relied.

Mr. BONE obtained the floor.

Mr. NEELY. Mr. President, will the Senator yield to me for the purpose of propounding an inquiry to the distinguished statesman from Pennsylvania [Mr. GUFFEY]?

Mr. BONE. I yield for that purpose.

Mr. NEELY. As I understand, we are about to vote on the so-called Guffey amendment. Is that correct?

The PRESIDING OFFICER. The Guffey amendment as modified.

Mr. NEELY. I ask the Senator from Pennsylvania whether or not his amendment is sufficiently broad to include the substance of an amendment which I offered on the 14th of August in the following words:

On page 20, line 13, after the word "duties", insert a comma and the following: "and students who at the time of the approval of this act are preparing for the ministry in recognized theological or divinity schools."

Mr. GUFFEY. It is broad enough to cover that language.

Mr. NEELY. Mr. President, in the circumstances, instead of insisting on my own amendment, I shall support the amendment proposed by the Senator from Pennsylvania [Mr. GUFFEY.]

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

Mr. BONE. I yield.

Mr. LEE. I wish to ask the sponsor of the amendment, the Senator from Pennsylvania, if, in his opinion, the amendment would defer the training of ministerial students attending State universities, private schools, teachers' colleges, and other such institutions not embraced in the language "theological or divinity schools"?

Mr. GUFFEY. I do not think it would.

Mr. LEE. Let me ask the Senator why he wants to exempt only ministerial students attending theological or divinity schools, and not those attending other institutions?

Mr. GUFFEY. I think such a provision would be too broad and make the exemption too wide.

Mr. LODGE. Mr. President, will the Senator yield so that I may ask the Senator from Pennsylvania a question?

Mr. BONE. I yield.

Mr. LODGE. Does the amendment of the Senator from Pennsylvania cover religious brothers?

Mr. GUFFEY. Yes.

Mr. BONE. Mr. President, in order to expedite the business at hand, I defer my remarks until the pending amendment shall have been disposed of.

The PRESIDING OFFICER. The question is on agreeing to the modified amendment offered by the Senator from Pennsylvania [Mr. GUFFEY] to the amendment reported by the committee.

Mr. HOLT. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. CONNALLY. Mr. President, I dislike again to address the Senate with additional remarks on this amendment. I wish to remind the Senators who are urging the amendment that they are making a great mistake. I do not believe that young men who are intending to give their lives to the service of God and country want to be put in a preferred class. They have not been consulted. What Senator has the right to speak for the hundreds of young men who expect to embrace the ministry and devote their lives to it? I challenge the spokesmen. Who has the right to speak for those young men? I should rather believe that they would scorn to ask the advantage of an exemption when they have not yet entered into the ministry. The bill exempts all those who are actively engaged in the ministry. I do not believe that ministerial students want to be exempted.

Mr. President, we are in danger. Our security is threatened by political philosophies and concepts of totalitarian government which are wholly at variance with the constitutional concepts of America.

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

Mr. CONNALLY. I yield.

Mr. GUFFEY. There is nothing in the bill which would prevent divinity students from volunteering if they so desire.

Mr. CONNALLY. Yes; that is true. However, I am not in favor of saying to the brave, courageous, and heroic, "Go ahead and volunteer. You do the fighting, and let the other man, situated as you may be situated, stay at home and enjoy the rewards of peace." To use the language of the street, I am not in favor of putting such a man "on the spot" by the volunteer system. I have some letters which I intend to read tomorrow. One is from a heroic young college boy who wants to go and is ready to go. Another is from another college boy, claiming the right to stay at home, finish his education, and get a job. The volunteer system would send the bold one and let him fight for both of them.

Mr. President, I was diverted. We are assailed by totalitarian concepts. What do the totalitarian powers care about religion? What do they care about divinity students? What does Russia care about religion? Religion as we know it has been banished from the boundaries of all the Russias and all the territories which have been absorbed and gathered under the sovereignty of Russia. What does Hitler care for certain types of religion? He has lashed and whipped those who devote themselves to religion. We are fighting against that very thing. Are the holy men of America, who claim the right of freedom of religion, and who want to live under a government which protects religion, alone of all our citizens not to be entitled to stand upon the same plane of equality as the humble worshiper in the pew? In this time of national emergency and need the miter ought to be laid down by the side of the implement of toil, and the holy vestments placed alongside the vestments of the laborer who takes off his work shirt to put on the uniform of his country. I do not believe we ought to set up gradations of privilege and preference.

Let me read some of the privileges which our citizens claim. The first amendment to the Constitution says that:

Congress shall make no law respecting an establishment of religion or prohibiting the free exercise thereof.

I stand for that. Our forefathers stood for it. It is in the Constitution because our forefathers poured out their blood upon the battlefield. We are fighting against powers which would abolish freedom of worship; and yet Senators want to exempt from fighting for the most priceless privilege a human being can claim those who intend to follow a lifetime service to religion, whether they worship in a humble tenement amidst the trees which nature has built or under the vaulted dome of some vast cathedral. Such men ought to be willing, with other citizens of the Republic, to fight for such a privilege. Yet we want to exempt not only the active ministers but those who are going to be ministers some day from possibly fighting nations which challenge all that freedom of religion means. They are to be the only ones to say to their country: "No; you must give us a preferred status. We are not going to serve. We do not want to serve. We have friends in the Senate who are going to see that we do not serve."

Another priceless privilege guaranteed by the Constitution is freedom of speech. Congress may not abridge freedom of speech. I am for it. The Nation is for it. Nations which threaten our sovereignty and our strength are against it. We want to maintain freedom of speech; and yet we propose to say to those who claim the right to speak their mind about the form of their faith, their creed, and their belief in religion, whatever it may be, "You do not have to fight for it. We will go out and fight and die. We will send other boys out to do your fighting and your service, to protect you is the most priceless privilege a human being can claim."

Ah! Mr. President, the right of freedom of worship applies to every citizen in the Republic. Those who claim it ought to be willing to observe universality of service and to serve their country when they claim the same privilege which is granted to every citizen. The right of free speech is granted to every citizen, whether he be a minister or whether he be an agnostic; whether he be a rich man or a poor man; whether he be a black man or a white man; whether he be an humble man or a mighty man. Every American has the right to claim freedom of speech. If he does, he ought also to have the duty, like every other citizen, to serve his country when he is needed.

Mr. President, I might go down the list of this brilliant catalog of rights guaranteed to our citizenship, and point out that everyone is a preference, everyone is a privilege, everyone is a guaranty, not to some of our citizens but to all our citizens—to the page yonder, who walks around and carries our messages, to the presiding officer yonder, to all the Senators who sit about us, and to every man and woman and child under the American flag. When we destroy that conception of equality of service and equality of privilege, we are

doing as much harm to American institutions, so far as such action goes, as those who may assail the American concept in its basic and fundamental principles.

Mr. President, I remember when I was a schoolboy having read of an incident that occurred in the Shenandoah Valley during the War of the American Revolution at a little village—I forget its name—between Winchester and New Market—Woodstock, Va., I remember the poem about the minister who stood in the pulpit, Muhlenberg, of Pennsylvania, a Dutch minister in the Valley of Virginia, when the old Liberty Bell rang out. I do not remember the details; the years have clouded my memory, for so many more things have happened all about me it is not as clear as it was when I read that story, but the essentials of it remain. On a Sabbath day Muhlenberg was in his pulpit preaching to his flock, leading them along the ways of rectitude and righteousness and inspiring and instilling into them the spirit of Christianity. Finally, at a dramatic moment, the old Liberty Bell rang out, when he tore off the vestments of the priesthood and revealed himself in the uniform of a continental colonel. Muhlenberg revealed himself in the uniform of a colonel of the Continental Army.

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

Mr. CONNALLY. I yield.

Mr. CLARK of Missouri. I call the Senator's attention to the fact when the State of Pennsylvania put Muhlenberg's statue in Statuary Hall they depicted him in his uniform and not in his vestments.

Mr. CONNALLY. Well, he was serving his country in the Army, and, of course, that is where he gained his eminence, more so, probably, than he did in the pulpit.

Mr. ASHURST and Mr. McKELLAR addressed the Chair.

Mr. CONNALLY. I yield to the eminent Senator from Arizona; then I will yield to the distinguished Senator from Tennessee; and then to any other distinguished Senators who desire me to yield. [Laughter in the galleries.]

Mr. ASHURST. I wish to observe that the Senator, in his modesty, seems to take a little bit to heart a slip of the tongue he made. I am able to vouch for the fact that the Senator from Texas is one of the most nearly authentic historians of the Senate. On many occasions I have listened with pleasure and delight and instruction to what he had to say on historical episodes not only of our own country but of other countries. The Senator may well say, as we all may say, not one of us ever knows it all.

Mr. McKELLAR. Mr. President——

Mr. CONNALLY. Let me reply to the Senator from Arizona. I thank the eminent Senator from Arizona for his very extravagant and fulsome tribute, but the reason the Senator from Texas is accurate about any historical matter—if he is accurate—is that the Senator from Texas is familiar with so few of them that he knows them well. [Laughter.] I now yield to the Senator from Tennessee.

Mr. McKELLAR. Mr. President, speaking of historical allusions, I wish to call the Senate's attention to another one.

Mr. CONNALLY. Does the Senator refer to Bishop Polk, of the Confederate Army?

Mr. McKELLAR. No; I am not referring to him now.

Mr. CONNALLY. The Senator might well do so.

Mr. McKELLAR. Yes, indeed; I might well do so. He was a very great bishop of his church, and became one of the greatest soldiers in the Confederate Army, but I had in mind particularly another man of probably just as great fame as was Bishop Leonidas Polk. I refer to the strange case of perhaps the greatest and most outstanding soldier in the World War of 1917 and 1918.

I think it will be conceded by all that the record of Sgt. Alvin York overtopped and overreached the record of any other plain soldier who went into the American Army. Sergeant York was a lay minister. At the time the draft was put into operation he was urged by his friends, he was urged by his own conscience, by his own belief in peace, and by his own horror of war to ask for an exemption from the Army because he was a minister in a church. After careful consideration, he concluded not to ask for exemption, but to follow the flag of his country and to go into the Army when he was drafted. So he went, and no man in the Army ever made a greater reputation than did Sergeant York, who was an humble minister in one of the denominations of my State of Tennessee. No man in the Senate or elsewhere is prouder of the record of a fellow countrymen than I am of the record of this man, who was a minister in his church and who went forth and defended his country as perhaps no other soldier ever did in the history of time. I wanted to call the Senator's attention to the case of Sgt. Alvin York.

Mr. CONNALLY. I thank the Senator very much, indeed. I had, of course, been aware of the outstanding exploits of Sergeant York, but I was not so familiar with his ministerial inclinations and practices as no doubt is the Senator from Tennessee, as Sergeant York is one of the Senator's constituents.

Mr. President, I was referring to Muhlenberg in the Valley of Virginia. Muhlenberg did not ask to be put in a special class. He rather put himself in a special class when he stepped down out of the pulpit and took up the sword of his country.

I recall that during the War between the States, Leonidas Polk—and he probably was merely a symbol of many others—Leonidas Polk was a bishop in the Episcopal Church. He laid aside the robes of his high sacerdotal office, stepped out, and became a general in the Confederate service. I doubt not that throughout both the North and the South there were many young men who were in the preparatory stages of the ministry who volunteered and served in one or the other or both of the armies.

This amendment is so drawn, according to the Senator from Oklahoma [Mr. LEE], that it only applies to those students who are in divinity schools; it does not apply to a man who may be in a university and may have the intention later of becoming a minister. It does not exempt a man in any other school who may be studying to become a minister in later years.

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

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Oklahoma?

Mr. CONNALLY. I yield.

Mr. LEE. It does not apply to ministerial students who are attending any other schools except theological or divinity schools. It does not apply to teachers' colleges.

Mr. CONNALLY. The exemption only applies to those who are attending divinity schools. That is what I am talking about.

Mr. LEE. That is correct. All the other ministerial students who are attending teachers' colleges throughout the land and State universities and other schools are not covered by the language "theological or divinity schools." Although they are ministerial students, although they may be likened to preachers, they are not deferred unless they are in divinity or theological schools. That seems to me to be unfair and unconstitutional, in that it does not take in all those of the class designated as ministerial students.

Mr. CONNALLY. I thank the Senator from Oklahoma.

Mr. President, when I was a boy none of the preachers whom I ever heard preach could have taken the benefit of that exemption. Many good old cornfield preachers who gathered their flocks around an open Bible on Sunday morning or gathered their flocks in camp meeting in the summertime, and got more converts during those 2 weeks than they got all the year, because next year they would get all those converts over again and then some new ones, never saw a divinity school. They never were in a seminary; but they walked with their God out yonder amidst the forests and plains; they read His book at night by kerosene lamp or tallow candle. Under the amendment that type of preacher would not be exempt; he would have to train, he would have to fight, he would have to sacrifice, he would have to suffer. However, if he were able to go to some divinity school, and be a student in such a school, he would be exempt and would not have to serve.

Mr. President, I did not finish cataloging some of the privileges about which we are always shouting when Fourth of July comes around and forgetting when it costs us some trouble and some sweat and maybe some blood to observe them.

Mr. NEELY. And some votes.

Mr. CONNALLY. The Senator from West Virginia suggests "votes", and I thank the Senator. A man who can get elected Senator or Governor or notary public or to any other office whenever he gets ready, I believe knows much about elections and about votes, and I thank him.

Mr. NEELY. I hope the Senator will let me assure him that I have never run for notary public. [Laughter.]

Mr. CONNALLY. Notary public is not an elective office.

Mr. NEELY. That is quite true, and I could not fully enjoy an office that did not require running against opposition in order to obtain it. [Laughter.]

Mr. CONNALLY. I thank the Senator, but my statement was made only in the spirit of contrast. What I meant was that if he wanted to be United States Senator he could have the office; if he wanted to be notary public he could have that office; if he wants to be Governor he can have it, or if he wants to hold both of them at the same time he can have them; and that is what he is doing now, and I am for him. I do not know anybody I hate to see leave the Senate more than I do the Senator from West Virginia. [Laughter.]

I have a private list of those I would not mind seeing go. [Laughter.] But I am not giving it out.

Mr. NEELY. Mr. President, will the Senator permit me to thank him sincerely for not having put my name on his private list of undesirables? As the words in my own vocabulary are not sufficiently vigorous to express my gratitude to the eminent Senator from Texas for what he has so graciously said about me, I appeal to the celestial muse of the great Italian poet, Virgil, to supply my deficiency of language and enable me to tell the beloved Texas statesman what I think of him.

Mr. CONNALLY. If it is parliamentary.

Mr. NEELY. It is, indeed, parliamentary, pertinent, and proper.

Mr. CONNALLY. I would not want the Senator to violate the rules.

Mr. NEELY. Mr. President, now let me address myself directly to my distinguished and eloquent friend from Texas:

> In you this age is happy, and this earth
> And parents more than mortal gave you birth;
> While rolling rivers into seas shall run
> And round the space of heaven the glorious sun,
> While trees the mountain tops with shade supply,
> Your honor, name, and praise shall never die.

[Laughter.]

Mr. CONNALLY. I thank the Senator very much.

I had left off where the Constitution mentions the freedom of the press. There sit the members of the press in the gallery.

> Congress shall make no law * * * abridging the freedom of speech.

Congress cannot interfere with it. Congress cannot stay the hand of any reporter who wants to write an article. Congress cannot stop the printing presses downtown from turning out the daily papers. Congress cannot interfere with the editor who sits in his sanctum and frequently writes wisely about something of which he knows nothing. [Laughter.] But that is freedom of the press. It applies to every reporter in the gallery. It applies to everyone connected with the press—all of them, not some of them. It applies to those who are the sons of rich men as well as to those who are sons of poor men. Freedom of the press does not obtain simply with those who belong to the social "400," and is denied to those who move in more humble circles. Freedom of the press belongs to every citizen in the Republic.

If that is true, and the citizens of this Republic claim that privilege, why does not every citizen of this Republic owe a duty to serve and, if necessary, to die to defend the Government which gives him that sort of protection? Yet we hear it said, "Oh, no; you must not touch this particular class. We are going to anoint them; we are going to bless them; we are going to set them apart over here, the great class that is impeccable and untouchable."

I do not subscribe to that, whether a man belongs to the Christian Church, or the Baptist Church, or the Methodist Church, or the Jewish Church, or the Mormon Church, or the Catholic Church, or the Dutch Reformed Church, or the Presbyterian Church, or the Episcopal Church, or any other church. No matter what church a man belongs to or what his faith, I stand for his right to enjoy that faith.

One of the reasons why I am in the Senate is that many years ago, when a wild madness swept over this country, preaching prejudice against Jews and against colored people and against Catholics and against the foreign-born—all of my colleagues know what I am talking about—when that mania spread over the United States of America, in my State I dared to deny its philosophy, and the reason why I am in the Senate now is that I stood against that doctrine and for freedom of religion, a free press, free speech, and all the fundamental principles of America. I believe in them, and we should not now set up another official classification.

Let the local boards decide these questions. They will know more about it than we know. The men live in the little communities, where all the whispers will go around and will keep the board informed, and tell them "not to mention my name, but——." They will find out all about an applicant, and the local boards will be better equipped and prepared to pass upon the question as to whether men should serve in the training camps or whether they should serve somewhere else.

Mr. President, I have not stated all the privileges about which we beat our breasts on the Fourth of July. What else do we find? We claim the right peaceably to assemble. Every agitator in the United States, every flannel-mouthed Communist, comes up and says that he is strong for the right of petition and assembly; and he has the right and I do not want to take it away from him. But when it becomes necessary for men to serve or perhaps to fight to maintain the right and the privilege of peaceably assembling, I think some of these folks who are so strong for peaceable assembly should be willing to serve, and not ask for a separate classification.

> A well-regulated militia, being necessary to the security of a free state, the right of the people to keep and bear arms, shall not be infringed.

That applies to everyone. Each citizen has a right to claim the advantages of that amendment, and if he has, he owes the same right to serve his government when that government needs his service to live, to survive, to be able to say that that amendment shall be enforced.

> No soldier shall, in time of peace, be quartered in any house.

The Constitution makers put in the power to draft when they provided that the Congress shall have power "to raise and support armies." Did they say that Congress shall have the right to raise and support armies in time of war only? George Washington, who presided at the convention, did not say so. Mr. Madison, who sat there and wrote down the transactions from day to day, does not recall that anyone wanted to say that Congress could raise armies only in time of war. Congress shall have the power to raise and support armies at any time, in peacetime, for training purposes, for any purpose on earth, that the wisdom and the patriotism of the Congress of the United States shall sanction.

There are many other guaranties. We are strong for claiming these guaranties, but there is a suggestion of invidious classifications when it comes to defending the power and the right to make vital and vivid and life-giving these privileges which the Constitution guarantees:

> The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated.

We have heard people all over this Republic prate about their rights under that clause. This right belongs to everyone. If it does, the obligation and the duty to maintain it and the obligation and duty to maintain and support the Government

which gives life to that Constitution rests upon every citizen who may claim its privileges.

No person shall be held to answer for a capital, or otherwise infamous crime, unless on a presentment or an indictment of a grand jury, except in cases arising in the land or naval forces.

Away off yonder in Russia, under their totalitarian concept, where is the poor citizen, where is the poor peasant who can go into a court and say, "I demand the right of a trial by jury," and get it? They do not have it. Where in Germany, under the regime of the blood purge, where they went out and shot down prominent citizens without any trial—where is there any constitutional guaranty of the right of trial by jury? Yet when this Republic is threatened and its security is shadowed by these totalitarian concepts which would destroy these constitutional provisions, where is the man who claims his right under this provision who is not also obligated to serve in order to make vital and life-giving that provision of the Constitution regarding jury trials?

Mr. President, we are forgetting the basic and the fundamental concepts of America when we set up any artificial distinction whatever in this legislation.

Nor shall any person be subject for the same offence to be twice put in jeopardy.

I might make the same observation about that.

Nor shall be compelled in any criminal case to be a witness against himself.

That is a great privilege, that is a priceless possession, which has come down to us under the Constitution of the United States from good old Anglo-Saxon days. Yet that Constitution under which we claim these privileges has to be maintained. If this Government shall fall, there will be no Constitution like this. There will be a Constitution written in blood, with the point of a sword, and enforced by the iron heel of a master, instead of the wisdom and the counsel of a constitutional convention.

If these things be true, Mr. President, why is not every citizen of this Republic bound under his duty to serve—and God forbid that he may have to do it—and if necessary to fight for the preservation of this Republic, and for the preservation of a Government able to enforce and able to defend and able to secure these priceless privileges which we claim as American citizens?

Mr. President, let us vote down this amendment, and say to all citizens of the United States, "We make no request of you that we do not make of every other citizen. We do not ask you to serve ahead of or behind your brother and your friend. We set up a standard of service. The Government will call you when your own neighbors, passing upon the facts of your case, fit you into your particular bracket under the standardization plan of this act. That is not unfair to anybody. You are not particularly favored. We are not going to set you aside and not call you into service.

Let me say one more word. I have heard many men on this floor urge that we resort only to the volunteer system. In this hour we owe a duty to this Republic, but we also owe a duty to every citizen of the Republic. One of our duties is to the individual who is willing to volunteer. Let us take the case of a young man who is willing to serve, willing to fight, and, if need be, willing to die. Do we not owe him an obligation? And is not a part of that obligation the compelling duty on our shoulders to see that he does not fight alone, but that other boys and other men similarly situated share his burden, share the sacrifice which his impulsive nature might cause him to embrace when he should perhaps not be swayed by such an impulse? We owe a duty to every citizen to see that he does not perform all the obligations and all the duties, that he does not contribute all the sacrifices. And going along with that is the duty to see that every other man situated like he is shall render the same kind of service to the Government which protects and shields him, wraps him all about with the priceless privileges that as Americans we claim.

The PRESIDING OFFICER. The question is on the modified amendment of the Senator from Pennsylvania [Mr. GUFFEY] to the committee amendment. The yeas and nays have been ordered.

Mr. RUSSELL. Mr. President, I regret very much that the Senator from Pennsylvania [Mr. GUFFEY] has seen fit to abandon his original amendment. The original amendment allowed exemption to divinity students. The proposal with which we are now confronted exempts theological or divinity schools. I was perfectly willing to support the proposition which would have exempted those who are now students of divinity, but I am unwilling to vote for the pending proposal, which merely provides a place of refuge for those who hereafter may wish to enroll in specific schools that are purely divinity and theological institutions, and does not afford the same exemption to those who may be preparing themselves for the ministry in schools which have broader enrollment.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRNES (when his name was called). I have a general pair with the Senator from Maine [Mr. HALE]. I transfer that pair to the junior Senator from Virginia [Mr. BYRD] and will vote. I vote "yea."

Mr. McKELLAR (when his name was called). I have a general pair with the Senator from Delaware [Mr. TOWNSEND]. Not knowing how he would vote if present, I withhold my vote.

Mr. McNARY (when his name was called). I transfer my general pair with the Senator from Mississippi [Mr. HARRISON], who is necessarily absent, to the Senator from Ohio [Mr. TAFT]. The Senator from Ohio, if present, would vote "yea." I vote "yea."

Mr. STEWART (when his name was called). On this vote I have a pair with the junior Senator from Oregon [Mr. HOLMAN]. I therefore withhold my vote.

Mr. SHIPSTEAD (when his name was called). I have a pair with the senior Senator from Virginia [Mr. GLASS], whom I am informed would vote "nay" if present. If I were at liberty to vote I should vote "yea."

The roll call was concluded.

Mr. SCHWARTZ. I announce that my colleague [Mr. O'MAHONEY] is unavoidably detained from the Senate. If present he would vote "yea."

Mr. ELLENDER. I announce that my colleague [Mr. OVERTON] is detained because of illness.

Mr. MINTON. Mr. President, I announce that the Senator from Virginia [Mr. BYRD], the Senator from South Carolina [Mr. SMITH], and the Senator from Montana [Mr. MURRAY] are unavoidably detained. I am advised that if present and voting they would vote "yea."

The Senator from Illinois [Mr. LUCAS] is in camp with the Illinois National Guard. If present he would vote "yea."

The Senator from North Carolina [Mr. BAILEY], the Senator from Mississippi [Mr. BILBO], the Senator from Michigan [Mr. BROWN], the Senator from Idaho [Mr. CLARK], the Senator from Virginia [Mr. GLASS], the Senator from New Mexico [Mr. HATCH], the Senator from Iowa [Mr. HERRING], the Senator from Delaware [Mr. HUGHES], the Senator from Nevada [Mr. PITTMAN], the Senator from Illinois [Mr. SLATTERY], and the Senator from Missouri [Mr. TRUMAN] are necessarily absent.

The Senator from Kansas [Mr. REED] and the Senator from Delaware [Mr. HUGHES] have a general pair.

The result was announced—yeas 60, nays 10, as follows:

YEAS—60

Adams	Danaher	Johnson, Calif.	Radcliffe
Andrews	Davis	Johnson, Colo.	Reynolds
Ashurst	Donahey	King	Schwartz
Bankhead	Downey	La Follette	Schwellenbach
Barbour	Ellender	Lodge	Smathers
Barkley	Frazier	Lundeen	Thomas, Idaho
Bone	George	McCarran	Tobey
Bridges	Gerry	McNary	Tydings
Bulow	Gibson	Maloney	Vandenberg
Burke	Gillette	Mead	Van Nuys
Byrnes	Green	Miller	Wagner
Capper	Guffey	Minton	Walsh
Caraway	Hayden	Neely	Wheeler
Chandler	Hill	Nye	White
Chavez	Holt	Pepper	Wiley

NAYS—10

Austin	Gurney	Russell	Thomas, Okla.
Clark, Mo.	Lee	Sheppard	Thomas, Utah
Connally	Norris		

NOT VOTING—26

Bailey	Harrison	Murray	Smith
Bilbo	Hatch	O'Mahoney	Stewart
Brown	Herring	Overton	Taft
Byrd	Holman	Pittman	Townsend
Clark, Idaho	Hughes	Reed	Truman
Glass	Lucas	Shipstead	
Hale	McKellar	Slattery	

So Mr. GUFFEY's amendment, as modified, to the committee amendment, was agreed to.

Mr. DAVIS. Mr. President, I was called from the Chamber about a minute or two before the vote was called for.

Mr. LEE. Mr. President——

The PRESIDING OFFICER. The Chair has recognized the Senator from Pennsylvania for the purpose of making a motion. If the Senator from Oklahoma will wait a minute the Chair will recognize him.

Mr. LEE. A motion can take the whole afternoon.

The PRESIDING OFFICER. The Chair has recognized the Senator from Pennsylvania.

Mr. DAVIS. I was called from the Chamber a minute before the call for the vote. I thought it was a quorum call, and did not understand that the Senate had agreed to vote upon the pending amendment at that time. I desire to offer an amendment to the amendment which was just acted upon, because, as I understand, the amendment which my colleague accepted yesterday does not contain the language of my amendment. Therefore I ask unanimous consent——

Mr. LEE. Mr. President, will the Senator from Pennsylvania yield long enough for me to propound a parliamentary inquiry? Did I understand the Presiding Officer to say that he recognized the Senator from Pennsylvania for the purpose of making a motion to reconsider, or to offer an amendment to the amendment?

The PRESIDING OFFICER. If the Senator from Oklahoma will wait a minute the Chair will find out what motion the Senator from Pennsylvania proposes to make.

Mr. LEE. Was I not on the list to be recognized next?

The PRESIDING OFFICER. Yes; and the Chair is doing the best he can to help Senators and facilitate the argument and debate on the pending legislation, but oftentimes Senators intrude themselves upon the Chair and upon the time of other Senators, and the Senator from Oklahoma will have to be patient, and the Chair will be patient also. The Chair has recognized the Senator from Pennsylvania.

Mr. LEE. I was on the list yesterday.

The PRESIDING OFFICER. That is true. The Senator from Pennsylvania is recognized.

Mr. DAVIS. As I was about to point out, the amendment offered by my colleague received hearty approval, and I desire at this time to ask unanimous consent, if I may obtain it, for reconsideration of the vote by which the amendment was adopted, in order that I may offer an amendment to the amendment, because I do not think I will have another opportunity to present my amendment during the present session of the Congress.

The PRESIDING OFFICER. The Senator from Pennsylvania asks unanimous consent that the vote by which the amendment of his colleague [Mr. GUFFEY] was agreed to be reconsidered. Is there objection?

Mr. BARKLEY. Reserving the right to object, what is the amendment that the Senator from Pennsylvania says he was deprived of the opportunity to offer, and which he claims was agreed to?

Mr. DAVIS. I wish to offer an amendment to the amendment of my colleague [Mr. GUFFEY], as modified, to the committee amendment, as follows:

After the words "date of enactment of this act" and before the comma, I propose to insert the words "and seminarians at such schools or at seminaries."

Mr. BARKLEY. My recollection is that the Senator——

Mr. DAVIS. Wait a minute, please. My colleague accepted that language.

Mr. BARKLEY. I do not so understand.

Mr. DAVIS. I do so understand, because he accepted it.

Mr. GUFFEY. No, Mr. President, I did not accept it.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Pennsylvania [Mr. DAVIS]?

Mr. GUFFEY. I object.

The PRESIDING OFFICER. Objection is heard.

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

Mr. DAVIS. I yield.

Mr. CLARK of Missouri. The Senator does not need unanimous consent. He can make a motion.

Mr. DAVIS. I move now that the Senate reconsider the vote by which the amendment of my colleague [Mr. GUFFEY], as modified, was agreed to.

The PRESIDING OFFICER. The question is on the motion of the Senator from Pennsylvania [Mr. DAVIS] to reconsider the vote just taken.

Mr. BARKLEY. I do not care to interfere with the Senator from Pennsylvania, but I distinctly recall that the junior Senator from Pennsylvania [Mr. GUFFEY] did not accept the amendment suggested by the senior Senator from Pennsylvania, and my recollection is that the matter was abandoned. Certainly the amendment in question has been under discussion ever since yesterday. It was discussed all day today, and almost all of yesterday afternoon.

The Senator could during that time have offered his amendment to the amendment. It seems to me a little unusual immediately after a vote to move to reconsider the vote by which the amendment was adopted overwhelmingly, in order to offer an amendment of the sort proposed, to the amendment which was adopted.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Pennsylvania [Mr. DAVIS].

Mr. WALSH. Mr. President, I will say to the Senator from Pennsylvania that, according to my information on the subject, in my opinion the objective he has in mind is fully taken care of, and has been acted upon favorably by the Senate. There is no need of his amendment, and I shall vote against reconsideration.

Mr. DAVIS. Mr. President, my colleague said he did not accept my modification of his amendment. I read from page 10501 of the CONGRESSIONAL RECORD. Using his own language, my colleague said:

> I accept that modification.

Mr. BARKLEY. Mr. President, if the Senator will read further in the RECORD he will find that the junior Senator from Pennsylvania [Mr. GUFFEY] later stated that he could not accept it. There was further discussion of it.

Mr. DAVIS. I know he accepted the amendment at the time I presented it.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Pennsylvania [Mr. DAVIS].

The motion to reconsider was rejected.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

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

S. 769. An act authorizing the Secretary of the Interior to furnish mats for the reproduction in magazines and newspapers of photographs of national-park scenery;

S. 2686. An act authorizing the reenlistment of John Mudry in the United States Army;

S. 2997. An act for the relief of the Greenlee County Board of Supervisors;

S. 3581. An act for the relief of John L. Pennington;

S. 3594. An act to provide an additional sum for the payment of a claim under the act entitled "An act to provide for the reimbursement of certain personnel or former personnel of the United States Navy and United States Marine

Corps for the value of personal effects destroyed as a result of a fire at the Marine Barracks, Quantico, Va., on October 27, 1938," approved July 19, 1939;

S. 3741. An act for the relief of Charles P. Madsen;

S. 3866. An act for the relief of George W. Coon;

S. 3975. An act granting to certain claimants the preference right to purchase certain public lands in the State of Florida;

S. 4011. An act to authorize the Secretary of the Interior to accept payment of an annual equitable overhead charge in connection with the repayment contract between the United States and the Strawberry Water Users' Association of Payson, Utah, in full satisfaction of delinquent billings upon the basis of an annual fixed overhead charge, and for other purposes;

S. 4137. An act relating to transportation of foreign mail by aircraft; and

H. R. 9751. An act for the creation of the United States De Soto Exposition Commission, to provide for the commemoration of the four hundredth anniversary of the discovery of the Mississippi River by Hernando De Soto, the commemoration of De Soto's visit to the Chickasaw Territory in northern Mississippi, and other points covered by his expedition, and the two hundred and fifth anniversary of the Battle of Ackia, and for other purposes.

SELECTIVE COMPULSORY MILITARY SERVICE

The Senate resumed the consideration of the bill (S. 4164) to protect the integrity and institutions of the United States through a system of selective compulsory military training and service.

Mr. LEE. Mr. President, I offer an amendment which I send to the desk and ask to have stated. The amendment has to do with drafting capital in time of war.

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

The CHIEF CLERK. At the end of the bill it is proposed to insert the following new title:

TITLE II

It is hereby declared to be the policy of Congress that in case of a national emergency which calls for the draft of manpower the financial resources of the country shall be mobilized for national defense by drafting capital.

Mr. LEE. Mr. President, I ask unanimous consent that the further reading of the amendment be dispensed with, and that the amendment be printed at this point in the RECORD.

The PRESIDING OFFICER. Is there objection?

Mr. ADAMS. Mr. President, I should like to have the amendment read.

The PRESIDING OFFICER. Objection is heard.

Mr. LEE. I ask that the clerk read it not too rapidly, so that it may be understood.

The PRESIDING OFFICER. The clerk will resume the reading.

The Chief Clerk read as follows:

SEC. 201. Whenever war or the imminence of war creates an emergency which in the judgment of the President is sufficiently serious to necessitate an increase in the Military Establishment by the drafting of manpower, the President is authorized and directed to cause to be taken a census of the net wealth and income of every citizen of the United States, every resident alien, and every nonresident alien having any wealth in the United States. Upon the completion of such census, the President shall cause to be computed each person's ability to lend to the Government and shall classify all persons accordingly.

Mr. LEE. Mr. President, I renew my unanimous consent request that the further reading of the amendment be dispensed with. If any Senator desires a copy of the amendment, it is printed, and I have a few copies on my desk. I intend to explain it.

The PRESIDING OFFICER. The Senator from Oklahoma asks unanimous consent that the further reading of the amendment be dispensed with.

Mr. WHEELER. Mr. President, I should like to have the amendment read.

The PRESIDING OFFICER. The Senator from Montana objects. The clerk will resume the reading.

The Chief Clerk read as follows:

SEC. 202. (a) Whenever it becomes necessary for the Government to borrow money for the prosecution of war or to provide for such expenditures for national defense as may be necessary to meet any emergency which in the judgment of the President necessitates an increase in the Military Establishment by the drafting of manpower, the Secretary of the Treasury shall, from time to time, determine the sums which are necessary for such expenditures and shall issue bonds in convenient size and denominations for such sums. Such bonds shall not be transferable, shall bear interest at a rate not in excess of 1 percent per annum, and shall not be tax exempt either as to principal or interest.

(b) The President shall prorate among the persons covered by any census taken pursuant to this act the sums which such persons are required to invest in each separate issue of such bonds. Such proration shall be on a graduated scale similar to that of the graduated income tax, so that each person shall be required to invest according to his ability. This proration shall be repeated from time to time as long as it is necessary for the Government to borrow money to meet the emergency which necessitates an increase in the Military Establishment by the drafting of manpower.

Mr. ASHURST. Mr. President, I ask the Senator from Oklahoma if he will yield to me for a question?

Mr. LEE. I yield.

Mr. ASHURST. For some time—more than a year to my knowledge—the able Senator from Oklahoma has been urging that if there is to be a draft of men there should be a draft of property. It is a singular circumstance, and one worthy of comment, that very few of the advocates of drafting men ever use those words. They use the euphemistic term "selective service." They shy away from draft as a horse would shy away from a Navajo blanket. They do not like the word "conscription." They soften it down with a great deal of euphemy. Even a distinguished candidate for President did not use the word "draft" or the word "conscription." I am not blaming him. He is a politician. Politicians are the only ones who are ever elected. [Laughter.] I call attention to the fact now only because a test is coming, and I earnestly hope that the Senator from Oklahoma will ask for the yeas and nays on his amendment.

Mr. LEE. I thank the Senator. I shall do so.

Mr. ASHURST. It is perfectly constitutional to draft wealth, just as it is constitutional to draft men. I have heard some of the very able lawyers of the Senate say, "We cannot draft men except in time of war." I do not agree with them. We can draft men in time of peace if we choose to do so as a matter of policy. It has been demonstrated, and I believe lawyers throughout the country generally recognize, that the Congress has the power to prevent the further issuance of tax-exempt securities. Congress has the power to pass retroactive legislation—not ex post facto legislation—levying an income tax on bonds heretofore issued, although the bonds on their face may state that they are not taxable. Congress has that right.

Therefore it seems to me that the Senator from Oklahoma is on fairly safe ground. His proposal is constitutional. It will be interesting to see how many Senators wish to draft blood but pause and shrink when it comes to drafting money. I realize that Joseph Addison said that the most cowardly thing in the world is money—not men who have money, but money. It shrinks under the slightest touch or pressure. As a memorial to the courage of the Senate I shall preserve the roll call indicating those who are willing to draft blood but who shy away from drafting money and refuse to do it.

I ask the Senator to explain the amendment a little further. Is it the bill he has been urging for about a year, which proposes to draft wealth as well as men?

Mr. LEE. It is.

Mr. ASHURST. Very good. I shall take pleasure in supporting it.

Mr. LEE. I thank the Senator.

The PRESIDING OFFICER. The clerk will resume reading.

The Chief Clerk read as follows:

(c) Each such person shall purchase such bonds in the amounts so allotted and within the time so prescribed.

(d) The borrowing power of the United States under this act shall not be exercised after the termination of the emergency which brought such power into existence.

Mr. ASHURST. Mr. President, I am a man who believes in private property. I think it is the duty of citizens to acquire private property. I have no envy toward a man because he has a million dollars or $10,000,000. I do not ask how much he has, but how he got it. That is all the American Government has the right to ask. We do not care how much he has, but how did he get it? Is he making his proper contribution to the Government?

Some years ago many persons believed that Russia was a great experiment, a great government. Mr. President, Russia was doomed to fall and fail the day she started, for the reason that the Russian scheme transcended and violated certain inviolable, ineradicable instincts of human kind. In every race there are three yearnings which cannot be eradicated by any human law:

First, someone for whom to care—someone to love, if you please. The Russian Government tried to eradicate that.

Second, something in which to believe. The Russian Government tried to uproot that.

Third, something to possess. The Russian Government tried to obliterate that.

So, Mr. President, it cannot be said that I wish to take away private property from men. I welcome the citizen sedulously and daily engaged in the effort to acquire more property; but if the time has come to lay the long hand of the law, the long arm of the power of Government, on the sons of the Republic and march them to a bloody death, surely we are sportsmen enough also to draft the wealth to pay for the same war.

I thank the Senator.

Mr. LEE. I thank the Senator from Arizona.

The PRESIDING OFFICER. The clerk will resume reading.

The Chief Clerk read as follows:

SEC. 203. (a) The President is authorized, in his discretion, to provide, under such rules and regulations as he may prescribe, for the acceptance by the United States of property or services which are valuable for the prosecution of war or the improvement of national defense in payment for the bonds provided for by section 202 of this act. Such rules and regulations shall provide for the method of valuation of any such property or services.

(b) The President is further authorized to provide, under such rules and regulations as he may prescribe, for the acceptance from any person, in payment for the bonds authorized by section 202 of this act, of notes or other obligations of such person, bearing interest at a rate not to exceed 5 percent per annum and adequately secured by liens upon specified property.

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

Mr. LEE. I yield.

The PRESIDING OFFICER (Mr. MINTON in the chair). The clerk has the floor.

Mr. ASHURST. I do not wish to interrupt the clerk. He has served in this body longer than I have. [Laughter.] I should rather hear his voice than hear my own; but I crave permission to make an amplification of my statement.

In using the words "draft property" I am in favor, if necessary, of drafting the corpus of the estate, the body of the property itself. However, I hope the able Senator from Oklahoma will give consideration also to a provision for drafting income. There is quite a distinction between the income from an estate and its corpus. I hope the Senator will give some attention to the question of drafting the income first, because the corpus which produces the income would probably last longer. Therefore, while I am perfectly content to vote for the amendment as I understand it, drafting the corpus, as a matter of conservatism, as a matter of justice, and as a matter of getting revenue, it might be well to provide in the amendment for the drafting of the income. I think the Senator gathers my meaning.

Mr. LEE. I shall deal with that question when I have the opportunity. I tried to have the further reading dispensed with, but twice Senators objected, and rightly so.

Mr. ASHURST. I hope Senators will manifest no irritation because the amendment is being read. I doubt very much if the country would excuse us for voting on the amendment without having it read. I am wholly in favor of having the amendment read before we vote upon it.

The PRESIDING OFFICER. The clerk will resume reading.

The Chief Clerk read as follows:

SEC. 204. (a) The President is authorized to establish such boards, agencies, and tribunals and to promulgate such rules and regulations as may be necessary for carrying out the purposes of this act.

(b) The President is authorized to employ such officials and employees and to make such expenditures as may be necessary to carry out the provisions of this act.

SEC. 205. (a) Whoever shall knowingly violate any rule or regulation of the President under this act, on the conviction thereof, shall be fined not more than $5,000 or imprisoned not more than 2 years, or both.

(b) Whoever shall willfully refuse or fail to purchase the principal amount of bonds which he is required to purchase under this act shall, upon the conviction thereof, be fined not more than $10,000 or imprisoned not more than 5 years, or both.

SEC. 206. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

It is also proposed to amend the title so as to read:

A bill to protect the integrity and institutions of the United States through a system of selective compulsory military training and service and to mobilize the financial resources for national defense by a draft of money according to ability to lend.

Mr. LEE. Mr. President, there is perhaps more misunderstanding about this proposal than any other proposal which has been made, judging from the statements I find——

Mr. ELLENDER. Mr. President——

The PRESIDING OFFICER (Mr. MINTON in the chair). Does the Senator from Oklahoma yield to the Senator from Louisiana?

Mr. LEE. I yield.

Mr. ELLENDER. I desire to make a point of order, that the amendment of the Senator from Oklahoma is not in order for the reason that the amendment is in contravention of section 7, article I, of the Constitution, which reads:

All bills for raising revenue shall originate in the House of Representatives; but the Senate may propose or concur with amendments as on other bills.

Mr. LEE. Mr. President, I believe that is a point of order on which the Senate itself must pass, and therefore I shall proceed to explain the amendment.

There are many people who propose to support a thing as long as it is in general or abstract terms, but once it is put into a specific bill they say, "Oh, I favor the general proposition, but I do not favor this specific bill." There will be a number of Senators who will also undertake to hide behind a parliamentary technicality, that this is not an appropriate time or place to vote on this amendment.

I wish to explain the amendment, and then if the Senate, which has the authority, decides it is not appropriate at this place, of course, that decision will be the decision of the Senate.

In the first place, let me say a few things the amendment does not provide. It does not provide for the seizure of property, as some have stated it does. It is not a tax measure. It does not provide for any tax at all. It provides rules and regulations for the mandatory sale of bonds for the purpose of financing either defense, as in the present situation, or for financing the prosecution of war, if war should come.

It is to take effect upon two eventualities; first, in case an emergency is such that it calls for the drafting of manpower; and secondly, in case it is necessary to borrow funds for the purpose of financing defense.

Today we have our tax measures. This is not a tax measure. But we have voted $14,000,000,000 to finance our defense program. How are we to get that $14,000,000,000? The contracts will soon be ready. We do not have the money in the Treasury. Where are we to get the money to meet those contracts? We are going to borrow the money. How did we borrow money for the prosecution of the World War? We sold war bonds on a voluntary basis.

My proposal does not provide for seizing anyone's money. It provides for the mandatory sale of bonds in proportion to

ability to lend, just as we raise taxes in proportion to ability to pay.

Today we are confronted with a crisis. We are considering a method of mobilizing manpower. We have a Council of National Defense, organized for the purpose of mobilizing industry, of which Mr. Knudsen is a member. I propose in this amendment to provide means of mobilizing the financial resources of the country.

Under this proposal the President would cause to be taken a financial census, or a census of the net wealth and income of the people of the United States, and then citizens would be classified in a manner similar to the classification under the graduated income-tax law, so that the man most able to lend could lend in proportion to his ability.

The selective draft of men is supposed to take men in proportion to their availability. A graduated income tax requires people to pay in accordance with their ability to pay. This proposal is a method of borrowing money in proportion to people's ability to lend.

When the Treasury Department undertakes to sell the $4,000,000,000 worth of bonds, which will be the first to be sold, how will it get people to buy them? Either by making the bonds attractive on the ground of being profitable to the purchaser, or because of pressure put on the purchasers. Neither of those methods is a fair criterion for determining the amount of bonds a person can buy. Every proposal should be considered in the light of the alternative. What is the alternative to this proposal? The alternative is a begging campaign, begging the people of the United States to buy enough bonds to pay for the materials used by the boys we are drafting by compulsory measures.

Mr. BONE. Are we not rather begging them to volunteer their money instead of conscripting it?

Mr. LEE. Exactly.

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

Mr. LEE. I yield.

Mr. WHEELER. The distinguished Senator from Arizona [Mr. ASHURST] a moment ago made the statement that it was perfectly constitutional to draft men in peacetime. I would say to the Senator that there is a serious doubt in my mind whether or not a peacetime draft would be constitutional, and I wish to call attention to the fact that the Supreme Court of the United States, when it upheld the selective-service draft law, specifically stated, through Justice Cardozo, that in wartimes the Government had a right to have a draft. He expressly eliminated the question as to whether or not peacetime draft would be constitutional.

I call attention to the fact also that Daniel Webster, who was looked upon as probably one of the greatest constitutional lawyers of all time, made a speech on the floor of the Senate, a copy of which I have, in which he said that peacetime conscription was unconstitutional. He said that conscription of property was unconstitutional, but stated there was far more justification, under the Constitution of the United States, for drafting property, or for the Government taking over property, than taking over the life of a man. He made a great speech on the floor of the Senate on the subject.

In the course of a few days I expect to present to the Senate a brief, written by some of the best lawyers in this country, in which they have contended that a peacetime draft is unconstitutional. They review the history of peacetime draft from the time of Magna Carta down to the present. It is a very convincing brief upon the whole subject.

I agree fully with the Senator from Oklahoma that if we are to have a peacetime draft of men there can be no reason under the sun why we should not have a peacetime conscription of property.

I also agree with the Senator from Arizona. I want to see the men who stand on this floor and advocate peacetime conscription of soldiers vote on conscription of property. I want to see some of the great and influential New York lawyers who are advocating peacetime conscription squirm when we talk about conscripting property. They would never vote for and they would never advocate peacetime conscription of property. Nor would any of the great newspapers which are now advocating peacetime conscription of men dare to carry editorials in their papers advocating peacetime conscription of property.

Mr. LEE. Oh, no. They hold me up as a hairbrained, wild lunatic because I merely advocate it.

Mr. WHEELER. Of course. The Senator is to be commended when he advocates peacetime conscription of men, but he is a hairbrained lunatic, to use his own language——

Mr. LEE. That is their language, not mine. [Laughter.]

Mr. WHEELER. I mean the language the Senator said they used about him.

Mr. ASHURST. Mr. President, I should be lacking in frankness if I failed now to say that I agree with the Senator from Montana [Mr. WHEELER] that there is doubt as to the validity of peacetime conscription. The Senator and I agree that we do not need conscription now. Therefore we will not quarrel about the constitutionality of such a measure. I happen to believe, after some investigation, that it would be constitutional.

Mr. President, many things may be constitutional that are not necessary, that are not needed. I agree with the Senator from Montana that Mr. Justice Cardozo did say that the question of the validity of peacetime draft was specifically reserved. Is that correct?

Mr. WHEELER. Yes.

Mr. ASHURST. Therefore it may be considered an open question, but my opinion is—and it is of no more validity than that of any other lawyer in the Chamber—that it would not be unconstitutional. I was speaking purely as a matter of policy.

Mr. President, more than 300 years ago there was a man who uttered the statement—and I have been trying for a year to find out who he was—

> Whenever it is not necessary to do a thing it becomes necessary not to do it.

Whoever uttered that I do not know, but it is worthy of remembrance—

> Whenever it is not necessary to do a thing it becomes necessary not to do it.

That statement is worthy of consideration by statesmen, by those engaged in the practice of medicine and by men in other activities of life.

So I say that, of course, those who advocate a draft of the wealth of the country will be very much traduced by the coupon clippers, and the coupon clippers will be invincible in peace and invisible in war.

If our Nation is in peril, of course, I shall vote for the draft. I voted for the draft in 1917. I have no apologies to offer for having done so.

Mr. LEE. Mr. President, it is so appropriate and in point that I wish to read what the two major political parties have said with reference to this proposition.

Mr. ASHURST. To draft property?

Mr. LEE. To draft property. In 1924 the Democratic platform included this statement:

> War is a relic of barbarism, and it is justifiable only as a means of defense.
>
> In the event of war in which the manpower of the Nation is drafted, all other resources should likewise be drafted. This will tend to discourage war by depriving it of its profits.

Mr. ASHURST. Is that quotation from the Democratic platform?

Mr. LEE. That was in the Democratic platform of 1924. I now read an excerpt from the Republican platform of the same year.

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

Mr. LEE. I yield.

Mr. WHEELER. Has the Senator the Democratic platform of 1920?

Mr. LEE. I do not have it here.

Mr. WHEELER. I was going to say that the Democratic platform of 1920 went on record against peacetime conscription. I may also say to the Senator that I have in my office a quotation from Woodrow Wilson, whom the distinguished

Senator from Florida [Mr. PEPPER] the other day very rightfully praised. Woodrow Wilson also went on record against peacetime conscription. Our former President made a very strong comment upon that subject.

Mr. PEPPER. When was that statement made by President Wilson?

Mr. WHEELER. I have it in my office. I cannot say offhand, but as I recall it was a year or so before we entered the war. I am not sure of the exact date.

Mr. LEE. Let me read what the Republican platform of 1924 said:

> We believe that in time of war the Nation should draft for its defense not only its citizens but also every resource which may contribute to success. The country demands that should the United Sates ever again be called upon to defend itself by arms the President be empowered to draft such material resources and such services as may be required, and to stabilize the prices of services and essential commodities, whether utilized in actual warfare or private activity.

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

Mr. LEE. I yield.

Mr. PEPPER. Perhaps I missed it, but has the Senator referred to the declaration of the American Legion on the subject?

Mr. LEE. I was just coming to that, and since the Senator brought it up, let me quote from that declaration. The American Legion made its first declaration in 1922. So definite were the ex-service men in announcing their desire for such legislation, that Reprcsentative Royal C. Johnson, of South Dakota, who introduced the bill in Congress which created the American Legion, also introduced on September 21, 1922, a proposed amendment to the Constitution of the United States on the theory that it was not constitutional to draft capital. I think it is definitely constitutional, but for fear it was not, the following proposed enabling act was introduced by Representative Royal C. Johnson:

> That in the event of a declaration of war by the United States of America against any foreign government or other common enemy the Congress shall provide for the conscription of every citizen and of all money, industries, and property of whatsoever nature necessary to the prosecution thereof, and shall limit the profit for the use of such moneys, industries, and property.

That was the first effort to secure legislation to draft money in case of war. It was adopted by the American Legion convention in New Orleans October 16, 1922. From that time until 1930, Representative Royal C. Johnson continued to reintroduce it.

The senior Senator from Kansas [Mr. CAPPER] introduced a similar bill in the Senate. The bill was originated by those who first organized the American Legion, and its language is very plain. It says:

> The Congress shall provide for the conscription of every citizen and of all money.

That was in the proposed enabling act, which never was passed. I think that provision was entirely unnecessary. The Constitution says:

> The Congress shall have power * * * to raise and support armies.

The phrase "and support" is just as much a part of the Constitution as the phrase "to raise." If Congress has power to call men to the colors by mandate, it has constitutional power to enact legislation to raise the means of supporting the Army, for later in the same section the Constitution provides:

> To pass all laws which shall be necessary and proper for carrying into execution the foregoing powers.

The amendment I am offering would come under that authorization of the Constitution—

> To pass all laws which shall be necessary and proper for carrying into execution the foregoing powers.

What powers? To raise and to support an army. There are two constitutional powers. One is to raise an army; the other is to support that army. What good is an army without food, transportation, and arms? Therefore it is necessary for the Congress to have the same power to support the Army as it has to raise the Army.

We call men to the colors by mandate, and yet we go forth and beg for enough money to pay for the beans they eat before they are shot. We raise an army of men by force, and we support that army by grace.

Mr. ASHURST. Mr. President, I really feel that I should not mar the Senator's speech——

Mr. LEE. I am glad to have the Senator's contribution.

Mr. ASHURST. But I remember something to the effect that the Senator was called "a wild"—what was the phrase?

Mr. LEE. I do not want to emphasize it or call attention to it.

Mr. ASHURST. Mr. President, I have known men of physical courage who could face the cold pistol barrel of an opponent and never flinch. That is a degree of courage I am proud of in other men. I myself do not have it, but I am proud to see it in other men. Yet a man who could face a cold pistol barrel might literally shrink and wither under ridicule.

Mr. President, if a man is to be a statesman he does not need to have the courage required to face the cold pistol of an opponent; but if he is to be a statesman of any utility he must face, without shrinking, with good nature, and apparently with a liking for it, ridicule which would blister the paint on this desk. If the Senator expects to get anywhere—and I believe he will travel far, because he is young and able—he must be able, I repeat, to face ridicule which would blister the paint on this desk.

Take Dr. Townsend's plan for old-age pensions. When he proclaimed his plan a wave of ridicule went over the country. Now it has successfully passed beyond the stage of ridicule; it has survived ridicule and has now reached the stage of argument. It will survive the stage of argument, and as soon as Congress is ready will come to the stage of enactment. So it is with the proposal of the Senator that if we are to draft men we should also draft the income or the corpus of estates—preferably the income. If the Senator can stand the ridicule, he will have advanced one step forward in a great reform. Then if he can survive the stage of argument, he will pass on to the stage of enactment.

Here is my able friend from my neighbor State of New Mexico [Mr. HATCH], quiet, unobtrusive, and a very able citizen. He introduced a bill which met with ridicule from the Republican Party, and even greater ridicule from his own party. Quietly, unobtrusively, serenely, and ably, without trying to do too much the first year and thereby dying of indigestion, he attempted, step by step, to put through a great reform. When we are gone and people read from musty tomes what some of us have said, the Senator from New Mexico will be gratefully remembered by posterity as a man who helped to clean politics in America. Suppose he had fallen at the first fire of ridicule? He would have demonstrated that he was not a great statesman, because he would have lacked the moral fiber which drives through great reforms.

Here is my very eloquent friend the Senator from Florida [Mr. PEPPER]. I do not agree with some of his conclusions, but it must be the judgment of the country and of the Senate that he has, with courage and ability, urged and advocated the things in which he believes with respect to certain features of world affairs. He is exempt from ridicule. He is exempt from criticism because of the courageous and brave way in which he has proceeded with his arguments.

Here is my able friend from North Carolina [Mr. REYNOLDS]. When he first began to talk about deporting criminal and unauthorized aliens, Senators would say, "Oh, BOB REYNOLDS is talking again about deporting aliens. Let us go to lunch." [Laughter.] But he kept at it. He did not wither under the first fire. If a vote were now taken, the criminal and unauthorized aliens who are here undermining our Government would be deported. The Senator had the moral courage and fiber to stand up for his principles. That is what makes a man a statesman. It is not mellifluous talk, scholarship, and all that. People like those things, but they do not advance one very far. It is the ability to go far with great problems which makes a statesman.

Here is the able Senator from Texas [Mr. SHEPPARD], my friend for more than 30 years. I do not agree with his bill. I shall vote against it. But surely there cannot be a man so lost to statesmanship or good will that he would refuse to pay the senior Senator from Texas a tribute for his courage, his moderation, and his scholarship in driving through, or attempting to drive through, a bill which I think is not a good bill.

Mr. SHEPPARD. Mr. President, I should like to express my appreciation of what the Senator from Arizona has said regarding myself. I deeply appreciate it.

Mr. BARKLEY. Mr. President, does the Senator from Oklahoma desire to conclude his remarks today, or does he prefer to suspend for the day at this point?

Mr. LEE. I should prefer to resume tomorrow, if I may be recognized.

The PRESIDING OFFICER. The Senator will be recognized if the present occupant of the chair is in the chair when the Senate convenes tomorrow.

Mr. BARKLEY. With that understanding, I shall ask the Senate to suspend because we have been in session for 6½ hours.

VOYAGE OF S. S. "AMERICAN LEGION"

Mr. BONE. Mr. President, because what I am about to say is now timely, and because unhappily for the country it may not be timely by way of protest within an hour from now, I rise to utter a protest against the actions of the State Department in connection with the movement of the Army transport *American Legion* from Petsamo to the United States.

Today in the Washington News appears an article by Mr. Raymond Clapper, which I think is one of the most timely observations I have been privileged to read since I have been a Member of the Senate. He exemplifies in the article one of the difficulties implicit in the whole business of establishing foreign relations which are understandable to Members of Congress.

Under our Government, one man—for obviously it must be one man, either the Secretary of State or the President—has the power, and has exercised the power, to drive this vessel, the *American Legion,* with 900 human beings aboard, through a mine field where it may be sunk. By the simple, sane, wholesome, horse-sense operation of permitting the vessel to go a few miles out of that course, she might avoid the horrible dangers which, at the very moment I am standing on this floor, threaten the vessel and the lives of 900 people.

We talk about the powers exercised by the rulers of totalitarian governments; and yet under our flag one man in this city, by his ipse dixit, can order a vessel through the most dangerous seas on this earth, where she may at any moment be sunk, thereby producing the most inflammatory incident that has yet occurred in the war. Is there a Senator who does not appreciate what it would mean if the word should come that the ship had been blown up? Yet the stubbornness—I think I am choosing a very mild word to characterize that kind of an act—the stubbornness of one man sends 900 human beings into a zone where they may be blown skyward at any moment; and this body of 96 United States Senators has not a word to say about it.

We talk about totalitarian government. Will some Senator rise and tell me that he has some right to protest, and, if so, how much good it would do? Such is the power which our State Department, or the President of the United States, has.

Mr. President, at the conclusion of my remarks I shall ask that the article by Mr. Raymond Clapper be printed in the RECORD as a part of my remarks. He said:

> We need particularly to know why the Government has insisted upon sending her through dangerous mine fields at the risk of plunging the United States into war with Germany.

We may need to know why, but shall we know why? A resolution ought to be introduced in the Senate and passed by unanimous consent, demanding of the State Department why it elected to send the vessel through mine fields when, by the simple expedient of changing her course by a few miles, she could have escaped that danger.

Mr. President, the ship may, by the grace of God, escape any trouble; and 130,000,000 Americans ought to get on their knees tonight, even though they be heathens, and pray to Almighty God that the ship will come safely through those waters, because if, by some terrible catastrophe, she is blown out of the water because of striking a mine, the charge will be made in this body that she was torpedoed by a German submarine, and no one will know the truth. We shall never know the truth. It will be obscured and shrouded.

Yet such an incident would be an inflammatory and provocative thing which might precipitate this country into war within a week.

Mr. President, the hair-trigger and supersensitive emotional nature of Americans at this moment—made so in no small part by the argument going on in this body—is like a great box of TNT, ready to explode. Yet the State Department says, "No; we are going to have that ship go through a mine field." I wonder upon whose soul would rest the moral obloquy which would attach to the death of innocent people if the ship should strike a mine when it could find a safe course.

It is time for the Congress to ascertain whether or not it performs some other function than merely declaring war after some fellow has delivered war to us as a fait accompli. That is the way wars will be made from now on. We talk about dictators making wars. God bless your souls! The kind of war we shall have in the future will be made by some official, not a Member of Congress. We shall merely go through the outward form of declaring war after some of our servants whom we ought to chastise have delivered war to us as an accomplished fact. We shall be in war before we know it, under the doctrine of reprisal, which was discussed on the floor the other day by the able Senator from Utah in response to my inquiry as to why the American Fleet bombarded Vera Cruz, Mexico. The Senator said that was done under the doctrine of international law which we know as reprisal.

Suppose the *American Legion* should be sunk, and the President should assume that it was a deliberate act of Germany. The vessel might be sunk by a mine, but who would know? If it were accomplished in the dark, who would know? Under the doctrine of reprisal the President of the United States might decide to send the fleet over to blast Hamburg. Apparently there is ample authority for it in the precedents we have established in our own undeclared wars, such as our undeclared war on Mexico and our undeclared war on Nicaragua. We are not coming into court with utterly clean hands in the matter of undeclared wars.

Another moment and I shall be through. This is something so overwhelming in its possibilities of supreme tragedy for 130,000,000 people that I should feel recreant in my duty as an American if I did not rise now, before it may be too late. Pray God that I may be wrong in even voicing the fear. I hope the fear is utterly misplaced; but I rise to point out that if anything should happen to the *American Legion* none of the moral responsibility would attach to Members of Congress. It would attach to a man who ought to be made to answer to us for that kind of business.

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

Mr. BONE. I yield.

Mr. PEPPER. If the Senator wishes to measure very nice moral values for the course of the executive department, I wonder if the words he is now uttering are likely to cause greater danger to the ship?

Mr. BONE. I do not know how anything I utter here in the Senate Chamber can affect a ship 3,000 miles away in mined waters. If the able Senator from Florida can explain how it could, I wish he would do so now.

Mr. PEPPER. I say that the words of the Senator are giving aid and comfort to an enemy that might want to sink it.

Mr. BONE. O merciful Heaven! I have heard many funny arguments in this body, but I did not think we would get around to that type of humor when dealing with this sort of matter. I am fed up with the idea of somebody aiding enemies because his statements disagree with the

views of the Senator from Florida, who wants the country to go into war, and said as much on this floor.

Mr. PEPPER. The Senator——

Mr. BONE. I do not yield.

Mr. PEPPER. The Senator tells a falsehood when he makes that statement.

Mr. BONE. I am not yielding to the Senator from Florida.

The PRESIDING OFFICER. The Senator from Washington declines to yield.

Mr. BONE. I am not interested in his bellicose views. If he does not like what I am saying, there are a number of exits from this Chamber.

Mr. Raymond Clapper, who is not unfriendly toward the present administration, who has been something of an admirer of it, says:

> But what about the 900 refugees aboard the *American Legion?* Why are their lives being risked in a bull-necked gesture of defiance? Defiance against what? Defiance of floating mines, with the idea that if we have bad luck we'll blame it on Germany.

I do not know who would be responsible for the sinking of that ship if it should sink. I know, and I now say to the Senate, and if anyone cannot understand this simple presentation, then I do not know how to use my mother tongue, the State Department, according to the record, said to the captain of this vessel, "Go through certain areas." Those areas are mined. The vessel by going on a slightly circuitous route could have avoided the mine field. If the vessel is destroyed, then America will flame up. We have kept our ships out of danger zones under the Neutrality Act, and thus far, according to very responsible authorities in this country, we have escaped the most inflammatory situations such as those that arose during the World War.

We can pose to ourselves now the question, Why does the State Department assume the attitude it takes?

I ask that the entire article written by Mr. Clapper be printed in the RECORD.

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

[From the Washington Daily News, of August 20, 1940]

DANGEROUS DEFIANCE

(By Raymond Clapper)

We need some light from the Government upon the perilous voyage of the Army transport *American Legion*. We need particularly to know why the Government has insisted upon sending her through dangerous mine fields at the risk of plunging the United States into war with Germany.

As this dispatch is written the German Embassy here has just stated that the American Army transport is in grave danger and will be for the next 12 hours because it has persisted in taking a course through mine-infested waters north of Scotland. The United States Government doesn't deny the danger, but seeks to blame Germany for the consequences if the worst should happen.

The Army transport is returning from a rescue mission, bearing 900 refugees, mostly Americans, bound from Finland to New York. Among the civilian passengers is Mrs. J. Borden Harriman, United States Minister to Norway, and the wife and children of Frederick A. Sterling, American Minister to Sweden.

At this moment, one can only pray that the transport with her cargo of unoffending refugees will come safely through the mine fields. She is conspicuously marked, is brightly lighted at night, and probably has nothing to fear from airplanes or submarines. The danger is that she will hit a mine. Peace possibly hangs just now on the luck of the transport *American Legion*.

There is a good deal of mystery as to why the Army transport on its return from its rescue mission has been ordered to take such a dangerous route and why this Government has refused to alter that route when warned of the mine fields in the path.

The present course of the *American Legion* lies farther south than the direct route to New York. When asked why the *American Legion* was not routed farther north, State Department spokesmen called attention to the fact that a few weeks ago the Navy Department warned mariners that the waters around Iceland and the Faroe Islands were unsafe. Presumably the British had mined them. Meantime, British waters have been mined under the new German attempt to blockade England, and the *American Legion* was heading into that danger zone when Germany suggested that the course be changed. It may be that no safer course can be found. Acting Secretary of State Sumner Welles said that the route chosen by the Army and Navy was considered the safest one.

The controversy is being carried on through exchanges of diplomatic notes between Washington and Berlin, and side exchanges through press conferences by both parties. Each side is trying to fix responsibility upon the other and is making a record for use if the tragedy should occur.

But what about the 900 refugees aboard the *American Legion?* Why are their lives being risked in a bull-necked gesture of defiance? Defiance against what? Defiance of floating mines, with the idea that if we have bad luck we'll blame it on Germany?

Perhaps under the present cover of secrecy there are reasons to justify this reckless flirtation with disaster and war. Congressional committees should find out whether such justification exists.

Mr. HATCH. Mr. President, in recent days debate has at different times taken on a personal turn. We do not know how heated the debate may become in the days which lie ahead. I rise to read into the RECORD section 2 of rule XIX of the Senate Rules:

> No Senator in debate shall, directly or indirectly, by any form of words impute to another Senator or to other Senators any conduct or motive unworthy or unbecoming a Senator.

Mr. PEPPER. Mr. President, when one says he speaks as clearly as the English language would allow him, I do not know why other Senators might not be accorded the same privilege, and their utterances given the same respect. Because I have advocated on this floor, and because I intend to continue to advocate as long as I am here, and wherever else I happen to be, a policy which I believe is best adapted to the defense of the United States of America, thinking only about the United States of America, intending at no time to send any soldier, sailor, airman, or citizen to fight in any foreign country or foreign war, there are certain Senators who have availed themselves of every possible opportunity to charge, in spite of repeated and reiterated declarations to the contrary, which I have made here, that I wanted to take this country into war.

I hope the Senator from Washington will forgive me if, out of a feeling of some depth on this subject, I spoke more harshly a moment ago, when the Senator undertook to ask me a question, than perhaps the proprieties of the Senate and my own inclinations would have deemed desirable. To that extent I wish to retract the statement I made in addressing the Senator from Washington, who is a very able and devoted friend of mine.

I beg to advise the Senator that his assumption that I want this country to go to war is contrary to my reiterated declarations on that subject; contrary to both my intentions and my desire.

I think that Senators might also recall that when they endeavor to place upon the President of the United States a charge as serious and solemn—and which I conscientiously think is unjustified—as the charge which has just been made by the very able Senator from Washington, the proprieties of the Senate likewise counsel caution and restraint in these troublous times on the part of us all. Insofar as I have been delinquent in observing that obligation, I am sorry, and I hope I shall not again offend.

Mr. BONE. Mr. President, I hope my good friend from Florida does not assume that I think that he is wholly wrong in many things, because I am so much in agreement with him in most of his views, and particularly his economic views, that I find it a little difficult to disagree with him on some of the issues which are immediately before us.

I have felt rather deeply about the situation in which this vessel finds itself, because it makes no difference whether it is the President of the United States or the Secretary of State or who it is, the point I raised was that by the vessel going a few miles out of her way she would avoid trouble.

That is only the horse-sense thing to do. We have no hesitancy in this body in sitting in judgment upon the views of our brethren. I know of no rule that makes the President of the United States or the Secretary of State sacrosanct. If we have reached such a point in our American life that one cannot criticize the judgment of the President, then we have reached a very peculiar stage in our development. We are going to criticize not only the President in the coming campaign but the man who is running against him. We are going to sit in judgment on his every act. The people have a right to do it; they have a right to sit in judgment on me, and, if I do not protest against some things I think wrong, the people will rise and rebuke me.

I disagree with the Senator from Florida without losing one iota of my respect for him, for I admire him very much

as an individual and as a fine, purposeful human being. We all here, in the heat of debate, are prone sometimes not to be just as sweet as we should be, and for that I ask the indulgence of my brethren. I hope they will be tolerant of me. I certainly bear no ill will to anyone for disagreeing with me, and I want the Senator from Florida to understand that if I have said anything to wound him, I am sorry, and I am sorry if I have wounded the feelings of any of the other of my brethren.

MEDITERRANEAN FRUITFLY ERADICATION

Mr. BURKE. Mr. President, yesterday the House adopted Senate Concurrent Resolution 40, which was agreed to by the Senate on April 17, and which provides for the creation of a special joint congressional committee to make a full and complete investigation with reference to the losses sustained as a result of the Mediterranean fruitfly eradication and quarantine campaign conducted in the State of Florida in 1929 and 1930.

The concurrent resolution provides that the joint congressional committee shall be composed of three members of the Committee on Claims of the Senate, to be appointed by the chairman thereof, and three Members of the House. As chairman of the Senate Committee on Claims I wish to announce the appointment of the Senator from Wyoming [Mr. SCHWARTZ], the Senator from Louisiana [Mr. ELLENDER], and the Senator from Wisconsin [Mr. WILEY], as the members of the joint committee on the part of the Senate.

FIRST NATIONAL STEAMSHIP CO. AND OTHERS

Mr. BURKE. Mr. President, the House yesterday passed House bill 10141, for the relief of the First National Steamship Co. and others, conferring jurisdiction on the Court of Claims to hear and determine a certain suit. My reason for the request I am about to make that the matter be taken up is that on the 28th of May the junior Senator from Michigan [Mr. BROWN], speaking for the Senate Committee on Claims, offered the identical bill which passed the House yesterday as an amendment to House bill 4031, it was adopted by the Senate, and the bill was passed with that amendment on it. But the House preferred to handle the matter in separate legislation, and they have therefore passed and sent to the Senate House bill 10141. I ask unanimous consent for the present consideration of the House bill.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 10141) for the relief of the First National Steamship Co., the Second National Steamship Co., and the Third National Steamship Co., was read the first time by title and the second time at length, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the Court of Claims of the United States to hear and determine in any suits instituted within 1 year from the date of the enactment of this act, jointly or severally, by the First National Steamship Co., the Second National Steamship Co., and the Third National Steamship Co., the claims of such companies on account of (1) certain sums allegedly deposited by them with the United States Shipping Board in 1920; (2) certain disbursements allegedly made by them, for and on behalf of the United States, in 1920, for other than physical operation costs, in connection with the vessels *Independence, Hoxie,* and *Scottsburg,* owned by the United States; and (3) certain improvements and equipment allegedly placed aboard said vessels and not removed therefrom by said companies, in 1920; and if the court shall determine that there was no sale of, or valid contract to sell, said vessels to said companies, and that the payment made to said companies on October 7, 1935, was not in full payment of the just claims of said companies existing on that date, to enter such decrees or judgments against the United States as will provide full reimbursement and just compensation to such companies on account of said claims, notwithstanding any statute of limitations: *Provided,* That such compensation shall not be in excess of 3 percent per annum of the total of the payments made and ordered to be made for the period that any moneys were withheld from the claimants.

The PRESIDING OFFICER. The question is on the third reading of the bill.

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

WADE CRAWFORD

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 2758) for the relief of Wade Crawford, formerly superintendent of the Klamath Indian Agency, which was, on page 2, line 5, after the word "Office", to insert a colon and the following proviso:

Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. THOMAS of Oklahoma. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

CAPT. ROBERT W. EVANS

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 3400) for the relief of Capt. Robert W. Evans, which was, on page 1, line 8, to strike out "as a" and insert "in full settlement of all claims against the United States for the."

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

The motion was agreed to.

EXECUTIVE SESSION

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

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

EXECUTIVE REPORTS OF COMMITTEES

Mr. SHEPPARD, from the Committee on Military Affairs, reported favorably the nominations of sundry officers for promotion in the Regular Army.

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

ARMY NOMINATIONS

Mr. SHEPPARD. I ask unanimous consent that the large number of routine Army nominations reported by me earlier in the day be confirmed.

The PRESIDING OFFICER (Mr. MINTON in the chair). Without objection, the nominations are confirmed.

Mr. SHEPPARD. I ask unanimous consent that the President be immediately notified of the confirmation of the Army nominations, and, in order to save unnecessary expense, I ask that they be not printed in the RECORD of today's proceedings but reference be made to the page of the RECORD in which they were transmitted to the Senate by the President.

The PRESIDING OFFICER. Without objection, the President will be notified, and, in accordance with the Senator's request, the nominations will not be printed in the RECORD.

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

UNITED STATES TARIFF COMMISSION

The legislative clerk read the nomination of Edward Dana Durand, of Minnesota, to be member of the United States Tariff Commission.

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

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I ask unanimous consent that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

That concludes the calendar.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 11 o'clock a. m. tomorrow.

The motion was agreed to; and (at 5 o'clock and 47 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, August 21, 1940, at 11 o'clock a. m.

CONFIRMATIONS

Executive nominations confirmed by the Senate, August 20 (legislative day of August 5), 1940

UNITED STATES TARIFF COMMISSION

Edward Dana Durand to be a member of the United States Tariff Commission.

PROMOTIONS AND TRANSFERS IN THE REGULAR ARMY

(NOTE.—The nominations of persons named for promotion or transfer in the Regular Army, which were received on the 19th instant, were confirmed en bloc today. The names of the persons confirmed will be found in the CONGRESSIONAL RECORD of August 19, 1940, beginning on p. 10513, under the caption "Nominations.")

POSTMASTERS

KANSAS

Orval D. Allis, Virgil.

WISCONSIN

Frank S. Dhooge, Ashland.
William Wright, Kewaunee.
Fred W. Krohn, Mount Hope.
Joseph C. Harland, Mukwonago.
Exilda L. Grendahl, Sheldon.
Samuel Dewar, Westfield.

HOUSE OF REPRESENTATIVES

TUESDAY, AUGUST 20, 1940

The House met at 12 o'clock noon.

Rev. Bernard Braskamp, D. D., pastor of Gunton-Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Eternal God, who art the light of all that is true and the glory of all that is beautiful, may this be a day of unclouded vision. Grant that our vision of truth and justice, of righteousness and peace may be so clear and commanding that we shall rise up and follow it with all our mind, heart, soul, and strength.

May we daily give evidence, as citizens of the heavenly kingdom, that we are men of invincible good will, seeking to hasten the coming of that day when love shall be gloriously triumphant.

We pray that Thou wilt mingle all the nations of the earth in an alchemy of friendship. Transform and transfigure the heart of man with the touch of Thy spirit. Let our groping humanity out of chaos into that blessedness when heaven and earth shall be linked in every soul. To Thy name, through Christ, shall be all the praise. Amen.

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

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 4271. An act to increase the number of midshipmen at the United States Naval Academy; and

S. 4272. An act to amend the act approved March 4, 1925, entitled "An act providing for sundry matters affecting the naval service, and for other purposes," as amended.

The message also announced that the Senate recedes from its amendment No. 14 to the bill (H. R. 10030) entitled "An act increasing the number of naval aviators in the line of the Regular Navy and Marine Corps, and for other purposes."

EXTENSION OF REMARKS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial which appeared in the Texarkana Gazette on August 18 last.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MACIEJEWSKI. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD with reference to refugee children.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SWEENEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an article by Hugh Russell Frazier, The Propaganda for the Draft Is in Full Swing.

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

There was no objection.

Mr. SWEENEY. Mr. Speaker, I also ask unanimous consent to extend my own remarks in the RECORD and to include therein an article entitled "From Benedict Arnold to the Government of Uncle Shylock."

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 the RECORD and to include therein an article by Richard L. Neuberger of the Portland Oregonian setting forth the possibilities of the Columbia River Basin in the Pacific Northwest.

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

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. DICKSTEIN addressed the House. His remarks appear in the Appendix of the RECORD.]

THE MIDWEST AND THE DEFENSE PROGRAM

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

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ELLIS. Mr. Speaker, on yesterday within 2 hours after I had registered in this House what I thought to be a legitimate complaint by Members of the Middle West because our section has not as yet been selected as a location for any defense industry, I was told by a high-ranking Government official that a principal reason why we are getting no recognition is the fact that we have no power in that section.

Within 2 hours after I had registered my protest, by a strange coincidence, there was delivered to this House by the Speaker a report of the Army engineers and the Secretary of War recommending as a part of the flood-control program the construction on the White River in Arkansas and Missouri of two huge dual-purpose dams that would produce a total of 330,000 kilowatts annually.

Last May there was laid before the Flood Control Committee of this House a recommendation by the Secretary of War and the Chief of Engineers to the effect that power be included in the Norfolk Dam, also on the White River, which in itself would give us 48,000 kilowatts of electrical energy annually. Nothing has been done toward acting favorably on the recommendation.

Why should not the National Defense Council and the War Department then help us get the industries for these invulnerable areas by first recommending to this Congress the immediate construction of one or more of these dams, as it did the construction of the dam on the Tennessee? [Applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein an editorial from the Los Angeles Times entitled "Enough Investigation in Connection With Harry Bridges."

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. LELAND M. FORD]?

There was no objection.

HARRY BRIDGES

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 am having inserted in the RECORD today an editorial from the Los Angeles Times in connection with Harry Bridges entitled "Enough Investigation."

I wonder if the Members of the House and the people of the country know that this man Bridges has never been tried by a regular judge? He has never been tried in a regular court. He was tried by Mr. Landis. They might just as well have picked a taxicab driver, real-estate broker, merchant, newsboy, or any other layman to try him. The people of the country should realize that this man has never been tried in a court of law. There must be a reason why our Federal officials, Mme. Perkins and Mr. Jackson, do not want to try this man in a real Federal court, because in a Federal court you usually get justice.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. GROSS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a speech that I made in my district before a large farm group Saturday afternoon in which I dealt with agriculture, the New Deal, and the third term.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. GROSS]?

There was no objection.

SAFE PASSAGE OF THE "AMERICAN LEGION"

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts [Mrs. ROGERS]?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I believe there is not a Member on the floor today who is not praying for the safe passage of the *American Legion* which carries over 900 American citizens as passengers, and of course the transport is manned by Americans. Germany has stated that the waters where the ship is supposed to pass are mined. I telephoned the State Department Sunday vigorously protesting and asking that the course of the *American Legion* be changed in order that it might go outside the waters that Germany has claimed are mined. Hitler should not have mined those waters, having assured the United States it would not molest the *American Legion*, nevertheless the present administration should see that no chance is taken with our American citizens and with our ships. There can be no possible excuse for such action. We are informed that the British have mined waters farther north. It looks very much as if the administration decided that it was better to have the ship blown up by Hitler rather than Great Britain, but the passengers' death would be just as tragic whether they were blown up by the British or by the Nazis, the crime just as great.

Mr. Speaker, we legislated in order to prevent our ships going into combat and dangerous zones. Now we should see that this legislation is carried out. I believe that there is another course that could have been taken which would be fraught with far less danger. From the moment I knew of the hazardous passage of the *American Legion* I have done everything in my power to have the course changed. I should feel guilty if I had not done so and I could not let that guilt be upon my shoulders to any degree. If the *American Legion* should be sunk it would be a very great tragedy and how far reaching the effects of that tragedy would be no one knows. [Applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include therein a newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. HOFFMAN]?

There was no objection.

Mr. MURDOCK of Arizona. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a telegram that I received this morning.

The SPEAKER. Is there objection to the request of the gentleman from Arizona [Mr. MURDOCK]?

There was no objection.

INCREASE IN LENDING AUTHORITY OF EXPORT-IMPORT BANK OF WASHINGTON

Mr. SABATH. Mr. Speaker, I call up House Resolution 570 and ask for its immediate consideration.

The Clerk read the resolution as follows:

House Resolution 570

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of H. R. 10361, a bill to provide for increasing the lending authority of the Export-Import Bank of Washington, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 4 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. SABATH. Mr. Speaker, I presume the gentleman from Michigan [Mr. MICHENER] desires time on the rule. If so, I shall yield him 30 minutes.

The rule has just been read, and I know the Members are satisfied that this again is a liberal rule. It provides for 4 hours' general debate, although I hope all of this time will not be used. I feel that even 1 hour will not be taken on this resolution.

After the debate on the rule, the bill will be taken up and considered under the 5-minute rule.

Most, if not all, of you remember that only a few months ago we extended the life of the Export-Import Bank to 1947. Up to the present time $200,000,000 has been appropriated for use of this bank under proper safeguards. In view of present conditions, it is felt that there should be an increase from $200,000,000 to $700,000,000 for this bank, which is the purpose of the bill. In other words, the bank would by this bill be authorized to make additional loans in the amount of $500,000,000.

I think this will be made clearer by reading a provision of the bill. It says:

(1) To assist in the development of the resources, the stabilization of the economies, and the orderly marketing of the products of the countries of the Western Hemisphere by supplying funds, not to exceed $500,000,000 outstanding at any one time, to the Export-Import Bank of Washington, through loans to, or by subscriptions to preferred stock of, such bank, to enable such bank, to make loans to any governments, their central banks, or any other acceptable banking institutions and, when guaranteed by any such government, a central bank, or any other acceptable banking institution, to a political subdivision, agency, or national of any such government, notwithstanding any other provisions of law insofar as they may restrict or prohibit loans or other extensions of credit to, or other transactions with, the governments of the countries of the Western Hemisphere or their agencies or nationals. Upon the written request of the Federal Loan Administrator, with the approval of the President, the bank is authorized, subject to such conditions and limitations as may be set forth in such request or

approval, to exercise the powers and perform the functions herein set forth. Such loans may be made and administered in such manner and upon such terms and conditions as the bank may determine.

Nothing I could say would more impress the country than a resolution adopted by the National Foreign Trade Council at its convention in San Francisco, July 29–31, 1940, which resolution reads in part, as follows:

THE NEUTRALITY ACT

The convention urges modification or repeal of those provisions of the Neutrality Act which constitute unnecessary restraints on American trade, shipping, and finance.

THE JOHNSON ACT

The convention recommends prompt repeal of the Johnson Act.

INTER-AMERICAN TRADE

The convention recommends that the Government, in cooperation with the governments of Latin America, provide adequate financial assistance in support of their efforts to overcome exchange difficulties due to decline of their normal trade with European countries.

The convention approves of the lending of United States Government funds for the development of Latin American natural resources and stimulation of their exports and marketing of surpluses.

EXPORT TRADE ACT

The convention recommends continued encouragement and assistance to associations of exporters operating under the Export Trade Act, and recommends that the administration of the act be transferred to the Department of Commerce.

EXPORT-IMPORT BANK

The convention recommends removal of present limitation of $20,000,000 additional accommodation to any country, and favors an increase in the aggregate credit capacity available to the Export-Import Bank by $500,000,000. It further recommends that the functions of the bank be extended to provide to our foreign traders Government guaranties of credits and exchange risks on bases equal to those available to foreign competitors.

Inasmuch as this bill is recommended by the President, the State Department, and by an almost unanimous report of the Committee on Banking and Currency, which committee has given it serious consideration during a period of about 2 weeks, I do not now wish to take further time of the House; and I yield to the gentleman from Michigan [Mr. MICHENER] 30 minutes, reserving to myself the remainder of my time. [Applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. BOEHNE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a story which appeared in the New York Times on Friday, August 16, by Russell B. Porter.

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

There was no objection.

Mr. SABATH. Mr. Speaker, I ask unanimous consent that I may include as a part of my remarks the recommendations for this legislation by various organizations.

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

There was no objection.

CALL OF THE HOUSE

Mr. BENDER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Ninety-seven Members are present, not a quorum.

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

A call of the House was ordered.

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

[Roll No. 188]

Alexander	Bradley, Mich.	Casey, Mass.	Darden, Va.
Allen, Ill.	Bradley, Pa.	Celler	Darrow
Allen, Pa.	Brewster	Chapman	Delaney
Anderson, Mo.	Buck	Clark	Dempsey
Arnold	Buckley, N. Y.	Claypool	Dies
Ball	Bulwinkle	Clevenger	Dirksen
Barden, N. C.	Burgin	Cluett	Dondero
Barry	Byrne, N. Y.	Collins	Douglas
Bates, Ky.	Byron	Cooley	Drewry
Bates, Mass.	Caldwell	Crowther	Eberharter
Bell	Carter	Culkin	Edelstein
Boren	Case, S. Dak.	Curtis	Elliott
Elston	Hook	McLean	Schuetz
Englebright	Houston	McMillan, John L.	Schulte
Evans	Jarman	Magnuson	Secrest
Fay	Jarrett	Marcantonio	Seger
Ferguson	Jeffries	Marshall	Shafer, Mich.
Fernandez	Johns	Merritt	Shanley
Fish	Johnson, Ind.	Mitchell	Sheridan
Fitzpatrick	Johnson, W. Va.	Monkiewicz	Smith, W. Va.
Flaherty	Jones, Ohio	Myers	Snyder
Flannery	Keefe	Nelson	Somers, N. Y.
Folger	Keller	O'Leary	Sparkman
Ford, Miss.	Kennedy, Martin	Osmers	Sullivan
Ford, Thomas F.	Kennedy, Michael	O'Toole	Taber
Garrett	Keogh	Parsons	Taylor
Gavagan	Kilburn	Pfeifer	Tinkham
Geyer, Calif.	Kirwan	Plumley	Tolan
Grant, Ala.	Kleberg	Reece, Tenn.	Vreeland
Grant, Ind.	Kocialkowski	Richards	Wallgren
Green	Kunkel	Risk	Warren
Hall, Edwin A.	Lambertson	Rockefeller	White, Idaho
Halleck	Landis	Rodgers, Pa.	White, Ohio
Hancock	Lemke	Romjue	Wigglesworth
Hare	Ludlow	Ryan	Wood
Harness	McArdle	Sacks	Woodrum, Va.
Hart	McDowell	Sandager	
Hess	McGranery	Schaefer, Ill.	

The SPEAKER. Two hundred and eighty Members have answered to their names, a quorum.

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

EXTENSION OF REMARKS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an article which appeared recently in the Tribune, a newspaper published in my district, written by Harold Putnam and entitled "Insurance That Really Insures."

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

There was no objection.

INCREASING LENDING AUTHORITY OF EXPORT-IMPORT BANK OF WASHINGTON

Mr. SABATH. Mr. Speaker, I yield 10 minutes to the gentleman from Georgia [Mr. Cox].

Mr. COX. Mr. Speaker, on yesterday three or four members of the Committee on Rules, of whom I was one, in a moment of weakness reported the rule to make in order the consideration of the bill it is hoped will be brought up in the House this morning. The committee probably reported the rule in order to save the face of the Committee on Banking and Currency, for which we all have a very great affection. That committee probably reported this bill in order to save the face of the State Department.

I then had and I now have no objection whatever to the consideration of the proposal, but I say to you in every confidence that if you adopt this bill you will do so because you know nothing about it and out of a disposition to follow the leadership, for, in my opinion, it is the most expensive and most dangerous venture upon which it has ever been proposed that the Government enter.

We had representatives of the Committee on Banking and Currency before us. They were of a disposition, of course, to be fully communicative and tell us all they knew about it. After the hearing was over, and, of course, in a spirit of fun, I inquired of one of the members if he had seen the moving picture called Maryland. He said he had not. I told him to go see it, and the next time he saw me to tell me what he thought of Shadrach, because the witnesses appearing made me think of him.

I wonder if you have any idea whatever as to what you are urged to do. You are called on to set up $500,000,000 to implement the agreement growing out of the Habana conference, in which we were taken for a ride. The gentlemen from the Committee on Banking and Currency were unable to tell us with any certainty just what are the purposes underlying this proposal. It was contended on the one hand that the money was intended to be used to industrialize the South American republics; in other words, you would take this half billion dollars as the first payment on a commitment that would probably run over many years, and you would industrialize South America to compete with the industrial plants in this country.

Then the thought was suggested that the money will not, after all, be used to increase industrialization but will be used to expand the agricultural production of these benevolent dictatorships. So I say to you who represent agricultural sections, if you have any real concern in the welfare of the farmers of this Nation, you will condemn and will forever oppose the expenditure of billions of dollars on the part of your Government to create further competition for your farmers.

Then the witnesses ran away from that and finally said that the purpose is to take this money and buy up the surplus products of these dictatorships; in other words, it is proposed to take your money and go down into these so-called South American republics in an effort to solve their economic problems before you solve the problem which now rests in our own laps.

There is another thought that enters into it. They say that we are in need of the continued friendship, or at least the friendship, of these republics, so the proposal grew out of the Habana Conference that we set up one-half billion dollars to pay for the glad hand. Well, it was brought out before our committee that none of these dictatorships has asked us for this money or for any loans, but, mind you, as a result of the conference as between this country and the 21 so-called republics, there comes to us this proposal that we set up a fund of one-half billion dollars and tell these countries to come get it. Can you think of such a thing? If it be necessary now to buy the glad hand of these republics, will it not be necessary to buy them again when this half billion dollars has been exhausted? Why, responsible gentlemen from the committee said to us this half billion dollars is only a fraction on the first installment that this country will be called upon to pay for an indefinite period of time. Think of it, my friends. Think of it. Just how much money is it proposed shall be wrung from the workers of this country and poured into the laps of these dictatorships as the price of their doing business with us.

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

Mr. COX. Yes; I yield to my friend.

Mr. MAY. The gentleman understands, of course, that the South American countries produce four major products that we produce, corn, wheat, and livestock or beef products. As I understand the purpose of this legislation, it is to make it possible that we can get the benefits of their business in South America in our commercial transactions and at the same time prevent foreign influences from reaching their tentacles into that country and dragging them away from us.

Mr. COX. Oh, I know it is contended that national defense enters into the picture.

Mr. MAY. Mr. Speaker, will the gentleman yield further?

Mr. COX. Yes.

Mr. MAY. The point I am trying to make and what I would like to have the gentleman discuss further is whether or not we might in that attempt to hold the commerce of that country stifle the disposition of the products that we produce in their competition in this country.

Mr. COX. If we industrialize these republics, what do we do? We destroy the markets that we now enjoy.

[Here the gavel fell.]

Mr. MICHENER. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. COX. I dislike to take this position. I know it is a disappointment to my colleague the chairman of my committee, who probably yielded to me upon the assumption that I was going to support this rule. I am willing to vote for the rule, but I do wish to declare to you gentlemen again that nothing more expensive or more dangerous was ever proposed and I urge upon you, in an effort to inform yourselves, to read the bill, if nothing more. It is a dangerous and it is a foolish proposal to bring here. [Applause.]

[Here the gavel fell.]

Mr. SABATH. Mr. Speaker, I yield 5 minutes to the gentleman from Texas, the majority leader [Mr. RAYBURN]. [Applause.]

Mr. RAYBURN. Mr. Speaker, there is not a man in the House of Representatives, and there has not been a man in the House of Representatives in the more than a quarter of a century that I have served, for whom I have a deeper affection than I have for the gentleman from Georgia [Mr. COX], and he knows that, and he will not misunderstand me when I say that of all the amazing speeches I have heard in this House during that time, I think the speech that my friend just made is one of the most amazing.

Mr. COX. Mr. Speaker, will the gentleman yield to me there? If the gentleman had been present at the hearing before the Rules Committee on yesterday he, I am sure, would make a more amazing speech.

Mr. RAYBURN. Well, of course, I never allow anyone who appears before the Rules Committee or other places to make my speeches for me. I have been studying this bill for quite a while.

When I stand here and think of the conditions throughout this earth, terrible and, in my opinion, becoming more terrible every day, I realize if the republics of Central and South America are not republics indeed, or if they are not democracies, then there is a great chance that we will soon be the only democracy left on the face of the earth. These are serious and these are terrible times for the United States, as well, and to a greater degree, with those countries that are being ground to death under the heel of dictatorships. In the months that lie ahead of us the United States of America is going to need some friends somewhere upon the face of this earth. [Applause.] If we cannot have them in the Western Hemisphere we may not have them at all, because the people in other sections of the earth who want to be our friends may be in a condition whereby their friendship will not be worth much to us.

We must in the United States of America, as the greatest country in this hemisphere, take the leadership of the Western Hemisphere, and we must protect, preserve, and maintain the integrity and the freedom of the countries of this whole hemisphere. [Applause.] So, if we can help in the development of these American republics—help them to develop so that if the time ever comes when we need the manpower of the countries of the Western Hemisphere to help us, not only to protect them but ourselves—we should help them materially to enhance their ability to defend themselves and help us defend them and ourselves; not to buy such friendship but to be a good neighbor; not to be a big brother with a club in our hands but to be a kindly big brother of these struggling republics in the Western Hemisphere just to the south of us. If it should cost $500,000,000—and it will not—to put these people in that situation to help defend themselves and help defend us, I think it will be money well spent. [Applause.]

Mr. MICHENER. Mr. Speaker, I yield myself 5 minutes. I think I know just as much about this bill as most of the Members of the House, including the gentleman from Texas [Mr. RAYBURN], the majority leader, who just addressed us; that is, the members of the Banking and Currency Committee are the only ones among us who have had an opportunity to learn anything about this bill.

If there ever was a time in the history of the Congress when we should avoid a hysteria complex it is now. If there ever was a time in the history of the Congress when important legislation of this type should have consideration in keeping with its importance it is now. This bill is an innovation in our foreign policy. It shatters all precedent. It would finance foreign countries at the expense of a debt-ridden domestic economy.

I note this bill was introduced on the 14th day of August—just the other day. The next day, the 15th, it was reported favorably by a majority of the committee. There is no minority report. Yesterday a rule was granted.

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

Mr. MICHENER. Yes; to the chairman of the Banking and Currency Committee.

Mr. STEAGALL. I am sure the gentleman would not consciously leave a false impression on the House.

Mr. MICHENER. No; not knowingly.

Mr. STEAGALL. The gentleman knows the usual parliamentary procedure in reporting bills. The fact is that this bill was considered by the Banking and Currency Committee

for something like 2 weeks, not every day, but many days, and the committee was finally authorized to report the amended bill.

Mr. MICHENER. I accept the correction. I was relying entirely upon the dates printed on the bill, H. R. 10361, now before us, and copy of which I hold in my hand. This shows that the bill was introduced on August 14 and reported on the 15th. I accept the statement of the chairman, however, that other consideration was given to the subject before the bill was finally formulated. The Committee on Rules was asked for, and granted a hearing yesterday. Of course, that committee knew nothing about the bill, as suggested by the gentleman from Georgia [Mr. Cox], and only heard members of the Banking and Currency Committee. We were advised that the committee hearings were not printed and would not be available until today. I have not as yet had time to get a copy of the hearings. I hope the hearings have been printed, and that they are available, and that those Members who want to know something about the bill will be in a position where they may read the hearings; otherwise a vote for this bill is a vote for "a pig in a poke." It is a rubber-stamp vote. One or two things stood out in the hearings before the Committee on Rules—not the technical things in connection with the bill, but first this: That the President of the United States a year or two ago made what was known as his Canadian-Western Hemisphere speech; that later on—a few weeks ago—the Congress reaffirmed, amplified, and extended that which has already been considered as the proper interpretation of the Monroe Doctrine, thereby in a way implementing that speech; implementing that resolution, the Habana Conference was held; that in that Habana Conference certain agreements were entered into, subject, however, to ratification of three-fourths of the countries attending the conference.

In other words, that conference accomplished little unless what it did is ratified by the several countries, and three-fourths must ratify before the agreement becomes binding. It is my understanding—and I could not help but get the impression—that this bill has something to do with that conference; that the only reason for speed here is, that if this bill is not enacted, it may decide whether or not some of these southern republics ratify the Habana Conference. If that is true, that may be the necessity or excuse for this hasty action. Our committee was told by those members of the Committee on Banking and Currency urging this legislation that they did not know of a single country that was going to ask to borrow any of this money; that they did not know where they were going to use this $500,000,000. If that is the situation, why the speed, why the hurry up? Why should not this matter go back to the Banking and Currency Committee, where time and consideration may be given to it? This is not claimed to be a national-defense matter. The distinguished majority leader, the gentleman from Texas [Mr. RAYBURN], indicated that authorizing the loaning of this $500,000,000 to the southern republics is an effort to induce them to be our good neighbors. I have always found that you never make a friend out of a neighbor by loaning him money, especially when you have every reason at the time you loan the money to believe that he can never repay it.

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

Mr. MICHENER. I am sorry; I cannot yield. Again, the kind of friendship that you buy with American dollars through diplomatic channels is not the type of friendship that stands the American people in good stead when the time comes for defending the American form of government and the American way of life. Dollar diplomacy is not the American way so far as the United States is concerned.

Now there seems to be definite uncertainty as to just what this money is to be used for. It was stated to the Rules Committee that it would be used to take care of surplus crops produced in the Western Hemisphere, or that it would be used to industrialize South America. Before any such loans are authorized, should we not give some attention to the surpluses from the farms and ranges in our own country? Should we not think twice about the ten million still unemployed in our own country before we tax these same people to raise money to loan to South America, the effect of which will be to open up factories in South America, where labor is cheap and hours are long, to compete with those producing under the American standard of living?

This country has spent billions of dollars during the last several years in an effort to secure cost of production for our farmers. We have paid subsidies; we have loaned on corn and wheat and cotton until our warehouses are elevators, and our corncribs are full to overflowing. For all practical purposes, this surplus on which these loans have been made by our Government belongs to the Government. In addition, we have been paying our farmers not to produce. This whole policy is inconsistent. It meets itself coming back.

Now we contemplate loaning South America $500,000,000 as a starter, one object of which is an attempt to stabilize prices in South America along the same line which has proved so disastrous in our own country. We have already bitten off more than we can chew in this subsidy and stabilizing business. Why take on another continent? Carried to its final conclusion, would this legislation mean bankruptcy or inflation?

The chairman of the Banking and Currency Committee also admitted on yesterday that this bill will repeal certain parts of the neutrality law, so far as the Western Hemisphere is concerned. This proposed law will apply to any country within the Western Hemisphere, regardless of where it is. As a practical matter, therefore, it does not apply to South America alone. It would apply to Canada. I cite this instance to bring home the point that this bill does repeal part of the neutrality law.

Inasmuch as it is not claimed that this legislation is necessary as a part of our national defense, and inasmuch as none of the countries to whom the money is to be loaned have yet made application for any loans or expressed a desire to receive this aid, it seems but the part of wisdom that this matter be referred back to the Committee on Banking and Currency for due consideration and deliberation.

Three factors have stood out prominently in the enactment of questionable, unsound legislation during the last 7 years: (1) Emergency; (2) national defense; (3) Jesse Jones, last but not least. Each time a bill like this comes before the Congress, where there is every reasonable doubt as to the soundness and advisability of a law making a loan, it has become a custom to take refuge behind Jesse Jones, Administrator of the R. F. C. Yes; Mr. Jones is a good businessman, and he has done a good job, generally speaking, so far as the R. F. C. is concerned. Yet the Congress has some responsibilities here and our constituents expect us to assume those responsibilities. It is not good legislation to pass ill-considered measures in the hope that a sound administrator will make the law work to the advantage of our country. This bill should not pass the House without further committee consideration.

Mr. MICHENER. Mr. Speaker, I yield 5 minutes to the gentleman from Kansas [Mr. CARLSON].

Mr. CARLSON. Mr. Speaker, my views on this legislation are in accord with the gentleman from Georgia [Mr. Cox]. I am positive that if we enact this legislation as proposed by the Banking and Currency Committee history will prove that every statement he made was correct. To me it is preposterous. In fact, I was worried that we were going to pass this bill without proper consideration and debate. There were cloakroom rumors and current gossip on the floor that there was little or no opposition to this bill. Whether there is opposition or not certainly we should analyze it.

Mr. Speaker, I ask in all seriousness, does anyone believe we can buy the friendship and unity of pan-American countries for $500,000,000? During the past few months press releases and statements have been emanating from officials high in this administration favoring a cartel for control of the surplus of Western Hemisphere products. It was proposed by this group of new dealers and theorists that our Government finance a cartel or trading corporation with which to purchase all surplus commodities of pan-American

countries. This corporation was to buy these commodities at prices above world levels and then sell or trade them for what we could get. It was estimated that this cartel would cost us at least $2,000,000,000 the first year. If the South American countries increase this production, it would cost considerably more.

Evidently this scheme was too fantastic for some congressional leaders so today we are urged to vote $500,000,000 to be used by the Export-Import Bank for the purpose of loans and stabilizing the prices of competitive commodities in South America. In other words, instead of a direct cartel our first move will be to advance commodity loans to these countries, which is but the beginning of the cartel or greatly increased loans. Anyone who has studied this must realize that it will mean great financial losses and in the end failure. If our Government has millions of dollars to aid the wheat and cotton farmers, the livestock producers, the oil interests, and the sugar producers of South America, why not use some of it to bring farm commodity prices in the United States up to parity. [Applause.] Wheat is selling at 50 cents per bushel on the Kansas farm. The parity price is $1.13 per bushel. Every bushel of wheat sold by Kansas farmers is sold for less than half of parity. In other words, it takes over 2 bushels of a farmer's wheat to trade on an equality with commercial and industrial products. The greatest dormant purchasing power in the United States is in the agricultural sections. There are 9,000,000 farm families, comprising about a fourth of our population, who are unable to buy badly needed commodities because of economic disparity.

Our first duty should be to the American farmer and producer. We are now told that if the United States will lend money to other nations our foreign trade will grow by leaps and bounds. During the past 15 years this program has been tried with results that are very discouraging and our present enormous national debt represents in part loans that were made to other nations and never repaid.

Following is a table which shows the amount of new loans for the purpose of increasing the sale of goods by the United States to Latin-American countries for the years 1925 to 1929:

	New loans	Increase in exports
1925	$76, 415, 000	$74, 711, 000
1926	215, 771, 000	24, 705, 000
1927	242, 989, 000	11, 182, 000
1928	346, 143, 000	6, 462, 000
1929	60, 500, 000	49, 336, 000

This table shows that in none of these years did the borrowers buy as much from the United States as they borrowed, and in many cases they failed to spend the money which we loaned them, and also failed to pay the original loan. We failed to stimulate export business, we lost the larger portion of the money loaned, and in many cases we did not secure repayment of the principal. It seems most unfortunate to me that we will not profit by past mistakes.

Our Nation is facing some real trade problems in the world and in the Western Hemisphere. They will not be solved by orations and editorials on the good-neighbor policy. In my opinion, they will be solved when we as a nation meet with other nations and approach this subject in a businesslike way. It is only natural for nations in the Western Hemisphere to take advantage of our generosity as long as we are willing to furnish them with unlimited loans and grants. Everyone realizes this cannot continue forever, and therefore the issues should be met fairly and squarely. South American countries produce wheat, beef, cotton, copper, oil, hides, sugar, and wool. Every one of these commodities is produced in this country. Central Europe, Italy, and Japan are the nations that need these commodities. Regardless of our generosity to South American countries, everyone must realize that these countries are going to trade with the countries that need their commodities. Their loans and production costs are such that they can undersell us in these markets. Under these circumstances our export for farm commodities must be subsidized; and, if this is to be done, why not spend our own taxpayers' money for the citizens of this country. [Applause.]

[Here the gavel fell.]

Mr. MICHENER. Mr. Speaker, I yield the remainder of my time to the gentleman from Massachusetts [Mr. GIFFORD].

The SPEAKER. The gentleman from Massachusetts is recognized for 16 minutes.

Mr. GIFFORD. Mr. Speaker, why so much worry about not understanding the bill? It is very short—$500,000,000 to be borrowed from the American people at 1½ percent, perhaps, and loaned at 4 percent, with the possibility of the difference wiping out the losses, the same happy process to be continued but borrowed from the bankers. More inflation, more debt money created. We should keep this in mind. I quote from the bill: "Development of the resources; stabilization of the economies; the orderly marketing of the products of the countries of the Western Hemisphere." This is to be done with more borrowed money. We increase the assets of this institution by $500,000,000. We also increase the borrowing power of the R. F. C. $1,500,000,000. The R. F. C. finds they need a huge amount of money to loan for national defense; that the Army and Navy have but $100,000,000 available for plant expense and loans. The Reconstruction Finance Corporation must carry the great burden of making loans that should be made by the banks. Legislation might be passed affording greater protection to the banks, but for some reason it is not recommended.

"We are living in terrible times." "We must have the friendship of the South American peoples or else we will be the only democracy left." Where have I heard those words before? Methinks I heard them just a few minutes ago ringing over this Chamber. Is that the sort of argument that appeals and stampedes us to vote for a business proposition without careful consideration. Read the hearings. Mr. Jones tried to tell the committee that practically all of this fund was to be loaned for industrial uses and practically all the money remain in this country; that he would loan money to South America to pay for goods exported. The bill does not read that way.

That has been the theory of the Export-Import Bank, to lend to help our people sell them goods, to assist our exporters. You will find these intentions on one page of the hearings, but on other pages something entirely different.

But "these are terrible times!" We should lend these defaulting nations more money because the more we lend them the more they love us—especially when we try to collect. [Laughter.] I think that suggestion applies here extremely well. I look for great affection, do not you?

This bill provides lending to banking institutions of South America, or for the purchase of the preferred stock of those banks. When do they expect to collect on preferred stock? But on practically every question that was asked of Mr. Jones in the hearings, which I have tried to read carefully, he parried when the real purposes of the bill were presented. He attempted to argue that they would be strict business loans. The gentleman from Tennessee [Mr. GORE] hit the nail on the head—describing them as diplomatic loans. Of course they are. These conversations held at Habana, and these conversations held with the Canadian Minister are diplomatic preludes to actual commitment. We are coming to the defense of Canada; Canada is at war; we now join her and then we will be at war also. What other interpretation can be made? To what end does this administration lead us?

I am willing to vote to carry out any commitment brought to this Congress as a result of any treaty that may have been ratified by the United States Senate and to which we are committed but I am much frightened by these conversations which may lead to most serious consequences and without taking our people into complete confidence in what is transpiring. Eight of the 21 countries made reservations. All our people are interested to know the promises made.

What bait was offered these nations to get them to join in even that very general agreement? We may well subscribe to the conversations respecting Canada of a day or two ago.

These are terrible times we are living in, therefore it is necessary to get into all the mess we can; and Congress, the President says, does not need to be consulted as there is at present no need of congressional action. These are simple beginnings and diplomacy has the right of way. Diplomacy will probably go so far that there will be nothing left for Congress to do but to be "rubber stamps" and carry out the commitments of an administration so anxious, so anxious to involve us. This $500,000,000 is bait to purchase the friendship of those defaulting nations for the orderly marketing of their products. Mr. Jones says there has been as yet no application to borrow any of this money. We are to lend it to banks and to governments and, of course, if these governments want to lend it to their farmers to take off the surplus, that will be a legitimate use.

"Mr. Jones, are you going to take security in foodstuffs?" "Yes, I suppose so."

So by the route of the loan we may finally own quantities of foodstuffs, of which we have such a vast supply. "Give us the authority and let the bank do exactly as it wants in the way of security and in the way of loans." We are told, in the politest terms possible, that it is none of our business how they do it. Trust Mr. Jones. Mr. Jones has been doing so well borrowing money at one-half of 1 percent or 1 percent and putting it out at 4 and 4½ percent. He says he will not lose much money, but these are going to be long-time loans. He said in the hearings that we would not send the Navy down there to collect them. The South American countries will probably politely say, "We do not find it convenient to pay," and we will not do anything about collection. These loans will probably not be fully paid, even though Mr. Jones suggested that he would demand quarterly or monthly payments. He was most reassuring, but I fail to catch his enthusiasm. But, Mr. Speaker, we should not be fooled about the bill. It is too simple. We know the risk and the real purposes, and it is the duty of the minority to lay bare these purposes.

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. GIFFORD. Gladly.

Mr. SCHAFER of Wisconsin. Was there any other witness before the committee other than Mr. Jones? I ask this question because I have a letter from Mr. Morgenthau indicating that the notorious Wall Street racketeer Earl Bailie, of J. and W. Seligman & Co., international bankers who robbed the American investors of many millions of dollars in Tri-Continental Corporation stock manipulations, is on the United States Government pay roll in Mr. Morgenthau's office, directing this South American program, as a dollar-a-year man. This notorious racketeer, Earl Bailie, as shown by the Securities and Exchange Commission's hearings on the Tri-Continental stock swindle and by pages 189 and 190 of the daily CONGRESSIONAL RECORD of January 8, 1934.

Mr. GIFFORD. I regret that I was not able to be present at the hearings, but I have fortified myself by reading them, and I am informed that Mr. Jones was the only witness present.

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

Mr. GIFFORD. I yield.

Mr. WOLCOTT. I might say to the gentleman that the minority made every effort possible to have representatives of the State Department, the Commerce Department, and the Treasury Department, come before the committee and present their views when the motion was made to close the hearings; and, unfortunately, they had the votes to carry it.

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gentleman yield further?

Mr. GIFFORD. I yield.

Mr. SCHAFER of Wisconsin. The Government record of hearings in an investigation conducted by the Securities and Exchange Commission shows that Earl Bailie, that notorious Wall Street international banker and stock peddler, robbed the American investors of many millions of dollars in Tri-Continental Corporation stock manipulations. He is directing this New Deal South American dictatorship Santa Claus program as a dollar-a-year man in the Treasury Department under Mr. Morgenthau.

Mr. GIFFORD. I am not informed about that. I am talking about $500,000,000 with which to buy friendships. Our leader talked about "the terrible times we are in." Who got us into these terrible times? Who is saying to this Nation that we Congressmen are dilatory and that we cannot have national defense because Congress hesitates? This administration wants blanket authority from us to do anything it wishes to do. We are supposed to be rubber stamps. We quickly voted the money for defense, but we desire to protect our people against the whims of a war-minded administration. When you go home you are to find that the minds of the people have been influenced by your President, by the Secretary of the Navy, and by the Secretary of War. They say the Army is awake to our danger; that the President is awake to it; Bullitt and other diplomats are awake to it; but Congress is dumb, politically minded, and hesitates.

Mr. RICH. Will the gentleman yield?

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

Mr. RICH. Can the gentleman tell us where we are going to get this $500,000,000?

Mr. GIFFORD. We are to borrow it from the banks. We are to create more debt money that will be floating around with no place for investment. You know where that leads. It leads to that beautiful land called inflation. Why do they not sell these bonds to the public for cash? If our people are so frightened, are they not ready to pay cash for defense bonds?

Why have more debt-created money? It is so easy, as long as the banks will lend the Government money for one-half of 1 percent or 1 percent. That is the politician's paradise. I am glad I am not in the majority party that must take the full responsibility for the debacle that is sure to follow.

If my time has not expired, does not someone want to ask me a question? I have not time to go into another phase of the argument.

Mr. MICHENER. Will the gentleman yield?

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

Mr. MICHENER. I notice the committee report says:

> The authority conferred by the bill may be exercised insofar as the countries of the Western Hemisphere are concerned without regard to existing statutory restrictions on loans by the banks.

Mr. GIFFORD. Yes; you cannot lend them at present over $20,000,000.

Mr. MICHENER. On yesterday, when the chairman of the Banking and Currency Committee was before the Rules Committee, I understood him to say that this removed all limitation so far as loans by the R. F. C. or the Export-Import Bank within the Western Hemisphere were concerned. Am I correct?

Mr. GIFFORD. I think so. Why do they not lend it all to Canada to buy armaments with? Think of what they can do when you give them this authority. None of this might go to South America. It might go to Canada and they use it for armament.

Mr. O'CONNOR. Will the gentleman yield?

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

Mr. O'CONNOR. I notice in Mr. Jones' testimony, on page 31, he stated:

> It is not the intention, indeed we would not have the authority under the act, to buy anything. We would have authority to lend, and probably would lend, if requested on some of their surpluses.

Was anything tangible presented to the committee showing upon what surpluses these loans were going to be made?

Mr. GIFFORD. No; but they asked many questions, such as, "Would it be the surpluses of which we have more than we now want?" Possibly. There is nothing in the bill to prevent such action. If they get this authority, they can lend that money in many, many ways.

Mr. O'CONNOR. I am looking for information. Was any plan presented to the committee by Mr. Jones as to how this money was going to be used when made available?

Mr. GIFFORD. He said he did not know, he had not had a single application yet.

Mr. SMITH of Ohio. Will the gentleman yield?

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

Mr. SMITH of Ohio. Under the language of this bill, is it not a fact that the Export-Import Bank would be authorized to make loans to any nation on earth so long as the loan would be for the benefit of the countries of the Western Hemisphere?

Mr. GIFFORD. Yes, but Mr. Jones must O. K. the loan. He has asked for this authority because the President desires it, as stated in his recent message to Congress.

Mr. SMITH of Ohio. Is that not a fact under this bill?

Mr. GIFFORD. Of course.

Mr. MICHENER. I want to be real clear about this. As I understand the bill, it repeals a part of the Neutrality Act so far as loans are concerned; that is, as those loans affect the Western Hemisphere, regardless of whether or not those countries in the Western Hemisphere are belligerents in the war?

Mr. GIFFORD. I so understand it.

Mr. MICHENER. Well, Canada is a belligerent. Canada has declared war. Therefore this bill will permit loans in Canada or any other country in the Western Hemisphere, the same as in Latin America.

[Here the gavel fell.]

Mr. SABATH. Mr. Speaker, I regret exceedingly that so many misrepresentations have been made in opposition to the proposed legislation.

I think that the Committee on Banking and Currency has been unjustly and unfairly criticized by the gentleman from Georgia [Mr. Cox] and the gentleman from Michigan [Mr. MICHENER].

For the information of the House let me state that Mr. STEAGALL, the chairman of the Committee on Banking and Currency, Mr. WILLIAMS, of Missouri, and Mr. CRAWFORD, of Michigan, appeared before the Rules Committee and clearly and intelligently explained the provisions of the bill and the need for this proposed legislation. Therefore, the allegation of the gentleman from Georgia [Mr. Cox] and the gentleman from Michigan [Mr. MICHENER] that they did not know anything about the bill is, I repeat, manifestly and grossly unfair.

Mr. CRAWFORD. Mr. WOLCOTT also appeared before the Rules Committee.

Mr. SABATH. Yes; that is true. He is the ranking minority member of the Committee on Banking and Currency and he has opposed every rule requested by his committee. Really, though, I discount his opposition because I honestly believe that at heart he feels that this proposed legislation is pointed in the right direction, since his State, perhaps more than any other, would be benefited by this bill in its large exportation of automobiles.

I am amazed by the violent attack of the gentleman from Massachusetts [Mr. GIFFORD] against this bill on the floor, just as I was amazed by the same sort of attack by the gentleman from Michigan [Mr. WOLCOTT] before the Committee on Rules, inasmuch as his State, too, would greatly benefit by the bill in its ever-increasing exportation of shoes. No doubt his opposition to the bill was uttered to make a little political capital.

I was indeed surprised by the attack of my colleague, a member of the Rules Committee, the gentleman from Georgia [Mr. Cox] to whom I had just yielded 10 minutes, upon this altogether important piece of legislation. I was not only surprised, but amazed at his remarks, this because at the hearings before the Rules Committee during the testimony of the gentleman from Alabama [Mr. STEAGALL], the gentleman from Missouri [Mr. WILLIAMS], and the gentleman from Michigan [Mr. CRAWFORD] I got the impression that they had satisfied his fears.

Evidently the gentleman from Georgia has failed to take into consideration the fact that though this loan has been in effect 5 years, not a single default or loss has resulted. This is the time of all times that we should make an effort to obtain and keep the good will of these Latin American countries. For 5 years certain European nations have been carrying on a propaganda against the United States to win South American trade, and they have expended millions upon millions in their efforts. To defeat this measure is to give comfort to our country's enemies. It is also an unfortunate attack on the excellent work accomplished at the Habana Conference by our Secretary of State, Cordell Hull. I know the gentleman from Georgia is just as patriotic as any other Member of the House, which makes it all the more difficult for me to understand his attitude.

The Committee on Banking and Currency gave intelligent and thorough attention to this bill over a period of about 2 weeks. The final bill was reported only the day before yesterday, but that was due to the fact that the committee did not wish to report a bill with many amendments, preferring to introduce a new bill.

The gentleman from Kansas [Mr. CARLSON] who addressed the House a little while ago sought to show that the pending bill not not inure to the benefit of farmers and that we had not increased our Latin American exports. He deliberately quoted the years during a Republican Administration, from 1922 to 1928. He, it is regretted, did not give the House export figures covering the period since 1933. An examination of ever-increasing exports to South America during the last 4 or 5 years will show his remarks are not accurate, and they were made to create prejudice among our American farmers against such a proposal.

Let me say to all that this bill is not intended to aid agriculture in Latin America that is in competition with American agriculture. It will aid our trade with those countries in connection with commodities which they produce but we do not.

I think the membership of the House is too intelligent to fail to appreciate that we have increased our exports to South America. I and others, when a related bill was before the House last March, called attention to the efforts of European nations to get nearly all, if not all, the trade there. This bill will enable us to continue to increase American exports in the general interests of our country, in the interest of our manufacturers, in the interest of our workers; and this no one can deny. I know of the money that is being spent and that has been spent in the past by European countries to obtain the trade of South America, the trade that we must look forward to, and that we must not fail to hold and increase. It is the only avenue that is open to us now for disposal of our surpluses. It will favorably affect agriculture.

Only one who is not thoroughly informed or who is deliberately misrepresenting can make such allegations as many of us have heard against this bill. We need from those countries commodities that we do not produce in America. We need rubber, tin, manganese, nitrates, and a great many other things; and we need them badly. There are certain foodstuffs that we do not grow, including the important items of coffee and bananas. The fact that these South American countries also grow wheat and corn, as we do, surely should not discourage us in trying to sell them things they do not grow. They do not manufacture many of the things they need. I should like to see my country rather than Germany, Italy, or any other European country, get that business; and that is the aim of this bill.

So far $158,000,000 has been loaned to those countries under existing law, and thus far there is no default or loss. I do not fear that any appreciable loans will be unpaid or any appreciable losses suffered under the careful management of our lending agency, which is headed by a very capable, experienced, and careful gentleman, Mr. Jesse Jones, with whom I do not see eye to eye at all times, but who is, without doubt, a safe and sound businessman.

It was said before the Rules Committee that all would be well only so long as Mr. Jones remained in charge. I say in reply that if, unfortunately, the country should be deprived of Mr. Jones' services, we will still have the chairman of the Reconstruction Finance Corporation, Mr. Emil Schram, concerning whom we do not hear much, but who is exceptionally capable and a careful and sound business administrator, who will in every way protect the best interests of the country in the administration of this law.

Mr. Speaker, I repeat, in the general interest of our country, involving all groups of our population, and to continue

friendship with Latin America, having in mind our especial responsibilities there, we need and must pass this important proposed legislation. [Applause.]

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. STEAGALL. 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. 10361) to provide for increasing the lending authority of the Export-Import Bank of Washington, 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 consideration of the bill H. R. 10361, with Mr. MURDOCK of Utah in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

The CHAIRMAN. The gentleman from Alabama, under the rule, is recognized for 2 hours, and the gentleman from Michigan [Mr. WOLCOTT] is recognized for 2 hours.

Mr. STEAGALL. Mr. Chairman, in order that Members may understand what is under consideration, I desire to state what is involved in this bill. The bill would enlarge the lending powers of the Export-Import Bank in the sum of $500,000,000, such loans to be made for extending our trade relationships with the peoples of the Western Hemisphere. The bill also extends the lending life of the bank to 1947, and increases the borrowing authority of the Reconstruction Finance Corporation by $1,500,000,000 to enable the Corporation to carry out the purposes of this bill and to supply funds necessary to carry out the mandate of Congress and aid the program of national defense.

The Export-Import Bank was established originally under Executive order. Its capital was supplied first in the sum of $1,000,000 out of funds available to the Chief Executive of the Nation. An additional sum was then supplied by the purchase of $10,000,000 of the capital stock of the bank by the Reconstruction Finance Corporation. Later, the lending authority of the Export-Import Bank was limited by legislative enactment to the sum of $100,000,000 of loans outstanding at any one time. Subsequently the limit was increased to $200,000,000. The bank is under the joint management of the Departments of State, Treasury, Agriculture, and Commerce, and the Reconstruction Finance Corporation.

The entire funds now available to the bank are loaned or committed. Up to this time every loan that has been made by the bank is current. There has not been a dollar of loss. Neither have I ever heard any complaint or criticism of any loan that has been made nor any prediction of any loss to the bank or to the Government of the United States.

This bill enlarges the lending powers of the bank by making credits available in the amount of $500,000,000. It removes some of the limitations that exist under the present law and imposes some restrictions.

Under existing law, total loans to any one country or its nationals are limited to $20,000,000. This restriction is removed. There is also a provision that no loan may be made to a country which had obligations to the United States Government which were in default on April 13, 1934.

There was also a provision that no loan could be made in violation of our neutrality laws or to finance the purchase of arms, ammunition, or implements of war. The present bill removes those limitations insofar as they relate to the peoples of the Western Hemisphere.

Now, what is the situation? This is the first time that I have heard expressed on this floor such fears as to the competency and the ability of the officials responsible for the administration of the Export-Import Bank. As to the $500,000,000 that will be made available under this bill, no loan can be made except upon the request of the Federal Loan Administrator, with the approval of the President of the United States. In that respect we have added safeguards and limitations that do not exist in the administration of the law as it stands at this time. Also, we have the management of responsible representatives of the Departments of State, of the Treasury, of Agriculture, of Commerce, and of the Reconstruction Finance Corporation. The President of the Export-Import Bank, Mr. Pierson, is himself a most experienced and a most dependable executive, with years and years of experience in connection with responsible Government positions and many years of experience and training in matters of international trade and international commerce and relationships.

In addition to those primarily responsible for the management of the Export-Import Bank, under this bill no loan can be made except with the further requirement that it be requested by the Federal Loan Administrator with the approval of the President of the United States. I submit that this bill is more carefully safeguarded in the matter of its management and administration than any similar piece of legislation ever enacted by the Congress of the United States in the history of this country. We have the experience of the Reconstruction Finance Corporation.

After all the enormous loans that have been made and investments that have been authorized, and the great service that has been rendered to the people of this country by the Reconstruction Finance Corporation under the management of the present Federal Loan Administrator and his able assistants who now constitute the Board of the Reconstruction Finance Corporation, that corporation has operated with a showing of approximately $300,000,000 of surplus as a protection to the Treasury of the United States. If we cannot trust the intelligent management of the Export-Import Bank in the light of the requirements and limitations of this bill, and in the light of our knowledge of the trusted ability and competency of those who are to be responsible for its management, including the President of the United States, and on down through the chief departments of this Government; if we cannot trust the management of this institution under the conditions and limitations that exist under this bill, we ought to repeal every law that has been passed which entrusts anybody with the administration of a fund supplied out of the people's Treasury.

It is true that no applications for loans are ready for final action in this institution under the provisions of this bill. We do not know what demands will be made. Certain it is that applications for loans will not be forthcoming until there is somewhere to go and somebody authorized to make loans and supplied with funds with which to make them. In one breath we are told here today that we are about to throw away $500,000,000, and in the next breath complaint is made that we are establishing an available fund of $500,000,000, when there is no demand for it.

I would not venture to predict just what will occur in the course of a year under the operations of this bill. We live at a time when nobody can predict with any degree of certainty what is going to happen here or anywhere else, but so far as we can see now and so far as any knowledge we have or can judge or gain by experience, there is no likelihood that the $500,000,000 made available here will be exhausted any time soon.

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

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

Mr. CRAWFORD. Mr. Chairman, I would like to ask the chairman of our committee if he agrees with me on this approach to the bill. Recently, or within recent weeks or months, we have more or less channeled our action parallel with Britain insofar as opposing the totalitarian nations of Europe is concerned. Does the chairman agree with me that we have done that to a more or less extent?

Mr. STEAGALL. Certainly, we have.

Mr. CRAWFORD. And that, perhaps, still more recently we have come alongside Britain, we will say, in helping to promote the blockade and in more recent weeks we have got along with Britain more or less in helping Britain to support the blockade with reference to food supplies; in

other words, we are not doing anything to prevent Britain's blockade, are we?

Mr. STEAGALL. I do not think we should.

Mr. CRAWFORD. I am not in disagreement with that policy. Now, here is the situation that comes up from the Latin-American countries in the interim, we will say, and in my opinion the Latin American countries have not been placed in position to initiate the calling for loans under a measure of this kind because of the recent occurrences that I have just mentioned, plus the recent Habana Conference, plus the speed at which things are moving today, and I want to ask the chairman if, in his opinion, that is not about what we face insofar as the absence of application for loans at the present time is concerned.

Mr. STEAGALL. Absolutely, that is true.

Now, the South American countries are our next-door neighbors. Whatever may be the view of any individual as to the policy of isolation from the Old World, I cannot see how the most ardent isolationist would for a moment question the wisdom and desirability of a closer relationship all along the line between this Republic and all of the peoples of the Western Hemisphere. Such a thing seems to me to be indisputably desirable from a commercial and selfish business standpoint, and that is the first purpose of this bill. It is to advance the economic, selfish, commercial interests of the people of the United States, by stimulating our trade, enlarging our business with these neighboring countries. Of course, it is true to some extent with us as we extend our business relationships, we enlarge our political contacts and influences. That is true of any nation. It is peculiarly true of the totalitarian nations of Europe. Wherever they go with their trade they undertake to follow with their policies and their views of government and those principles with which we disagree and to which they are devoted and which they are undertaking to impose on the world at the point of the sword. I deny that it is of benefit to this great productive nation with our vast resources and teeming millions of population to pursue a policy that tends to restrict the development of the resources of great neighboring peoples, to restrict their purchasing power, or to lower their standards of living, or their ability to share along with us in the production and distribution of things that are essential to their happiness and ours and to the advancement of the civilization of the world.

Such a contention is cruel, barbarous, un-American. It is unworthy of utterance on this floor. This Nation has never stood for such a policy as that. What we need in this country and in our neighboring republics is a leadership that will make possible the fullest development of the resources so lavishly bestowed by a beneficent Providence, a better method of distribution for the products of our fields, our farms, and factories, that we may reach a higher standard of living and a greater measure of human happiness. The best way to achieve that is by a policy of helpfulness, of cooperation, of good neighborliness. Somebody said that we are going to build factories down there in competition with ours. My reply is that every time you open a factory, you elevate the standard of living and enlarge the consuming power of the people and mark a forward step in civilization, but these loans will be used to purchase and consume the output of our factories and our industries. Somebody said that we are going to undertake to assist their farmers, when we should be looking after our own. What is the matter with the surplus-producing farmers of the United States today? The trouble is competition from the outside world, products that come from the hands of underpaid labor, living upon a lower standard, that come into competition with us and drive us from world markets.

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

Mr. STEAGALL. In a moment. Take the cotton farmers of the South as an instance. We have all come to realize the important part the cotton farmers of the country play in the economic life of the Nation, and we are undertaking at least to some extent to protect them against the sacrifice of their crops at prices that mean an underfed and underclothed population in our cotton-farming sections. There has never been a time when some of the cotton farmers of the cotton-producing sections of the country were not in position to store their cotton and hold it at will and sell it only when the market offered a price that would repay the cost of production and leave something to buy the necessaries of life for those who toil to produce those crops. But there has always been a poorer class, a more or less defenseless class of cotton farmers and tenants who always in the absence of protection are forced to sell their cotton by dumping it on the market at one short period of the year, the farmer going to town and asking the purchaser what he would give for his cotton and saying, "Here it is, take it," regardless of the cost of production, regardless of whether he was able from the proceeds to take home any of the necessaries of life required for his family. That situation brought about the necessity for Government aid to the cotton farmers in the marketing of their crops, and so it will be with our neighbors to whom loans can be made under this bill. Suppose some loans are made to assist the orderly marketing of crops that come into competition with the crops produced by the farmers of the United States.

Is there anything foolish about that? Is it not to our advantage, losing our markets, as we are already, because of world conditions beyond our control and because of surplus supplies from other sections of the world? Is it to our interest to sit by while these producing countries, having crops that come in competition with ours, are left helpless in their marketing of their products and forced to dump their crops on the markets of the world in competition with us, without regard to whether they are getting sufficient return or not? Nothing could be more narrow or foolish or destructive to the farmers of the United States than such a policy.

Mr. O'CONNOR. Will the gentleman yield?

Mr. STEAGALL. Yes; I yield to the gentleman.

Mr. O'CONNOR. I want to compliment the gentleman on the very forceful and clear argument he is making in support of this bill. In principle the purpose is laudable. There is not any argument about that. But we must not forget, with relation to making loans on farm surpluses that come in competition with the American farmer, that the American farmer and stock grower cannot compete with the farmer in those southern countries, because their land is cheaper, our taxes are higher in this country, and their labor is cheaper than it is here and our standard of living is higher.

Now, in connection with making loans to those southern producers, we must not forget this fact, that the American farmer and stock grower, the man who has property that the assessor and tax collector can find, is going to be called upon to pay his share of the taxes that will be heaped onto this country by reason of our national-defense program, which I say is absolutely necessary to incur today. We must not forget that we must not drive that man from his home by helping to create a surplus against his crops which he cannot compete with, because after all he is the man who is going to have to pay a large part of this tax bill in the end. He cannot escape the tax collector. My thought is that if this money, or part of it, could be used for the development of the noncompetitive undeveloped resources of those countries and the encouragement of tourist travel from this country into those countries, that it would be a much better use for the money than encouraging heavy farm surpluses to compete with our own farm products and in this way we would accomplish the end sought, namely: To weld the Americas together.

Mr. STEAGALL. Let me say I have not stated that the purpose of this bill is to make loans on the surplus crops of other countries. That is not the purpose of the bill and no one has the right to say that is what is going to be done.

Mr. O'CONNOR. I hope it will not be done.

Mr. STEAGALL. I want to be very frank and candid about the matter if I understand what will probably be the policy that will govern the administration of the bank in

making these loans. Some loans will probably be made to banking institutions in neighboring countries that will inure to the benefit of producers of crops and to their protection against sacrificing their crops in markets that will not afford a decent return. I have no doubt some things like that will happen, but it is not the purpose of this bill to devote this fund to financing surplus crops of other countries.

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

Mr. STEAGALL. I yield.

Mr. CRAWFORD. I want to ask the chairman this question in all seriousness for my own benefit and for the benefit of those who are on the floor who may speak hereafter on the bill.

Mr. STEAGALL. I am glad to yield to the gentleman from Michigan, who is a most industrious and intelligent student of this legislation and who is helpful in the preparation of these bills in the committee and on the floor. I have a profound respect for his judgment. The only question in my mind about yielding is the doubt that I can enlighten him in any particular with reference to this bill, but I am glad to yield.

Mr. CRAWFORD. I think the chairman can enlighten us on this——

Mr. CHURCH. Mr. Chairman, I make the point of order that there is no quorum present. I think the entire membership should be enlightened on this bill. I make the point of order that there is no quorum present.

The CHAIRMAN. The Chair will count. [After counting.] Sixty-eight Members are present, not a quorum. The Clerk will call the roll.

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

[Roll No. 189]

Alexander	DeRouen	Kennedy, Martin	Risk
Allen, Ill.	Dies	Kennedy, Michael	Robinson, Utah
Allen, Pa.	Dirksen	Keogh	Rockefeller
Anderson, Mo.	Douglas	Kilburn	Rodgers, Pa.
Arnold	Drewry	Kirwan	Rogers, Okla.
Ball	Eberharter	Kleberg	Romjue
Barden, N. C.	Edelstein	Kocialkowski	Rutherford
Barry	Edmiston	Kunkel	Ryan
Bates, Mass.	Elston	Lambertson	Sacks
Bell	Evans	Landis	Sandager
Bolles	Faddis	Lea	Schaefer, Ill.
Boren	Fay	Lemke	Schuetz
Bradley, Mich.	Ferguson	Ludlow	Schulte
Bradley, Pa.	Fernandez	Lynch	Secrest
Brewster	Fish	McAndrews	Seger
Buck	Fitzpatrick	McArdle	Shafer, Mich.
Buckley, N. Y.	Flaherty	McDowell	Shanley
Bulwinkle	Flannery	McGranery	Sheridan
Burdick	Ford, Miss.	McLean	Smith, Conn.
Burgin	Garrett	McMillan, John L.	Smith, Va.
Byrne, N. Y.	Gavagan	Magnuson	Smith, W. Va.
Byron	Grant, Ala.	Marcantonio	Snyder
Caldwell	Grant, Ind.	Mason	Somers, N. Y.
Cannon, Mo.	Green	Merritt	Sparkman
Cartwright	Halleck	Miller	Sullivan
Case, S. Dak.	Hare	Mitchell	Taber
Casey, Mass.	Harness	Mouton	Tarver
Celler	Hart	Murdock, Ariz.	Tolan
Chapman	Harter, Ohio	Myers	Vreeland
Clark	Hess	Nichols	Wadsworth
Claypool	Hook	O'Day	Wallgren
Cluett	Jacobsen	O'Leary	Warren
Cochran	Jarman	Osmers	White, Idaho
Cooley	Jarrett	O'Toole	White, Ohio
Crosser	Jeffries	Parsons	Wigglesworth
Culkin	Johns	Pfeifer	Winter
Curtis	Johnson, Ind.	Pierce	Wood
Darden, Va.	Johnson, W. Va.	Plumley	Woodrum, Va.
Darrow	Jones, Ohio	Reece, Tenn.	
Delaney	Keefe	Rich	
Dempsey	Keller	Richards	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MURDOCK of Utah, Chairman of the Committee of the Whole House on the state of the Union, reported that the Committee having under consideration the bill (H. R. 10361) to provide for increasing the lending authority of the Export-Import Bank of Washington, and for other purposes, finding itself without a quorum, he had directed the roll to be called, when 269 Members answered to their names, disclosing that a quorum was present, and he submitted herewith the names of absentees to be spread upon the Journal.

The SPEAKER. The names of the absentees will be spread upon the Journal, pursuant to the rule, and the Committee will resume its sitting.

The CHAIRMAN (Mr. MURDOCK of Utah). The Committee will resume consideration of the bill H. R. 10361. The gentleman from Alabama [Mr. STEAGALL] is recognized.

Mr. STEAGALL. Mr. Chairman, in connection with the discussion of our trade relationships with our neighboring republics, I want to call attention to the record for the years 1938, 1939, and the first 6 months of 1940.

In 1938 our exports amounted to $299,000,000 plus. Our imports for that period were $262,000,000.

In 1939 our exports were $320,000,000 and our imports $317,000,000.

For the first 6 months of 1940 our exports were $239,000,000 and our imports $190,000,000.

Just here I want to read a letter from the Federal Loan Administrator:

FEDERAL LOAN AGENCY,
Washington, August 20, 1940.

DEAR CHAIRMAN STEAGALL: For fear that some Members of Congress may not have had time to read the testimony and the discussions in the committee about H. R. 10361, I summarize in short what I regard as the purposes of the bill. They are:

1. To put the bank in a position to continue to finance exports from this country, principally to the Latin American countries;

2. To assist some of these countries in their economic problems which have been made acute by the European war, cutting off or greatly reducing their exports;

3. That the bank may, through modest loans carefully made, assist some of the countries in increasing the production of things that we import and that we do not grow and must import. While it is not contemplated that loans would be made on surplus agricultural commodities, appropriate consideration would be given to applications from some of the governments or their central banks for loans in reasonable amounts that might enable the government or its banks to assist their nationals in the carrying and orderly marketing of some of their agricultural surpluses, with a view to avoiding demoralized prices that would affect our own farmers. No such loan would be considered that appeared to the officers and directors of the bank to be inimical to our own agricultural interests;

4. That we may be of some assistance in helping to improve their industrial situation, making them less dependent upon other countries.

With respect to the increased borrowing authority provided for in the bill as reported, I give you a summary of commitments by the R. F. C. made under section 5d of our act passed by Congress in June of this year:

Commitments for the purchase of a reserve supply of crude rubber	$145,000,000
For a reserve supply of tin (This amount will be increased.)	105,000,000
For manganese and other materials, something over (This amount will be increased.)	30,000,000
Formal and informal commitments for plant construction and machinery and equipment in connection with the manufacture of airplanes and airplane engines, in excess of	200,000,000

These and other informal commitments and discussions aggregate more than $600,000,000.

New situations arise almost daily in which we are called upon to make loans or buy equipment and strategic and critical materials in aid of the national-defense program. We make these defense loans and purchases in cooperation with the Defense Commission.

Sincerely yours,

JESSE H. JONES, *Administrator.*

Hon. HENRY B. STEAGALL,
Chairman, Committee on Banking and Currency, House of Representatives, Washington, D. C.

The increased borrowing authority referred to in the letter relates to that provision of the law which permits the Reconstruction Finance Corporation to aid in carrying out the program of national defense, funds therefor to be supplied from the general funds of the Corporation.

This letter bears upon suggestions made by one gentleman today with regard to the increased borrowing authority of the Reconstruction Finance Corporation. The bill before us permits the enlargement of the borrowing power of the Corporation in the amount of $1,500,000,000. Five hundred million dollars of this would be required in case the total sum mentioned in the bill should be employed to carry out its purposes

for loans to countries in the Western Hemisphere. Six hundred million dollars is needed already to reimburse the Corporation for loans made and closed or for commitments in connection with aid to the national-defense program by the Corporation. It is probable that additional loans to be made by the Corporation in carrying out the defense program and the purposes of this bill will absorb the entire amount provided for in this bill.

In connection with this letter from the Federal Loan Administrator let me say this: It has been said that we use the name of Jesse Jones to conjure with in this House. It is a name to conjure with, because no man in connection with important administrative affairs of this Government has excelled the record made by Jesse Jones in his handling of the tremendous sums and of the stupendous responsibilities that have fallen to him as Chairman of the Reconstruction Finance Corporation and as Federal Loan Administrator. [Applause.] I confess that any recommendation he makes in connection with a lending policy of this Government commands my unqualified respect and consideration, and I am sure I bespeak the views of the thoughtful membership of this House in making that statement.

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

Mr. STEAGALL. I yield to the gentleman from Georgia.

Mr. PACE. As I understand the situation, none of the funds can be employed in loans to South American countries unless Mr. Jones himself makes a request for them.

Mr. STEAGALL. They can be made only upon the request of the Federal Loan Administrator with the approval of the President. In addition to that the Export-Import Bank is under the joint management of the State Department, the Treasury Department, the Commerce Department, the Department of Agriculture, and the Reconstruction Finance Corporation. I said once before that no lending activity this Government has ever undertaken has been so safeguarded in management as is that to be engaged in under the provisions of this bill.

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

Mr. STEAGALL. I yield to the gentleman from Georgia.

Mr. BROWN of Georgia. I understand that to date the Export-Import Bank has sustained no losses in its operations.

Mr. STEAGALL. I have called attention to the fact that all the bank's loans are current; that there have not been any losses under the administration of the Export-Import Bank down to this time, or any suggestion or criticism of mismanagement. I also call attention to the fact that the Reconstruction Finance Corporation, with all its stupendous operations, activities, loans, and investments has operated at a large profit to the Government.

In connection with my remarks I shall place in the RECORD communications from the President, the Secretary of State, the Departments of the Treasury, of Agriculture, and of Commerce in support of this legislation.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES TRANSMITTING A REQUEST THAT CONGRESS GIVE PROMPT CONSIDERATION TO INCREASING THE CAPITAL AND LENDING POWER OF THE EXPORT-IMPORT BANK OF WASHINGTON BY $500,000,000

To the Congress of the United States:

As a result of the war in Europe, far-reaching changes in world affairs have occurred, which necessarily have repercussions on the economic life both of the United States and of the other American republics. All American republics in some degree make a practice of selling, and should sell, surplus products to other parts of the world, and we in the United States export many items that are also exported by other countries of the Western Hemisphere.

The course of the war, the resultant blockades and counter blockades, and the inevitable disorganization, is preventing the flow of these surplus products to their normal markets. Necessarily this has caused distress in various parts of the New World, and will continue to cause distress until foreign trade can be resumed on a normal basis and the seller of these surpluses is in a position to protect himself in disposing of his products. Until liberal commercial policies are restored and fair trading on a commercial plane is reopened distress may be continued.

I therefore request that the Congress give prompt consideration to increasing the capital and lending power of the Export-Import Bank of Washington by $500,000,000, and removing some of the restrictions on its operations to the end that the bank may be of greater assistance to our neighbors south of the Rio Grande, including financing the handling and orderly marketing of some part of their surpluses.

It is to be hoped that before another year world trade can be reestablished; but, pending this adjustment, we in the United States should join with the peoples of the other republics of the Western Hemisphere in meeting their problems. I call the attention of Congress to the fact that by helping our neighbors we will be helping ourselves. It is in the interests of the producers of our country, as well as in the interests of producers of other American countries, that there shall not be a disorganized or cutthroat market in those commodities which we all export.

No sensible person would advocate an attempt to prevent the normal exchange of commodities between other continents and the Americas, but what can and should be done is to prevent excessive fluctuations caused by distressed selling resulting from temporary interruption in the flow of trade, or the fact that there has not yet been reestablished a system of free exchange. Unless exporting countries are able to assist their nationals, they will be forced to bargain as best they can.

As has heretofore been made clear to the Congress, the Export-Import Bank is operated by Directors representing the Departments of State, Treasury, Agriculture, and Commerce, and the Reconstruction Finance Corporation, and is under the supervision of the Federal Loan Administrator, so that all interested branches of our Government participate in any loans that are authorized, and the Directors of the Bank should have a free hand as to the purposes for which loans are authorized and the terms and conditions upon which they are made.

I therefore request passage of appropriate legislation to this end.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *July 22, 1940.*

WHITE SULPHUR SPRINGS,
August 5, 1940.

Hon. H. B. STEAGALL,
House of Representatives, Washington, D. C.:

At Habana the American nations agreed that in view of the disruption in the channels of international commerce and the curtailment of markets for certain products of the Americas, the American nations must do everything in their power to strengthen their own economic position; to improve further mutually beneficial trade and other economic relations between and among themselves; and to devise and apply appropriate means of effective action to cope with the difficulties, disadvantages, and dangers arising from the present disturbed and dislocated world conditions. I consider the enactment of the proposed legislation expanding the powers and operations of the Export Import Bank essential in order to put the United States in a position to cooperate fully with the other American republics in meeting these urgent needs of economic defense in the face of the possibilities of serious threats to the peace, security, and welfare of this hemisphere resulting from sinister developments elsewhere in the world. The 21 American republics have agreed on a practical program of defensive action of which economic defense is an indispensable part. The enactment of the legislation now pending before your committee will enable the United States to make its appropriate economic contribution to the carrying out of that program which is necessary to the safeguarding of the vital interests of the United States in a situation of unprecedented seriousness and danger.

CORDELL HULL.

TREASURY DEPARTMENT,
Washington, August 8, 1940.

MY DEAR MR. CHAIRMAN: Reference is made to the request of August 6, 1940, from your committee for an expression of the Treasury Department's opinion as to the merits of H. R. 10212, a bill to provide for increasing the lending authority of the Export-Import Bank of Washington, and for other purposes.

In order to assist in the development of the resources, the stabilization of the economies, and the orderly marketing of products of the countries of the Western Hemisphere, section 1 of H. R. 10212 would amend section 5d of the Reconstruction Finance Corporation Act, as amended, to authorize the Export-Import Bank of Washington, upon the written request of the Federal Loan Administrator with the approval of the President, to make loans to any governments and their central banks and, when guaranteed by such governments or their central banks, to political subdivisions, agencies, and nationals of any such governments, notwithstanding any other provisions of law insofar as they may restrict or prohibit loans or other extensions of credit to or other transactions with, the governments of the countries of the Western Hemisphere or their agents or nationals. The Reconstruction Finance Corporation would be authorized to supply the bank with funds for such purposes, not to exceed $500,000,000 outstanding at any one time, through loans to or by subscriptions to the preferred stock of the bank.

Section 2 would amend section 5d of the Reconstruction Finance Corporation Act, as amended, to authorize the Reconstruction Finance Corporation to issue and have outstanding additional notes, bonds, debentures, and other obligations sufficient for the participation of the Reconstruction Finance Corporation in the national-defense program as provided in that section of the Reconstruction Finance Corporation Act, as amended. (The act of June 25, 1940, defense program as provided in that section of the Reconstruction

Finance Corporation Act, as amended, for the purpose, among others, of authorizing the Corporation to make loans to, or purchase the capital stock of, corporations for the purpose of producing, acquiring, and carrying strategic and critical materials and for plant construction, expansion, and equipment, and working capital, to be used by corporations in the manufacture of equipment and supplies necessary to the national defense.)

Section 3 would amend section 9 of the act of January 31, 1935, as amended (U. S. C., Supp. V, title 15, sec. 713b), to continue the existence of the Export-Import Bank of Washington until January 22, 1947, and to increase the amount of loans or other obligations which the bank may have outstanding at any one time from $200,000,000 to $700,000,000.

It is assumed that it is the present intention of Congress to continue the existing procedure under which capital is supplied by the Reconstruction Finance Corporation to the Export-Import Bank of Washington, namely, that such capital is supplied by the Reconstruction Finance Corporation when requested by the Secretary of the Treasury with the approval of the President (U. S. C., Sup. V, title 15, sec. 713b). However, in order that there may be no doubt in that respect, it is suggested that section 1 of the proposed legislation be amended by inserting after the word "supplying" on line 1 of page 2 the following: ", when requested by the Secretary of the Treasury with the approval of the President,".

The Treasury Department is strongly of the opinion that the proposed legislation is necessary in view of the existing national emergency, and recommends that H. R. 10212 with the minor amendment suggested above be enacted.

The Department has been advised by the Bureau of the Budget that there is no objection to the submission of this report to your committee.

Very truly yours,

D. W. BELL,
Acting Secretary of the Treasury.

Hon. HENRY B. STEAGALL,
Chairman, Committee on Banking and Currency, House of Representatives.

DEPARTMENT OF AGRICULTURE,
Washington, August 7, 1940.

Hon. HENRY B. STEAGALL,
Chairman, Committee on Banking and Currency, House of Representatives.

DEAR MR. STEAGALL: This is in response to your telephone request that we forward you, as promptly as possible, an expression of the views of this Department concerning H. R. 10212, a bill "to provide for increasing the lending authority of the Export-Import Bank of Washington, and for other purposes," now pending before your committee.

Section 1 of the bill amends section 5 (d) of the Reconstruction Finance Corporation Act, as amended, by adding a new subsection. Under such new subsection, the Export-Import Bank would be authorized to make such loans to the governments and central banks, agencies, or nationals of countries of the Western Hemisphere which the Federal Loan Administrator, with the approval of the President, finds will assist in the development of the resources, the stabilization of the economies, and the orderly marketing of products of such countries. Section 1 also authorizes the Reconstruction Finance Corporation to provide the Export-Import Bank of Washington with funds for such loans, either through loans to it or subscriptions to its preferred stock, up to $500,000,000.

Section 2 also amends section 5 (d) of the Reconstruction Finance Act, as amended, by adding a new paragraph which would increase the amount of notes, bonds, debentures, and other obligations which the Reconstruction Finance Corporation may issue and have outstanding at any one time by such amount as is necessary for the purposes of this bill, as well as its participation in the national-defense program as previously authorized by the Congress.

Section 3 would increase the lending powers of the Export-Import Bank of Washington from $200,000,000 to $700,000,000, and would extend the period for the exercise of its functions from June 30, 1941, to January 22, 1947.

This Department feels that legislation of this character is desirable, and in view of the possible necessity of the United States furnishing some financial assistance under such programs as may be adopted for promoting solidarity along economic, political, and military lines among the nations of the Western Hemisphere, we recommend that such legislation be enacted by the Congress.

This bill differs only in form from S. 4240, recently reported favorably by the Senate Banking and Currency Committee. Either the House or the Senate bill would appear to be equally satisfactory.

Sincerely yours,

CLAUDE R. WICKARD,
Acting Secretary.

DEPARTMENT OF COMMERCE,
OFFICE OF THE SECRETARY,
Washington, August 8, 1940.

MY DEAR MR. CHAIRMAN: Reference is made to your letter of August 6, 1940, in which you enclosed a copy of H. R. 10212, a bill "To provide for increasing the lending authority of the Export-Import Bank of Washington, and for other purposes," and requested an expression of this Department's views with respect to the bill.

The stated purpose of this bill is "to assist in the development of the resources, the stabilization of the economies, and the orderly marketing of products of the countries of the Western Hemisphere." To accomplish this purpose the bill authorizes the Export-Import Bank to make loans to any governments and their central banks, and when guaranteed by such governments or central banks, to political subdivisions, agencies, and nationals of such governments. In order to provide the bank with funds for such purposes, the Reconstruction Finance Corporation is authorized to supply the Export-Import Bank with such funds in an amount not to exceed $500,000,000 outstanding at any one time.

The authorization of the Export-Import Bank to make such loans is conditioned on the written request of the Federal Loan Administrator, with the approval of the President, and is subject to such conditions and limitations as they may set forth. The bill provides that the loans may be made and administered in such manner and upon such terms and conditions as the bank may determine.

It is believed that H. R. 10212 will accomplish the purpose set forth in the President's message to the Congress of July 22, in that it would increase "the capital and lending power of the Export-Import Bank of Washington by $500,000,000 and remove some of the restrictions on its operations to the end that the bank may be of greater assistance to our neighbors south of the Rio Grande including financing the handling and orderly marketing of some part of their surpluses."

The expansion of the activities of the bank as proposed by H. R. 10212 would make it possible to have certain expedient foreign-exchange needs met and would, therefore, facilitate United States trade with certain Latin American countries. This bill is a part of a program of total national defense. It reflects recognition that our economic relations with the other countries of this hemisphere and economic conditions in such countries are vital factors in our ability to defend ourselves against attack.

The rather general statement of purpose embodied in H. R. 10212 indicates that loans would presumably be made by the bank against surplus commodities such as Brazilian coffee or Argentinian beef. The likelihood of loss through loan defaults cannot be ignored or minimized but this possibility is inherent in the broad policy of which the bill is merely a single element.

In view of the above considerations, the Department of Commerce perceives no objection to the enactment of the proposed legislation. A copy of this letter has been submitted to the Bureau of the Budget in accordance with established procedure. However, time has not permitted a statement from that Bureau with respect to its contents.

Very sincerely yours,

SOUTH TRIMBLE, JR.,
Acting Secretary of Commerce.

Hon. HENRY B. STEAGALL,
Chairman, Committee on Banking and Currency, House of Representatives, Washington, D. C.

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

Mr. STEAGALL. I yield.

Mr. STEFAN. I am tremendously interested in the gentleman's discussion and explanation of this bill. I have never heard any criticism so far as Mr. Jones is concerned. All of the comments I have heard about Mr. Jones have been highly commendable.

I wonder if the gentleman will repeat the statement he made in connection with how he thought some of this money might be distributed. A very important statement was made by the distinguished chairman of the Committee on Banking and Currency. If I understood him correctly, he said it is, perhaps, possible that some of this money may be lent to banks in Central America and South America.

Mr. STEAGALL. Yes.

Mr. STEFAN. The gentleman knows, I am sure, that those who feel like opposing this bill are worried about its effect on agriculture, that possibly some of the agricultural produce of Central America and South America may come into the United States in competition with the production of our own farmers. That is the thing that is bothering a lot of us who have an open mind. But there is a very important question I want to ask the distinguished chairman in view of the possibility that some of this money may be lent to banks in Central America and South America and in view of the fact that today we are endeavoring to compete with foreign countries in order to preserve our position in the Western Hemisphere. Foreign countries are buying not thousands, but millions of acres of land in Central America and South America; and in Brazil alone, which is at least as large as the United States if not larger, millions of acres of land are being purchased by foreign countries which perhaps tomorrow may become our potential enemies. I ask the distinguished gentle-

man who so ably represents the Banking and Currency Committee whether it may be possible that some of this money we are using to attain an objective may reach the hands of potential enemies and foreigners with whom we are competing today?

Mr. STEAGALL. If the gentleman will permit, first, may I say that the products of the farms of these countries are of necessity in competition with the products of our farms already and will always be, because we export to European countries a portion of the surplus of our crops on this side of the water. I suggest to the gentleman that that competition will be far less injurious under a friendly cooperative relationship between the countries of the Western Hemisphere than it would be if we are to run riot with ruthless, senseless competition under a system by which they would sell regardless of cost of production and dump their commodities on the markets regardless of price.

The gentleman spoke of loans to banks. I want to call attention to the fact that it is not intended, in the first place, that loans under the bill will be made directly to the countries of the Western Hemisphere. I do not mean to say no such loan will ever be made, but it is contemplated these loans will be made ordinarily to the central banks or where they do not have central banks as provided in the bill, the loan will be made to any acceptable banking institution. So that loans will have all the aspects of normal business transactions between business corporations with the right to sue and to enforce their claims in the courts and with all the safeguards involved in transactions between private institutions. Of course, the endorsement of a government would not be injurious or harmful, even though not efficacious in assuring repayment of a loan.

I will say to the gentleman that the primary purpose of this bill is to prevent the spread in our neighboring countries on the part of certain powers in the Old World of activities and practices such as mentioned that are inimical to the interests of the people of the United States.

May I say frankly that the purposes of the bill are not limited to business considerations alone. I think it is well worthy of consideration and that its enactment would be most constructive and desirable from the standpoint of the selfish business interests of the people of the United States alone. But that is not all that is involved. I now have in mind conditions to which the gentleman refers. The export trade of this country and of our neighboring republics has been practically wiped out under the horrible developments of recent months in the Old World. Now is the time, under these conditions, for the people on this side of the water to begin to take stock and to hold common counsel, looking to the mutual interest of all the people of the Western Hemisphere. [Applause.] That is desirable as a matter of selfish interest in trade and commerce but there are other considerations which in my judgment are much higher than any possible financial gain.

I want to say right here that in my judgment the conference held in Habana accomplished immeasurable good. This conference was held under the guidance of a statesman who towers high among the great statesmen of the world. I regard his labors there as marking a high spot in the diplomacies of mankind. The labors of Cordell Hull represent a great achievement for the advancement of trade and economic betterment and the promotion of the peace, commerce, and progress of mankind, and the enlargement of the lives and happiness of all the people of the Western Hemisphere. [Applause.] This bill evidences our good faith in all the professions of friendship that we have made to our neighbors of the Western Hemisphere. The Bible tells us that where your treasure is, there will your heart be also. Our professions of friendship and good will toward our neighboring republics will never be challenged when we open our purse to assist in cooperative policies that make for the benefit of all—and that is the purpose of the pending bill.

Mr. STEFAN. Will the gentleman yield further?

Mr. STEAGALL. I yield to the gentleman from Nebraska.

Mr. STEFAN. With the great confidence the House has in the ability, the prudence, and common sense of Mr. Jesse Jones, I hope the question I asked of the distinguished chairman of the Committee on Banking and Currency and the answer thereto will be transmitted to those who are to make these loans and that we make them under the old-fashioned Yankee program.

Mr. STEAGALL. They will be made conservatively, prudently and sensibly, by a man who is competent to sit across the table from any businessman in the world. Nobody ever swapped horses with him and sent him home afoot.

Mr. SCHAFER of Wisconsin. Will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from Wisconsin.

Mr. SCHAFER of Wisconsin. We have been told repeatedly about the South American and Central American republics. Will the gentleman put into the RECORD just how many of these South American countries are republics and just how many of them are ruthless dictatorships?

Mr. STEAGALL. I do not think any of them meet the latter description.

Miss SUMNER of Illinois. Will the gentleman yield?

Mr. STEAGALL. I yield to the gentlewoman from Illinois.

Miss SUMNER of Illinois. The gentleman from Nebraska inquired about loans to banks in South America. I wonder if the gentleman would not like to point out to the gentleman from Nebraska that the lending program on grain in the Argentine Republic is arranged somewhat differently from the United States. As the gentleman knows, our grain loans are made through the agency of the Commodity Credit Corporation while there the loans are made by the National Bank of the Republic and they are authorized at present to lend to what amounts to 15 cents a bushel on corn, which is ear corn.

Mr. STEAGALL. I am sure your statement is correct, though I am not informed as to that.

Mr. KEAN. Will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from New Jersey.

Mr. KEAN. Can the gentleman inform me whether the State Department is in favor of amending the Neutrality Act in the way that this bill does?

Mr. STEAGALL. The Secretary of State has sent a letter and a telegram to me endorsing the bill and urging its passage, with the full knowledge of everything it contains.

Mr. COFFEE of Nebraska. Will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from Nebraska.

Mr. COFFEE of Nebraska. May I ask the gentleman what the total authorizations are that may be used for all foreign loans in this hemisphere, in view of the increased authorization to the R. F. C. and the Export-Import Bank?

Mr. STEAGALL. There cannot now be any more loans by the Export-Import Bank except those within the limits of the amount provided by this bill, because the bank has exhausted the funds available under existing law.

Mr. COFFEE of Nebraska. How much of this increased authorization for the Reconstruction Finance Corporation may be used for this same purpose?

Mr. STEAGALL. The increased authorization for the Reconstruction Finance Corporation is for all lending demands, but the purpose is to permit loans under this bill, which cannot be more than $500,000,000, and to provide funds for loans and advances that may be made under the direction of the Congress by the Reconstruction Finance Corporation to aid in the national defense program. The corporation has already made commitments in the amount of $600,000,000 for that purpose and it is contemplated there will be additional commitments and loans which, together with those made possible by this bill, will absorb the total of $1,500,000,000.

Mr. COFFEE of Nebraska. Is it not possible to do by indirection under this bill what was proposed to do directly under the cartel proposal?

Mr. STEAGALL. This bill does not have anything to do with any cartel program. Anything like that which may be undertaken will be for future consideration.

Now I must conclude.

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

Mr. STEAGALL. I yield to the gentleman from Tennessee.

Mr. GORE. As a member of the committee, I am proud and delighted with the great statesmanlike speech that our chairman has made, and I hope he will not unduly limit himself. [Applause.]

Mr. STEAGALL. I thank the gentleman, but I must conclude in order that time may be allowed for others to discuss the bill.

Let us be frank about this measure. Of course, it has its political and its diplomatic aspects. I am not an alarmist. No man has heard me stand on this floor and make statements and arguments addressed to anybody's fears or anybody's feeling of alarm, but all of us must recognize the disturbed conditions that exist in the world today. So many things that some of us thought we knew have turned out not to be so that we do not know what to expect.

The dangers that threaten the civilization of the world have never been so imminent as they are today. They are without precedent in all human history. This Congress stands committed to a recognition of the dangers that threaten the accumulated treasures of the old world and that may endanger the free institutions of the people of America. This country is committed irrevocably to a policy of defense of the Monroe Doctrine. It is in recognition of our adherence to that great, traditional policy of this Republic that we have voted appropriations for national defense that have no parallel in the history of this Nation. There can be no other excuse for it, there can be no other reason for it. Did we mean it, or are we just going along blindly because somebody said so? Are we throwing away these billions of dollars of the people's money for some frivolous reason, or were we in earnest when we said it was our determination to preserve for our children and our children's children the liberties that were handed down to us in this Republic and in our neighboring republics in the western world? Did we mean it?

I do not see how any Member of this House could have been sincere in casting a vote for the bills we have recently passed for the purpose of defending the Western Hemisphere and then stand here and make alarmist speeches and predictions of imaginary harm to come from this effort to unite and solidify the people of the Western Hemisphere, commercially, economically, and politically, that we may stand as one people in case the necessity unhappily arises that calls us to defend this free Republic and our neighbor republics of the western world. [Applause.]

Nothing that has been done, nothing that has been proposed, nothing that anybody has voted for is more consistent with our policy of national defense than the step proposed by this bill, under which we propose to implement our convention at Habana, under which we propose to evidence our good faith and our professions of friendship and good will toward our neighboring republics, and under which we propose in some measure to carry out our obligations and committals for their protection and for the preservation of our own freedom. This is the best defense measure that has been proposed in this House during this session of Congress, and it ought to have a unanimous vote of approval. [Applause.]

Mr. REED of New York. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN (Mr. BARNES). The Chair will count. [After counting.] Sixty-five Members are present, not a quorum. The Clerk will call the roll.

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

[Roll No. 190]

Alexander	Barry	Bradley, Pa.	Burgin
Allen, Ill.	Bates, Ky.	Brewster	Byron
Allen, Pa.	Bates, Mass.	Buck	Caldwell
Andrews	Bell	Buckler, Minn.	Case, S. Dak.
Arnold	Bland	Buckley, N. Y.	Casey, Mass.
Ball	Bolles	Bulwinkle	Celler
Barden, N. C.	Bradley, Mich.	Burdick	Chapman
Clark	Flaherty	Kleberg	Rockefeller
Claypool	Flannery	Kocialkowski	Rodgers, Pa.
Cluett	Folger	Kunkel	Rogers, Okla.
Cochran	Ford, Miss.	Lambertson	Romjue
Collins	Ford, Leland M.	Landis	Rutherford
Colmer	Garrett	Lemke	Sacks
Cooley	Gavagan	Lesinski	Sandager
Costello	Grant, Ala.	Lynch	Schaefer, Ill.
Curtis	Grant, Ind.	McArdle	Schulte
Darden, Va.	Green	McDowell	Secrest
Darrow	Hall, Edwin A.	McGranery	Seger
Delaney	Halleck	McLean	Shanley
Dempsey	Hare	McMillan, John L.	Sheppard
DeRouen	Harness	Magnuson	Sheridan
Dickstein	Hart	Marcantonio	Smith, Conn.
Dies	Harter, Ohio	Mason	Smith, W. Va.
Dirksen	Hendricks	May	Somers, N. Y.
Dondero	Hess	Merritt	Sparkman
Douglas	Hook	Mitchell	Sullivan
Drewry	Jarman	Myers	Taylor
Eaton	Jarrett	Nichols	Tolan
Eberharter	Jeffries	O'Brien	Vinson, Ga.
Edelstein	Johns	O'Day	Vreeland
Edmiston	Johnson, Ind.	O'Leary	Wadsworth
Elliott	Johnson, W. Va.	Osmers	Wallgren
Elston	Jones, Ohio	O'Toole	Warren
Evans	Keefe	Parsons	White, Idaho
Faddis	Keller	Pfeifer	White, Ohio
Fay	Kennedy, Martin	Plumley	Wigglesworth
Ferguson	Kennedy, Michael	Reece, Tenn.	Winter
Fernandez	Keogh	Richards	Woodrum, Va.
Fish	Kilburn	Risk	
Fitzpatrick	Kirwan	Robinson, Utah	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MURDOCK of Utah, Chairman of the Committee of the Whole House on the state of the Union, reported that the Committee, having had under consideration the bill H. R. 10361, and finding itself without a quorum, he had directed the roll to be called, when 272 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. WOLCOTT. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman, I do not know when I have felt so keenly about any piece of legislation that has been presented to us for consideration as I have this bill. I think there is probably more misunderstanding among those high in executive office concerning the purposes of the bill than usual.

We have all been very much interested in what has been said about the bill both by the esteemed gentleman from Texas, the majority leader, and the esteemed gentleman from Alabama, the chairman of the committee, but it seemed to me that their talks lacked one important thing, and that was a justification of this bill. They were not in a position, neither the gentleman from Texas [Mr. RAYBURN] nor the gentleman from Alabama [Mr. STEAGALL], to outline any program in respect of these loans. They were not in position to tell the House or this committee how the loans were to be made, and upon what security. One remark which the gentleman from Texas [Mr. RAYBURN] made I think is as good an argument against this bill as he intended it to be for it. He said, "These are serious and terrible times for the United States," and this is a serious and a terrible bill [laughter and applause], so serious and so terrible that if it is enacted into law the repercussions all over the world might make it impossible for this country for generations to come to do business on a peaceable basis with the nations of the world. So it is a serious proposition, it is a serious question, but it is serious in that it affects our own economy, and not that in it we find any possibility of stabilizing the economies of South America.

The gentleman from Texas [Mr. RAYBURN] said we want to be careful, or after this war we will find ourselves without any friends. Well, somebody said years ago, "Neither a borrower nor a lender be," predicated upon the idea, I believe, that if you borrow money you learn to hate the lender, and if you lend money, the borrower learns to hate you.

Mr. WOODRUFF of Michigan. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. Yes. I yield to my esteemed colleague.

Mr. WOODRUFF of Michigan. Did the gentleman from Michigan undertake to secure from the gentleman from Texas the name of any country in the world today that may be considered our friend, our unselfish friend?

Mr. WOLCOTT. No. We have all felt that when this war is over we will have to remake our friendships, we will have to remake our economy, we will have to remake the markets for our agricultural and manufactured products, and I do not like to see this Congress do anything in the meantime that is going to destroy those markets for our workers and our farmers. I think there is grave danger that in the enactment of this bill we will destroy the markets which will surely be ours after this holocaust in Europe and Asia ceases.

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

Mr. WOLCOTT. Yes; I yield to my friend from Minnesota.

Mr. KNUTSON. As I understand the program, the aim is to use this $500,000,000 in buying up competitive products of South American countries by the United States Government, or by a Government agency. We are having trouble disposing of our own surplus, and if we fail to solve the surplus problem at home, how can we hope to go to South America and solve their surplus problem?

Mr. WOLCOTT. The gentleman is correct, if we assume with the President of the United States that the purpose of this legislation is to take the surplus of South America off the market. Of course, there is equal danger in the policy enunciated by Federal Loan Administrator Jesse Jones in which he states in substance that the primary purpose of this bill is to industrialize South America. South America at the present time imports many of its manufactured products from the United States, and that is what I have in mind when I deplore the fact that this Congress might by the enactment of this bill destroy one of our largest markets for manufactured goods, by taking our taxpayers' money to industrialize practically the only market we may have left after the wars in Europe and Asia are a matter of history.

Mr. KNUTSON. Of course, if South America is industrialized it will be done by American industralists who want to get away from all of the labor legislation that has been passed for the benefit of the American workingmen. They would take their factories from the United States into Latin America, where they probably would work their employees 10 or 12 hours a day at a fraction of the pay they are compelled to pay in this country to American workingmen.

Mr. WOLCOTT. The fear that I have is that we will be called upon to do one of two things, either lower our standard of living to that of the South American peon, or fail after the expenditure of over $2,000,000,000 to raise their standard of living up to ours.

Mr. KNUTSON. How can we hope to compete with the class of labor whose wardrobe consists principally of a breechclout.

Mr. WOLCOTT. We cannot do so.

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

Mr. WOLCOTT. Yes.

Mr. PATMAN. I understood the gentleman to say that Jesse Jones said the principal purpose of the bill is to industrialize South America. I did not hear Mr. Jones say that, but on page 39 of the hearings he said:

> I think the principal purpose of this bill is in aid of our export.

Mr. WOLCOTT. Very well. I shall cover the purposes of the bill.

Mr. HINSHAW. Was it not the letter that the chairman of the committee, the gentleman from Alabama [Mr. STEAGALL], read from Mr. Jesse Jones a few moments ago that said that that was the object or the prime purpose of the bill?

Mr. WOLCOTT. As I understood the chairman of the committee, when he read that letter, No. 4 of the purposes listed by Mr. Jones was, in effect, that this money was to be used to assist the industrial situation in South America.

Mr. JENKINS of Ohio. Is not this the truth—and I have listened to a lot of this debate—that nobody has yet said definitely what is going to be done with this $500,000,000.

Mr. WOLCOTT. That is correct, and I would like to go ahead and cover those points.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. Yes; I yield to the distinguished gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I assume that the administration has the votes on the floor to pass this measure. Does not the gentleman feel it would be greatly improved if the bill provided that someone from the Export Bank should be appointed on every board of directors of the banks to whom the loans are made? In that way you would at least somewhat insure that the money would be wisely spent. I understand that Great Britain always sees to it that someone from Great Britain is on the board of directors of the South American banks when she loans them money. Would the gentleman accept an amendment of that sort?

Mr. WOLCOTT. As far as I am concerned, I would accept any amendment to this bill which would tie it up in any manner. [Laughter and applause.]

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Miss SUMNER of Illinois. Administrator Jones, when asked by me in the committee, said he preferred not to have any such amendment in the bill.

Mr. WOLCOTT. I think I must disagree with my very fine friend, the gentlewoman from Massachusetts [Mrs. ROGERS], when she infers that the majority has enough votes to pass this bill, because I have always given the majority of this House credit for having more good common horse sense than to bite on as juicy a morsel as this in the name of national defense, and to the prejudice of our cotton industry, our wheat growers, our corn growers, our meat producers, our laboring men, and our manufacturers.

Mr. MICHENER. Will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. MICHENER. As far as the majority of the House is concerned, there have been two quorum calls since noon time in an effort to get the Members here to hear about the bill, about which they know absolutely nothing if they are not members of the Banking and Currency Committee, but evidently the majority has made up its mind how it is going to vote, because they will not stay here and listen to have the bill explained.

Mr. WOLCOTT. I hope that the leadership will not meet them in the Speaker's lobby and tell them how to vote and I am sure that on a bill of this importance the membership on both sides is going to find out what the bill is about before they vote on it.

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

Mr. WOLCOTT. I yield.

Mr. LUCE. Has the gentleman ever known any bill from the Banking and Currency Committee to attract any interest?

Mr. MICHENER. Oh, yes. I regret that the gentleman holds his committee in such low esteem. As a rule, the House is very careful to consider matters coming from the Banking and Currency Committee and as a rule when the Banking and Currency Committee has a clean, square bill they have the hearings printed in sufficient time so that the House might know about the bill, and then they ask their own Members to remain on the floor and listen to the explanation of the bill.

Mr. LUCE. Did they stay?

Mr. MICHENER. I do not want to reflect on the majority.

Mr. WOLCOTT. Mr. Chairman, I am sorry I cannot yield further. I have some notes here which I think are of importance and I would like to go ahead with my statement. Then if there is time, and I hope there will be, I will be glad to discuss it with any of the Members on either side. I hope there will be time after I make my remarks which I have outlined.

I said there was some controversy concerning the purposes of this bill. The purposes are expressed in the bill in section 1, as follows:

> To assist in the development of the resources, the stabilization of the economies, and the orderly marketing of the products of the countries of the Western Hemisphere by supplying funds—

And so forth. We are told in the report of the committee, on page 1 of the report, that the provisions of this bill in respect to the authority of the Export-Import Bank are to effectuate the request in the President's message of July 22.

The President's message of July 22 said nothing whatsoever in respect to many of the things which have been discussed on the floor. He confined it almost wholly to taking the surpluses of South America off the market. He said:

The course of the world, resultant blockades—

And I will touch upon the resultant blockades later, if I may—

and counterblockades and inevitable disorganization is preventing the flow of these surplus products to their normal markets. The seller of these surpluses is in a position to protect himself in disposing of his products. I therefore request that the Congress give prompt consideration to increasing the capital and lending power of the Export-Import Bank of Washington by $500,000,000, and removing some of the restrictions on its operation, to the end that the bank may be of greater assistance to our neighbors south of the Rio Grande, including financing the handling and orderly marketing of some part of their surpluses. It is to be hoped that before another year world trade can be reestablished, but pending this adjustment we in the United States should join with the peoples of the other republics of the Western Hemisphere in meeting their problems.

Now, what are their problems that this emergency has caused? What is the emergency in respect to their problems? Of course, we are given to understand by the whole import of the President's message that it is their surpluses which are bothering them, and nothing else. Surely it cannot be their industries, because I cannot conceive of the President of the United States, if he is solicitous of maintaining the markets for our manufactured products, sending a message to Congress asking us to finance the erection of industrial plants in South America to compete with our manufactured goods which are exported from the United States to South America.

What are the surpluses of South America? With the exception of a very few, such as rubber and coffee, they are the things which our farmers grow: Wheat, corn, cotton, which we are expected under this bill to authorize the Export-Import Bank to take off the market.

Now, this bill, of course, will result not in the solution of any problem for South America. It will accentuate their problem because it encourages surpluses.

If they know they have a ready market through the Export-Import Bank for all the surplus which they can grow down there they will go into intensive farming. What Representative from a wheat-growing district can justify, with our farmers in the condition they are today, the investment of hundreds of millions of dollars in South American wheat or other agricultural products? What Representative who is sent here to help solve the problem of his corn and hog producers can justify a vote to take the money these corn and hog producers pay into the Treasury of the United States and send it to South America? And it has been suggested that it is sent to South America to stimulate production. What Representative of beef producers can justify taking money which the beef people of the United States pay into the Federal Treasury and sending it to the Argentine to take the surplus of Argentine beef off the market before he has solved the problem of his own beef producers? [Applause.]

[Here the gavel fell.]

Mr. WOLCOTT. Mr. Chairman, I yield myself 10 additional minutes.

And so on down the line. But in particular how can a Representative of a cotton-producing State take the pennies and the dollars of those who are sweating in the sun of the South today to raise a crop which the taxpayers must take off their hands, to send to South America to buy the surplus crop of South America which would come in competition with this crop of ours this year? [Applause.]

Why, Mr. Chairman, as was said on this floor within the last 2 weeks, before the program for 1940 is completed we shall have in the warehouses of the United States over 12,300,000 bales of cotton, or more than 1 year's domestic production of cotton on which loans have been made to the extent that it has been virtually bought by the Federal Government; and now we are launching another program whereby we expect to do the same thing for South America.

Mr. SCHAFER of Wisconsin. Mr. Chairman, will the gentleman yield for a question on the cotton subject?

Mr. WOLCOTT. I yield.

Mr. SCHAFER of Wisconsin. Is it not a fact that the statistics from our Federal Government show that since the advent of the New Deal 7 years ago our American cotton export market has been decreasing by many millions of bales each year, whereas the cotton export market of Brazil, one of the countries which is going to be helped by this bill from our almost bankrupt Federal Treasury, has been increasing by millions of bales?

Mr. WOLCOTT. I believe the gentleman is correct.

Mr. SCHAFER of Wisconsin. Brazil has a large cotton surplus now. A vote of a Representative from a cotton district in favor of this legislation, under which Uncle Sam is to play Santa Claus to the South American and Central American dictators in a big way, is a vote to double-cross and sell the cotton farmers of the United States down the river and load one-half billion dollars of additional taxes on our own overburdened taxpayers.

Mr. WOLCOTT. The gentleman is absolutely correct because the last figures I have were to the effect that as the world consumption of cotton was increasing the export of cotton from the United States to these world markets was constantly decreasing, indicating, of course, that this cotton was being grown in other countries—notably, so far as this bill is concerned, South America. Notwithstanding that, we are expected to send our money to South America.

Mr. Jones gave us some very interesting testimony on the purposes of this bill, and, if you will bear with me, I would like to read you some of them and comment upon them. Mr. Jones, as shown by page 129 of the hearings, said:

I do not believe that they would be doing the same thing.

There he is speaking with respect to this inter-American bank that has been set up. I continue to quote from his statement:

The Export-Import Bank will be making loans largely to our own exporters.

How in the name of common sense are you going to relieve South America of its surpluses by financing our exporters? Either Jesse Jones is wrong in that premise or the purposes of this bill are not stated in the bill itself or in the President's message to which the report refers.

I asked him:

How are we going to take any of the surplus commodities of the South American countries off the market by lending to our exporters?

And Mr. Jones replied:

We do not contemplate taking their commodities.

Just what does the President mean in his message and what do we mean in this report from our committee when we say that this bill is to effectuate the purposes expressed in the President's message by helping them finance their surplus?

Do you know what this bill is about?

Let us go a little further and throw a little more light on the subject. On page 130 of the hearings Mr. Jones goes on further to say:

I have no opinion that we are going to attempt to finance or handle or orderly market their commodities—

In direct contradiction of what the President said in his message.

But if we lend a country down there some money, it is their job to do their own home work.

That answers the gentlewoman from Massachusetts in respect to the intention concerning the sending of a member of the Export-Import Bank or an employee of the Export-Import Bank to their board of directors—we are going to let them do their own home work after we give them money.

The reason Mr. Jones said what he did was because he had been pinned down to one of the purposes of this bill; that is, to industrialize South America to the prejudice of our manufacturing plants; and I might say to the gentleman from Illinois [Mr. SABATH], if he is here—and he was so gravely concerned about the automobile industry of Michigan if we did not extend this aid to South America—that at the present time we have some trade with South America and we do sell some cars, trucks, and parts to South America.

We have been able to compete somewhat with foreign-made automobiles and trucks up to the present time; but if this bill is passed and we industrialize South America it means that henceforth the automobiles sold in South America are going to be made with American taxpayers' capital by peon labor in South America and sold at such prices we cannot compete with them. The danger of this bill therefore is not only to the taxpayers directly but to the manufacturing plants of this Nation and the jobs of the men working in these manufacturing plants. Men will be put out of jobs by the use of this capital in the establishment of competing plants in perhaps the only market we shall have left after this war is over.

I asked Mr. Jones as appears on page 132 of the hearings:

That specific purpose refers to the establishment of manufacturing plants in South America to compete with our manufacturing plants?

Mr. Jones replied:

That may be.

I have not time to go through all of this testimony.

Some time ago we heard something about the so-called cartel plan. It was suggested by someone at the other end of the Avenue, and, I understand, was taken up at a press conference at the White House the following day. At least encouragement was given to this plan which contemplated taking all of the surpluses from South America annually to stabilize their economy. Yet we are told today that this is no part or parcel of the so-called cartel plan. I do not know what the word "cartel" means, but I am given to understand it is some arrangement whereby we finance the surpluses of South America. It is a significant fact that the $500,000,000 which we are asked to give the Export-Import Bank to finance the surpluses of South America is about the equivalent of the dollar value of all the exports from South America to Europe annually.

Mr. KNUTSON. Will the gentleman yield?

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

Mr. KNUTSON. The cartel plan, as I understand it, means heads they win and tails we lose.

Mr. WOLCOTT. That is probably a better definition of it than has been given yet.

Now, is that economically sound? If it is, then let us understand that is what we are doing. But there is another very significant thing in this bill which you perhaps have overlooked, and that is we remove the restrictions in connection with these loans, and these are the restrictions which we remove: The $20,000,000 limitation on all loans. That does not apply only to loans within the Western Hemisphere. That refers to all loans made by the Export-Import Bank. So far as the Western Hemisphere is concerned, we say that the Johnson Act does not apply, and I doubt whether it applies anyway, because I think the Export-Import Bank is exempt from the provisions of the Johnson Act.

[Here the gavel fell.]

Mr. WOLCOTT. Mr. Chairman, I yield myself 5 additional minutes.

Mr. Chairman, this exempts these loans from the operation of the Neutrality Act. This exempts these loans from the limitation that none of this money shall be used for the purchase of arms, munitions, and implements of war. So that henceforth in the Western Hemisphere we may lend at least $500,000,000, not only to the so-called South American republics, but to the Dominion of Canada, in defiance of the Neutrality Act for the purchase of or to finance the purchase of arms, munitions, and implements of war. That authorizes an act so immediately short of war that it would be difficult to contend that we were not actually a belligerent.

What are we doing in South America if we lend money to buy arms, munitions, and implements of war in South America? Let us find out how serious this situation is. We are told on very good authority that today Great Britain is paying the price for furnishing the credit by which Germany rearmed. Their justification for that, according to the reports, was that in Germany they were building up a buffer state against the spread of communism, but the irony of it is that Germany, having rearmed, perhaps with British capital, is now in a position where she may compel Great Britain to fall under the dominance of those machines paid for with British capital.

Are we being asked to do a comparable thing in the Western Hemisphere? Are we being asked to take our taxpayers' money and send it to South America to buy arms, munitions, and implements of war to create a buffer state against the spread of fascism, nazi-ism, or communism? If so, let us understand just what we are doing and assume the responsibility that those arms which they buy in South America and those munitions and implements of war which this money buys for South America will never be used against the bodies and the property of United States citizens. Unless you are positively and unequivocally convinced that this money is not going to be used for that purpose, you have no right as the representatives of an American citizenry, a peaceful people, to lend their money for the purchase of arms, munitions, and implements of war which might come back to slap them and slap them hard in the future. I wish you would think and think seriously about this before you do it. Mr. Jones has told us that some of this money at least was to be used to finance the purchase of arms, munitions, and implements of war in South America. What assurances have we that in financing the purchase of arms, munitions, and implements of war in South America that South America is not becoming merely the broker by which we furnish credit to buy arms for Nazi Germany? [Applause.]

Go back to your homes, if you will, and justify the fact that you voted credit to arm Germany against America. To vote intelligently and patriotically on this bill, you must convince yourselves that no part of the credit of this Export-Import Bank is going to be used to arm any belligerent. I know your sympathies are with Great Britain. My sympathies are with Great Britain. We all want to do everything we can for Great Britain. That is the sentiment of our people today; it is the sentiment of this House; but it looks to me as if we must be mighty careful or we will be doing a very incongruous thing here in possibly providing the arms and implements of war by which Germany might destroy Great Britain.

Mr. Chairman, because of all this uncertainty, because of the record which the so-called South American republics have for not paying their debts, the best thing for us to do is to defeat this bill and defeat it so hard that no foreign power will be able to say that any action in this respect in the American Congress is a step just short of war. [Applause.]

[Here the gavel fell.]

Mr. WOLCOTT. Mr. Chairman, I yield myself 1 additional minute.

Mr. AUGUST H. ANDRESEN. Will the gentleman yield?

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

Mr. AUGUST H. ANDRESEN. The gentleman knows there are hundreds of factories in this Nation that have made applications for loans to the Reconstruction Finance Corporation so that they could be financed and continue in operation in order to provide work for American labor. Does the gentleman believe that legislation of this kind, which purports to help new industry in South and Central America, is fair toward American industries which are now trying to get loans, when this bill proposes to make virtually gifts to these South American industries?

Mr. WOLCOTT. No; but I can tell you one thing this bill does do. It gives the Reconstruction Finance Corporation a billion dollars to allow the Secretary of the Navy to take over the manufacturing plants of this Nation if he is not satisfied that they are living up to their contracts.

Mr. AUGUST H. ANDRESEN. That is dictatorship. [Applause.]

[Here the gavel fell.]

Mr. WILLIAMS. Mr. Chairman, I yield 15 minutes to the gentleman from Texas [Mr. PATMAN].

NOT PRINCIPAL PURPOSE OF EXPORT-IMPORT BANK BILL TO INDUSTRIALIZE SOUTH AMERICA

Mr. PATMAN. Mr. Chairman, the gentleman from Michigan stated that one of the principal purposes of this bill is

to industrialize South America. I heard the testimony before the committee and I thought I heard every question that was asked and every answer that was given, but I did not hear Mr. Jesse Jones make that statement. I did ask him a question and in reply to that question—and you will find it on page 39 of the hearings—he stated:

I think the principal purpose of this bill is in aid of our exports.

WILL HELP COTTON FARMERS

Much has been said about how this will be against the interest of the cotton farmers. I do not agree that the passage of this bill will be detrimental to the cotton farmers. The country of Brazil has been producing cotton, it is true, a great deal of cotton. The amount has been increasing each year. If we can have a program with Brazil and the other South American countries whereby they will cooperate with us to the mutual advantage of both and we will assist them in producing more of what they naturally and normally produce and they will assist us in producing more of what we naturally and normally produce, I do not see how that will be injurious to the cotton farmers. The cotton farmers in our country have been restricting their production, and much has been said in the way of criticism that Brazil has not reduced her production but has increased it. If we can make loans to Brazil and thereby encourage her to stay in the coffee business, the rubber business, and other lines of business in which she should be engaged, help her develop her natural resources, and leave the cotton business more to us, where it is normally produced, doubtless it would be helpful to this country.

EXPORTS HELPED

Regarding exports, I do not see how anyone who represents people who are interested in exports, either the worker or the owner of the factory, can afford to vote against this bill. I was in Mexico about 18 months ago; in fact, less time than that, just before this war commenced. In Old Mexico—and I am sure the same situation applies to Central American and South American countries—the Germans were making a special effort to sell all the machines and machinery they possibly could. They were underselling our American manufacturers. Why? They would admit to you the reason. The reason is that they wanted the Mexican people to do business with Germany. If they could place all German machines in Mexico, then if the Mexicans needed parts, accessories, supplies, and replacements, they would have to get them from Germany. They could not get them from the United States because we do not produce them. Therefore, the Germans would have a great advantage over our American manufacturers and at the same time greatly increase her trade.

This bill, as Mr. Jones says, is principally in aid of the export trade. I do not believe for a moment that Mr. Jones or the President of the United States, who must approve each one of these loans before it is made, will ever permit any large amount of money to be used in South America to build plants that will produce commodities, equipment, or machinery in competition with American manufacturers. I just do not believe it will be done by Mr. Jones or the President of the United States.

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

Mr. PATMAN. I yield to the gentleman from Tennessee.

Mr. GORE. Does not the record show that as other countries have industrialized they have become increasingly better customers of the United States?

Mr. PATMAN. I believe that is true. I think the gentleman is correct.

Mr. THOMAS F. FORD. Mr. Chairman, will the gentleman yield?

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

Mr. THOMAS F. FORD. Is this not a case of the tail wagging the dog? We have $500,000,000 in this bill for regular commercial and industrial loans. We have a straight $1,000,000,000 in it for national defense. If you put them together, one complements the other.

Mr. PATMAN. I believe the gentleman has correctly stated it.

ANSWER TO QUESTION "THERE ARE NO APPLICATIONS FOR SUCH LOANS"

Much has been said to the effect that there is no program for these loans, that no one has applied for the loans. Before we passed a bill to authorize tenants to purchase homes through the use of Government funds we had no applications from tenants desiring to purchase homes because the money was not available. Before we made money available through the Farm Security Administration for different purposes the farmers had not applied for that money. There was no use applying for it because the money was not available. Before we passed laws for housing, setting up the U. S. H. A., the Federal Housing Administration, the Federal Home Loan Bank Board, or any of the other agencies, no one had made application for money to build houses because it was useless and unnecessary to do it. Therefore, it is certainly not unusual for the South American countries not to apply for these loans before the money is available for that purpose. There is no money available now.

It is true that this is just an extension of existing powers. The additions to the present bill mean very little except the additional authorization of $500,000,000. This is just authorizing more money to carry out the original purpose of the Export-Import Bank loans, that is, to carry out the regulation that was adopted by the President creating the Export-Import Bank.

IMPORTANCE OF HELPING LATIN AMERICAN COUNTRIES

Let me explain to you, if I may, how important it is that we do something for the South American countries. Our country has an area of 2,973,776 square miles. The 20 Latin-American countries have a combined area that is equal to more than two and one-half times the size of the United States, or over 8,000,000 square miles.

SIZE AND POPULATION OF LATIN AMERICAN COUNTRIES

From Government sources, the following information has been obtained relative to the names, size, and population of the Latin American countries that we are dealing with in this legislation:

TABLE 1.—*Latin America: Area, population, and density of population*

Country	Area in square miles	Latest census		Latest estimates		
		Date	Population	Date	Population	Inhabitants per square mile
South America:						
Argentina	1,079,965	1914	7,885,000	1937	12,762,000	11.8
Bolivia	506,792	1900	1,816,000	1936	3,000,000	5.9
Brazil	3,275,510	1920	30,636,000	1936	42,395,000	12.9
Chile	296,717	1930	4,288,000	1937	4,597,000	15.5
Colombia	448,794	1928	7,851,000	1938	[1] 9,033,000	20.1
Ecuador	275,936			1936	[1] 3,000,000	10.9
Paraguay	[2] 161,647	1899	656,000	1936	950,000	5.9
Peru	482,133	1876	2,699,000	1936	7,000,000	14.5
Uruguay	72,153	1908	1,043,000	1937	2,093,000	29.0
Venezuela	352,051	1936	3,428,000	1936	3,428,000	9.7
Total, South America	6,951,698				88,258,000	12.7
Central America:						
Costa Rica	23,000	1927	472,000	1937	607,000	26.4
El Salvador	13,176	1930	1,438,000	1937	1,665,000	126.8
Guatemala	45,452	1921	2,005,000	1937	[1] 2,466,000	54.3
Honduras	44,275	1930	854,000	1936	1,000,000	22.6
Nicaragua	60,000	1920	638,000	1936	[1] 850,000	14.2
Panama	32,380	1930	467,000	1936	535,000	16.5
Total, Central America	218,283				7,123,000	32.6
Mexico	763,944	1930	16,553,000	1937	19,154,000	25.1
West Indies:						
Cuba	44,164	1931	3,962,000	1936	4,370,000	98.9
Dominican Republic	19,332	1935	1,480,000	1936	1,520,000	78.6
Haiti	10,204	1918	1,631,000	1936	[1] 2,600,000	254.8
Total, West Indies	73,700				8,490,000	115.2
Total, 20 Latin American countries	8,007,625				123,025,000	15.4

[1] Uncertain or conjectural.

[2] Including the Chaco region, of about 100,000 square miles, ownership of which is disputed with Bolivia.

Source: Compiled from Statistical Year Book of the League of Nations, 1937-38, and Statesman's Year Book, 1938.

The country of Brazil in South America is much larger than the United States. The country of Argentina is half as large as the United States, and there are six other large countries in South America and either one of them is larger than the State of Texas, and the State of Texas is quite a large State. It has 262,398 square miles. So there are eight South American countries larger than the State of Texas, one larger than the entire United States and one half as large as the United States. So we are dealing with an area that is two and a half times as large as our own are and with a number of people that is almost equal to the number of people in this country.

WE SHOULD HAVE LATIN AMERICAN MARKET

Now, whom do you want to have that South American market? Would you feel very comfortable if Germany were to go over there and through barter agreements and underselling and by other methods, get control of that market? Would you feel better about that than you would if our own country were to make arrangements to get control of that market? I feel that we have a lot in common. Suppose Germany gets control of that market in South America and that enormous area that can produce everything that we produce here in the United States. Everything that we produce here can be produced there. Would you feel that you were working in the public interest if you were to do something to encourage Germany to get control of those countries and then encourage South America to produce all the cotton that they need, to encourage South America to produce all the wheat that they need and all the corn that they need and all the other agricultural and meat products that they need to supply all the countries of the world without having to secure anything from us? Would you feel like we were doing what we should do in the interest of this country if we were to create a situation whereby Germany would be encouraged to do that very thing?

IN INTEREST OF THE FARMERS AND WORKERS

I say to you that this bill is very much in the interest of the exporter first, and how anyone who is interested in exporting machinery or automobiles or shoes or anything else can vote against this bill I cannot possibly understand.

Next, it is certainly in the interest of the farmer, including the cotton farmer, the wheat farmer, the corn farmer, and all the rest of the farmers, because we will be not in a partnership with South America, but we will have a working arrangement with them. We will coordinate our efforts and our activities in production and thereby encourage South America to produce what South America should produce and permit our own people to produce what we can best produce and what we are accustomed to produce here in the United States.

MONEY LOANED ON GOOD SECURITY

And do not overlook this fact. This money is not going to be given away. It is going to be loaned on good security. I believe that the most successful organization in this Government in collecting money back is the R. F. C. or now the Federal Loan Agency. I believe they have administered their affairs just about as well as the best of them and have had just a little better luck in collecting back the money that they let other people have than any other one lending agency that I know of in this Government, and I do not believe for a moment that Mr. Jones is going to make loans that will be detrimental to the interest of the people of this Nation, and if he is mistaken about one, and I do not anticipate that he will be, there is a veto power in the President of the United States who can say, "No; this loan will not be made." So both Mr. Jones and the President must pass upon these loans.

GOLD

There is another question that enters into this thing, and that is the question of gold. We have a large part of the gold of the entire world. I presume we have at least 65 or 70 percent of all the gold on earth that is used for commercial purposes. Much of this gold has been accumulated here in recent years. Germany has not been using gold. You wonder how in the world Germany can spend hundreds of millions of dollars in preparing for national defense and for an aggressive warfare and yet use no gold. Well, the answer is that you do not need gold in your domestic affairs. You can carry on the business of this country just as well without gold as you can with it, but in our international dealings and relationships, gold is indispensable. Now, suppose that Germany should be successful in this war that she is waging, and suppose she should get control of the countries that she is now endeaving to obtain control of that she has not already gained possession of, and suppose that we are the only ones that have the gold.

We will be in the unhappy position of having something we could sell only to the dentists or the jeweler, and it probably would not be worth very much; but if we can build up our foreign trade with South America, an area that is two and a half times as large as our own area, an area that has as many people as we have in the United States, and 20 countries, at that, I think we can assure ourselves that our gold will be protected, and it will not become valueless overnight in the event Hitler wins. What are you going to do with this gold unless you use it for some worthy purpose like that? I do not know of a much better way to use it when it is stimulating export trade and helping our farmers and cultivating good will with our neighbors. I see no reason why we should not use it in that way. I shall read to you now two or three reasons Mr. Jesse Jones said existed for this bill, in addition to what I have already read.

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

Mr. WILLIAMS of Missouri. Mr. Chairman, I yield the gentleman 5 minutes more.

Mr. PATMAN. Mr. Jones said:

> The increased lending capacity will place the bank in a position to assist in the good-neighbor policy and at the same time aid American manufacturers and exporters who will meet ever-increasing competition from other parts of the world, particularly when the war is over. Other countries assist, and if we can assist ours through lending under what appear to be reasonably sound practices, we will aid our own general economy.

Mr. Jones further testified:

> The legislation will place the bank in a position to continue financing exports from the United States on a somewhat broader scale, particularly to the Latin American countries, and, where possible, to assist these countries to develop their natural resources, to produce more of the things we import from them and which are not competitive with our own products. Examples which may be mentioned include rubber, tin, tungsten, chrome, manganese, iron ore, drying oils, carnauba wax, certain types of starch, cocoa, quinine, mercury, tanning bark, medicines, insecticides, and off-season fresh fruits from Chile and Argentina, which do not conflict with our own.

That is the purpose of this bill.

> If we can help the Latin American countries to produce more of these and other articles that do not compete with our own, we will be rendering them a genuine service and without loss to ourselves.

Can you conceive of a more worthy object than that? Can you conceive of anything that would be more helpful to our country at this time than what Mr. Jones says is the object of this bill? He says further:

> We might in some instances lend for the carrying and orderly marketing of their surplus agricultural products in order to avoid the necessity of selling at sacrifice prices.

Will not that help the cotton farmer and the wheat farmer and the corn farmer and the meat producer? Why, certainly, it will. To quote further from what Mr. Jones said:

> Some South American products, particularly wheat, corn, meat, and cotton, come in direct competition in world markets with products of the United States, and it is in the interest of American producers that cutthroat export markets be avoided where possible.

WHAT SECRETARY HULL SAYS ABOUT BILL

The Honorable Cordell Hull, Secretary of State, had the following to say about this bill in a telegram to the chairman of the Committee on Banking and Currency of the House, the Honorable H. B. STEAGALL, August 5, 1940:

> At Habana the American nations agreed that in view of the disruption in the channels of international commerce and the curtailment of markets for certain products of the Americas the

American nations must do everything in their power to strengthen their own economic position to improve further mutually beneficial trade and other economic relations between and among themselves and to devise and apply appropriate means of effective action to cope with the difficulties, disadvantages, and dangers arising from the present disturbed and dislocated world conditions.

In this part of the telegram, he dealt with the necessity of the passage of the bill, in view of the present disturbed world conditions.

The following part of Mr. Hull's telegram also gives good reasons for its enactment:

I consider the enactment of the proposed legislation expanding the powers and operations of the Export-Import Bank essential in order to put the United States in a position to cooperate fully with the other American republics in meeting these urgent needs of economic defense in the face of the possibilities of serious threats to the peace, security, and welfare of this hemisphere resulting from sinister developments elsewhere in the world. The 21 American republics have agreed on a practical program of defensive action of which economic defense is an indispensible part. The enactment of the legislation now pending before your committee will enable the United States to make its appropriate economic contribution to the carrying out of that program which is necessary to the safeguarding of the vital interests of the United States in a situation of unprecedented seriousness and danger.

PRESIDENT ROOSEVELT'S VIEWS ON THE BILL

The President of the United States, July 22, 1940, in a message to Congress, stated:

It is to be hoped that before another year world trade can be reestablished; but, pending this adjustment, we in the United States should join with the peoples of the other republics of the Western Hemisphere in meeting their problems. I call the attention of Congress to the fact that by helping our neighbors we will be helping ourselves. It is in the interests of the producers of our country, as well as in the interests of producers of other American countries, that there shall not be a disorganized or cutthroat market in those commodities which we all export.

As evidence of the fact that the President is anxious to cultivate the good will of the 20 Latin American countries and at the same time help labor, the farmers and all persons who are interested in export trade, the following paragraph in his message is referred to:

No sensible person would advocate an attempt to prevent the normal exchange of commodities between other continents and the Americas, but what can and should be done is to prevent excessive fluctuations caused by distressed selling resulting from temporary interruption in the flow of trade, or the fact that there has not yet been reestablished a system of free exchange. Unless exporting countries are able to assist their nationals, they will be forced to bargain as best they can.

The authorization of the Export-Import Bank to make such loans as are authorized under this bill is conditioned on the written request of the Federal Loan Administrator, with the approval of the President. In other words, in order for a mistake to be made, it will have to be made by both the Honorable Jesse Jones, Administrator of the Federal Loan Agency, and by the President of the United States, the Honorable Franklin D. Roosevelt.

DEPARTMENT OF COMMERCE VIEWS

The Acting Secretary of Commerce, the Honorable South Trimble, Jr., in a letter to our committee, on August 8, 1940, stated:

The expansion of the activities of the bank as proposed by H. R. 10212 would make it possible to have certain expedient foreign-exchange needs met and would, therefore, facilitate United States trade with certain Latin American countries. This bill is a part of a program of total national defense. It reflects recognition that our economic relations with the other countries of this hemisphere and economic conditions in such countries are vital factors in our ability to defend ourselves against attack.

DEPARTMENT OF AGRICULTURE VIEWS

The Acting Secretary of Agriculture, the Honorable Claude R. Wickard, in a letter to the chairman of our committee on August 7, 1940, in discussing this bill, stated:

This Department feels that legislation of this character is desirable, and in view of the possible necessity of the United States furnishing some financial assistance under such programs as may be adopted for promoting solidarity along economic, political, and military lines among the nations of the Western Hemisphere, we recommend that such legislation be enacted by the Congress.

ADMINISTRATOR JONES' TESTIMONY

The Honorable Jesse Jones stated further before the committee:

Temporary aid in carrying such surpluses will contribute to orderly marketing and lessen the necessity of barter arrangements which, once undertaken, are difficult to stop.

As the President indicates in his message, there will be no effort to interfere with the normal flow of trade, whether to Europe or elsewhere. The fact is, however, that there are very few foreign markets open to Latin America at the present time. This necessarily causes hardships which will become increasingly severe, and which may have a tendency to bring about political instability.

This can be avoided to some extent through increased trading between countries of North and South America. Each country should seek to produce the things that its neighbors import. This cannot be accomplished in a day, or a month, or a year, but there must be a beginning, and with intelligent cooperation much can be accomplished in the general interest of all the American countries.

If standards of living are not to suffer, every country must export its products at living prices, and countries competing for the same markets would do well to cooperate as far as practicable in supplying those markets.

It must be borne in mind, too, that exports from Latin America to continental Europe have been almost entirely cut off by the blockade, and exports to England are limited and are being paid for in blocked sterling (which can only be spent in England), and as a result of the war imports from England are greatly restricted.

BILL WILL AID EXPORTS

The following testimony taken from the hearings and which shows that the principal purposes of the bill is an aid of our exports is self-explanatory:

Mr. PATMAN. If the authority is granted, Mr. Jones, and you make loans to South American countries, you will require the purchases to be made from people in America, would you not? In other words, the purchases that are made through the use of the money that you furnish would be made from America, from our country, the United States.

Mr. JONES. To the extent it can reasonably be done.

Mr. PATMAN. I understand possibly there will be exceptions, but you will expect that?

Mr. JONES. Generally speaking; yes.

Mr. PATMAN. You expect to help promote trade with South America with this money?

Mr. JONES. Yes.

Mr. PATMAN. I am glad you said that, because just before the war broke out in Europe I was in Mexico. I discovered that the German manufacturers were making especial efforts to sell all the machinery and equipment they could in Mexico and I understand the same situation existed in the South American countries. For this reason, for building trade with Germany. If they could place road machinery and dredging machinery or any other type of machinery used in cities if they need parts or extra equipment they have to get them from Germany. They could not get them from the United States. And if we do not do something to counteract that, Germany, with the additional power that she will have after acquiring all those other countries, they will undersell us in those South American countries and get control of the trade there. I can see it is a great weapon when they sell machinery and replacements and the supplies for this machinery and the parts all have got to be bought from Germany. That places our manufacturers at a great disadvantage. I hope that it will be used for the purpose of encouraging trade with South America.

Mr. JONES. I think we have been very shortsighted as a country in developing relationships with the other countries of this hemisphere.

Mr. PATMAN. And one other suggestion, Mr. Jones. Suppose that Germany puts out a certain type automobile and they begin to sell automobiles down in Mexico and South America and they need parts? Why, they have got to go to Germany to get those parts, don't they? That might seriously affect the Michigan automobile industry as well if it should be enlarged or expanded to that extent.

Mr. JONES. I would like to add that I think the principal purpose of this bill is in aid of our exports.

It is easy to criticize a bill. It is easy to point out possibilities, but these possibilities should not be considered if the legislation will serve a worthy and constructive purpose, unless some of them are at least probabilities.

FINE OPPORTUNITY FOR UNITED STATES

It is unfortunate that the war is going on in Europe. However, it is a fine opportunity for our country to secure the good will and trade of the Latin American countries. Were it not for the fact that the war is going on, we would have strong competition by both Germany and Italy, as well as England. The time is now ideal for our country to take advantage of a situation which it did not cause to gain a fair and legitimate advantage.

I submit to you that this bill is in the public interest. There should not be even one vote against it. The vote should be unanimous. It is in the interest of the country, it is not a partisan question, and how anyone who has the interest of the export market in mind and the interest of the farmers and workers at heart can vote against it, I cannot understand.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. Yes.

Mr. VOORHIS of California. I wish the gentleman would discuss very briefly in the time that he has what in his opinion, on the basis of the hearings, or any other evidence that he has, will be the reaction of the Latin American countries to the passage of this bill. How will they regard it?

Mr. PATMAN. We will cultivate good will with those countries. It will cultivate that neighborly feeling we should have. We want them to be our friends. We are not going to lose the money because we are lending it to them. We are going to extend these loans on good security. Not only will they be guaranteed by the respective governments where the loan is made——

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

Mr. PATMAN. I cannot yield; I have not the time. It will be guaranteed by the central banks and the industries in those countries obtaining the loans, and if they are not paid the Export-Import Bank, like any individual or corporation anywhere, can go into that country and take charge of its collateral security. I submit, my friends, the bill should be passed unanimously. [Applause.]

Mr. GROSS. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Does the gentleman make the point of order that a quorum is not present?

Mr. GROSS. I will withdraw the point, Mr. Chairman.

Mr. WOLCOTT. Mr. Chairman, I yield 10 minutes to the gentleman from New Jersey [Mr. KEAN].

Mr. KEAN. Mr. Chairman, the administration would not take the members of the Banking and Currency Committee into their confidence as to why they wanted this bill. They would not tell us where they are going to use the money. Jesse Jones testified he did not know how he was going to use it.

What the new dealers want is to have the authority to play with this gigantic sum of money in any way they see fit.

It is an extraordinary thing that we are asked to do in this bill—to give them a blank check to use a sum of money as great as the entire expenses of the United States when Theodore Roosevelt was President.

This bill provides that the money may be used "to assist in the development of resources, the stabilization of the economies, and the orderly marketing of the products of the countries of the Western Hemisphere." This covers everything. The sky is the limit.

Mr. Chairman, this is a political and diplomatic bill—not a financial measure.

In answer to my question, "Would you, as a trustee, lend this money as a purely business proposition?", Mr. Jones would not answer directly, but said:

> If I had the entire responsibility I would make the loans. I would make the loans largely in the interest of our country, in the interest of national defense, and in the interest of economic defense.

It is possible that I might favor this bill if I had the information as to how it would aid in national or economic defense. With this thought in mind, I made every effort to be properly informed.

I asked the chairman of the committee to call Secretary Welles—in executive session, if he thought necessary. The gentleman from Michigan [Mr. WOLCOTT] also urged that a representative from the State Department appear before us; but our request for information as to the need for this legislation was refused and the hearings were cut short by a strict party vote. As a result of this "gag" rule by the majority, there was absolutely no case made for this bill in committee.

The hearings proved that it is not justified as a business proposition. Evidently the New Deal leaders think that the Members of Congress also are—as Harry Hopkins once described the common people—"just too dumb to understand."

I will be glad to support section 2 of the bill, which increases the funds available for the Reconstruction Finance Corporation to loan for defense purposes, even though I am opposed in principle to selling further guaranteed bonds and feel that there is no reason why this money for defense purposes should not be obtained by the sale of direct Treasury obligations, except the continued desire of the administration to fool the people as to the size of the national debt.

However, as this money is necessary for national defense, and the important thing is that this money be put to work and put to work quickly, I will support this portion of the bill.

As the administration wishes us to look at this entire matter as a business proposition, let us consider it as such.

There are some common misapprehensions with reference to South America. The majority leader, in his speech on the rule, made reference to maintaining these South American countries as republics, but in fact very few of these countries are either republics or democracies.

How many of these countries have had elections in the last few years where succession has changed through the democratic process? The one in authority either has himself elected for two, then three, and then for four or five terms, until he either dies or retires and appoints his successor, or is turned out by bullets.

The New Deal doctrine of the indispensable man is in full flower in South America. [Applause.] This is natural for, except for the Argentine, a very large part of the population is of Indian and mixed blood; they are not educated according to American standards, and it is a well-known fact that a democracy can function satisfactorily only when the individual citizen is intelligent enough to understand its ideals and privileges and subordinates himself for the good of society.

Another common misapprehension is the use of the word "neighbors." Now this, of course, is true with reference to those countries around the Caribbean, and close relationship with these nations is essential—not only for our defense but also owing to the fact that their proximity makes it natural for them to trade with us. These countries also are highly tropical and produce products which we cannot grow in the United States.

However, when we consider the countries farther to the south, conditions are very different. For instance, the distance from New York to Buenos Aires is 6,761 miles—600 miles farther than it is from New York to Odessa in Russia. Rio de Janeiro, Brazil, is 5,493 miles from New York—800 miles farther than is Danzig. And, on the west coast, Valparaiso, Chile, is 5,419 miles from San Francisco, or 700 miles farther than the distance from San Francisco to Yokohama.

Certainly proximity does not make these countries our natural trade areas, but distance is no barrier to trade if they have the goods that we want. But how can we be expected to trade with these southernmost countries when their principal exports are the same as those of which we have a surplus.

Let us consider the leading export products of the four southernmost countries, supplied by the Department of Agriculture and put into the Senate hearings.

Argentina: Grain, wheat, flaxseed, beef, wool, and hides.

Brazil: Coffee, cotton, hides, cocoa, beef.

Chile: Nitrate, copper, wool, vegetables.

Uruguay: Wool, hides, beef, mutton.

Certainly these countries cannot be considered a natural trade area for the United States.

Their culture, their economy, their chief interests, their language, are all European. Can we change this with half a billion dollars?

I believe that we should do everything possible to cultivate their friendship and trade, but we cannot gain this friendship by buying it. The ruling classes in all these countries are a proud people, and all we will achieve is their contempt if we try to do it.

Of course the fact that the debt of the United States will be increased by another half a billion dollars through the sale by the Reconstruction Finance Corporation of more guaranteed bonds means nothing, I suppose, in these days.

I think I remember the President a few short years ago quoting one of those mysterious, anonymous capitalists who call on him occasionally just to be quoted, saying that this country could stand $50,000,000,000 of debt. By the end of this year this debt will be scraping sixty billions.

Of course the administration's answer will be that these are but loans, that they will be paid off, and that the Reconstruction Finance Corporation has lent over $100,000,000 to South America in the last 3 years, all of which is current.

But let me remind you of the figures I read in this House last winter. Of $1,610,000,000 of Latin American bonds bought by investors in this country, on December 31, 1939, there were $1,243,000,000, or over 77 percent, in default. I wonder if the record on future loans will be any better.

Of course these countries will continue paying as long as they see more loans coming. The record of payment after the first few years of private bond purchases was also perfect, but when the well dried up and they found it difficult to get dollar exchange, they stopped paying.

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

Mr. KEAN. I yield.

Mr. WOLCOTT. On the subject of defalcation, may I call attention to the fact that the Bondholders Protective Committee, which was set up by the President of the United States and Secretary Woodin when he was Secretary of the Treasury; Cordell Hull, Secretary of State, and Charles H. Marsh, Chairman of the Federal Trade Commission, found, according to a member of the board of directors, who, speaking editorially in the American Journal of International Law, after commenting upon the fact that 85.1 percent of the South American and Latin American bonds were in default, had this to say:

> Speaking generally, the defaulting debtors on dollar bonds are defaulting not because they are unable to pay all or a good part of their debt service, but simply because they do not have the will to pay.

As proof of the fact that they had the money, the report goes on further to say that the moneys which had been used in servicing these bonds were used to buy some of the bonds at a much depreciated value in the American market, to the prejudice of the value of those bonds.

Mr. KEAN. That has been done, especially in the case of Chile, where they have been buying bonds in at $140 per bond, which money they should have used in paying the interest on the bonds.

Mr. Chairman, the loan of this money as a business transaction is indefensible.

If there is a question of national defense in this bill, someone in authority should have explained it to us. They should tell us what we will get in exchange for this enormous sum of money.

Are we to have a united military front, a united economic front, or are we going to be allowed to develop needed military bases?

I quote from an article in the Saturday Evening Post by William R. Castle, former Under Secretary of State: "The good-neighbor policy," he said, "has become a one-way policy, is all giving and no taking. We have turned the other cheek so often that both are inflamed."

If we are easy marks we will gain only the contempt of the Latin American nations.

Let us be good neighbors, but to be a good neighbor you must have the respect of those who are your neighors. [Applause.]

I have not said anything here about the portion of the bill that repeals the Neutrality Act as far as the Western Hemisphere is concerned. I am not referring here to the merits of that question, but I do say that if we are going to amend the Neutrality Act as far as the Western Hemisphere is concerned, certainly that matter should be carefully considered by the State Department and by the proper committee in the House of Representatives, the Committee on Foreign Affairs, and should not be brought out as an amendment in a bill from the Committee on Banking and Currency. [Applause.]

[Here the gavel fell.]

Mr. WOLCOTT. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. SIMPSON].

Mr. SIMPSON. Mr. Chairman, the question was raised some time ago as to what of profit it was hoped we would get from the South American countries as a result of this proposed legislation. In reply it was suggested that we would make friendships of value to us at a time when the world is in the turmoil that prevails today. I would add to that answer in my own words that we are evidently foolish enough to believe that we will get from this bill $500,000,000 worth of friendship, no more and no less. We put a monetary value upon the term "friendship." We think that we are the rich big brother, that we can buy friendship, and that that friendship will be a lasting friendship which will stick to us through days in the future which we have reason to believe may be dark and dismal.

I would suggest that friendship founded upon nothing but money is apt to be very thin and last no longer than the source of the money lasts.

I would like to know, too, the connection, if any, which exists between the proposal for this $500,000,000 and the Habana Conference. I would like to know whether we are here paying an obligation, in part, for the debt resulting from the agreement we reached with the South American countries at that conference. I would like to know whether or not the entire consideration for that agreement rests upon the promises which this country made of financial aid and assistance to those countries in the south.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. SIMPSON. I yield.

Mr. VORYS of Ohio. Did any other witness than Jesse Jones appear before the committee?

Mr. SIMPSON. It was our desire to have other witnesses, particularly witnesses from the Department of State, whom we hoped would give us information regarding the point I have just raised; but the committee, incidentally by a partisan vote, refused the request that someone from the Department of State come before us.

The President, the Secretary of Agriculture, the Secretary of Commerce, and others high in the administration in very general agreement have indicated, it has been pointed out, that the purpose of this legislation is to assist in the economic conditions, the economic welfare, the marketing of surpluses, and so on, of the South American countries. There was a definite reaction in the public press against such a proposal to which I attribute the fact that when Mr. Jones, the only witness appearing before the committee, came before the committee he there indicated quite forcibly that he would have substantial charge of these loans, and that the vast majority of them would be made to bring about a bettering of the export business of the United States. He said, in effect, that but a small portion of the $500,000,000 would be available for any marketing agreements or on any basis which involved the taking off of the world market of the surpluses of the South American countries.

I suggest to the committee that when the President and his associates high in the administration take one position, and Mr. Jones, appearing before the committee, takes a position diametrically opposed, it is at least fair to infer that either Mr. Jones will take orders and do as the President and the others have indicated the intent of the bill is, or Mr. Jones will not continue to serve in the important capacity he now so properly does. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. WILLIAMS].

Mr. WILLIAMS of Missouri. Mr. Chairman, I suggest that the gentleman from Michigan use some time. He has more time remaining than we.

Mr. WOLCOTT. Mr. Chairman, how does the time stand?

The CHAIRMAN. The gentleman from Michigan has 1 hour and 7 minutes remaining. The gentleman from Alabama has 45 minutes remaining.

Mr. WOLCOTT. Mr. Chairman, I am in the position of having assured certain gentlemen who wanted to speak on the bill that they would not be reached this afternoon, because I was informed that the Committee would rise about 5 o'clock and I assumed the other side would use more of their time.

Mr. CRAWFORD. Mr. Chairman, I make the point of order that a quorum is not present. There is no good of going ahead and discussing this bill when nobody is present but the members of the committee. I would far rather forfeit my time than to get up here and shadow-box.

The CHAIRMAN. The gentleman from Michigan [Mr. CRAWFORD] makes the point of order that a quorum is not present. The Chair will count.

Mr. CRAWFORD. Mr. Chairman, I withdraw my point of order.

Mr. WILLIAMS 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. MURDOCK of Utah, 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. 10361) to provide for increasing the lending authority of the Export-Import Bank of Washington, and for other purposes, had come to no resolution thereon.

MILITARY AFFAIRS COMMITTEE—NATIONAL GUARD BILL

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that the gentleman from Kentucky [Mr. MAY] may have until midnight tonight to file a conference report on the so-called National Guard bill.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

CALENDAR WEDNESDAY

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that business in order on tomorrow, Calendar Wednesday, may be dispensed with.

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

There was no objection.

ORDER OF BUSINESS

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that on Monday next, after the disposition of business of the Committee on the District of Columbia, it may be in order to call up the omnibus-claims bills. There are two of them.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, will the majority leader tell us what the program will be for Monday?

Mr. RAYBURN. That is all I know anything about. I may say to the gentleman from Michigan that I consulted with the gentleman from Massachusetts [Mr. MARTIN] before I made this request.

EXTENSION OF REMARKS

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a report of the committee on unemployment and civil service of the Veterans of Foreign Wars.

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

There was no objection.

Mr. CONNERY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the subject of the National Youth Administration.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. CONNERY]?

There was no objection.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made in committee this afternoon and to include certain excerpts.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. PATMAN]?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a radio address delivered by me last evening.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia [Mr. RANDOLPH]?

There was no objection.

Mr. MILLS of Louisiana asked and 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 a brief address delivered by Mr. Raymond Geist, Chief of the Division of Commercial Affairs of the State Department.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska [Mr. STEFAN]?

There was no objection.

Mr. THORKELSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a short article from the Imperial Fascist League of London.

The SPEAKER. Is there objection to the request of the gentleman from Montana [Mr. THORKELSON]?

There was no objection.

Mr. THORKELSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a short article from The Pamphleteer by Mr. John J. Whiteford.

The SPEAKER. Is there objection to the request of the gentleman from Montana [Mr. THORKELSON]?

There was no objection.

Mr. BENDER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an editorial from this morning's Cleveland Plain Dealer.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. BENDER]?

There was no objection.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 4271. An act to increase the number of midshipmen at the United States Naval Academy; to the Committee on Naval Affairs.

S. 4272. An act to amend the act approved March 4, 1925, entitled "An act providing for sundry matters affecting the naval service, and for other purposes," as amended; to the Committee on Naval Affairs.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 9751. An act for the creation of the United States De Soto Exposition Commission, to provide for the commemoration of the four hundredth anniversary of the discovery of the Mississippi River by Hernando De Soto, the commemoration of De Soto's visit to the Chickasaw Territory in northern Mississippi, and other points covered by his expedition, and the two hundred and fifth anniversary of the Battle of Ackia, and for other purposes.

The Speaker announced his signature to enrolled bills of the Senate of the following titles:

S. 769. An act authorizing the Secretary of the Interior to furnish mats for the reproduction in magazines and newspapers of photographs of national park scenery;

S. 2686. An act authorizing the reenlistment of John Mudry in the United States Army;

S. 2997. An act for the relief of the Greenlee County Board of Supervisors;

S. 3581. An act for the relief of John L. Pennington;

S. 3594. An act to provide an additional sum for the payment of a claim under the act entitled, "An act to provide for the reimbursement of certain personnel or former personnel of the United States Navy and United States Marine Corps for the value of personal effects destroyed as a result of a fire at the Marine Barracks, Quantico, Va., on October 27, 1938", approved June 19, 1939;

S. 3741. An act for the relief of Charles P. Madsen;

S. 3866. An act for the relief of George W. Coon;

S. 3975. An act granting to certain claimants the preference right to purchase certain public lands in the State of Florida;

S. 4011. An act to authorize the Secretary of the Interior to accept payment of an annual equitable overhead charge in connection with the repayment contract between the United States and the Strawberry Water Users' Association of Payson, Utah, in full satisfaction of delinquent billings upon the basis of an annual fixed overhead charge, and for other purposes; and

S. 4137. An act relating to transportation of foreign mail by aircraft.

BILLS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 5403. An act to provide for the deposit of certain collections for overtime immigration services to the credit of the appropriation chargeable with the payment for such services, and for other purposes;

H. R. 5640. An act to admit Richard Paul Rehn permanently to the United States;

H. R. 5641. An act to admit Johann Rudolph Hueneberg permanently to the United States; and

H. R. 10065. An act to provide for the registration and regulation of investment companies and investment advisers, and for other purposes.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 52 minutes p. m.) the House adjourned until tomorrow, Wednesday, August 21, 1940, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

1917. Under clause 2 of rule XXIV a letter from the Administrator, Veterans' Administration, transmitting information in connection with the claim of John Lively, deceased, identified in this Administration by the number W. C. 1614091, Private Act No. 112, Seventieth Congress (act of May 3, 1928), was taken from the Speaker's table and referred to the Committee on Invalid Pensions.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. ROGERS of Oklahoma: Committee on Indian Affairs. S. 253. An act to authorize the leasing of certain Indian lands subject to the approval of the Secretary of the Interior, without amendment (Rept. No. 2870). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROGERS of Oklahoma: Committee on Indian Affairs. S. 2617. An act to authorize the leasing of the undeveloped coal and asphalt deposits of the Choctaw and Chickasaw Nations in Oklahoma; with amendment (Rept. No. 2871). Referred to the Committee of the Whole House on the state of the Union.

Mr. RAMSPECK: Committee on the Civil Service. H. R. 10012. A bill 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; with amendment (Rept. No. 2872). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROGERS of Oklahoma: Committee on Indian Affairs. H. R. 2603. A bill conferring jurisdiction upon the Court of Claims, with right of appeal to the Supreme Court of the United States, to hear, examine, adjudicate, and enter judgment in all claims which the Miami Indians of Indiana who are organized and incorporated as the Miami Nation of Indians of Indiana may have against the United States, and for other purposes; with amendment (Rept. No. 2873). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAY: Committee of conference on the disagreeing votes of the two Houses. Senate Joint Resolution 286. Joint resolution to strengthen the Regular Army and call the National Guard; without amendment (Rept. No. 2874). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BLAND:

H. R. 10380. A bill to expedite national defense, by suspending, during the national emergency, provisions of law that prohibit more than 8 hours' labor in any 1 day of persons engaged upon work covered by contracts of the United States Maritime Commission, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H. R. 10381. A bill to repeal sections 4588 and 4591 of the Revised Statutes of the United States; to the Committee on Merchant Marine and Fisheries.

By Mr. BOYKIN:

H. R. 10382. A bill granting permanent total disability rating to veterans suffering service-connected tuberculosis disability if such disease remains active after 2 years' hospitalization; to the Committee on World War Veterans' Legislation.

By Mr. PETERSON of Florida:

H. R. 10383. A bill to amend the act approved March 4, 1925, entitled "An act providing for sundry matters affecting the naval service, and for other purposes," as amended; to the Committee on Naval Affairs.

By Mr. McCORMACK:

H. R. 10384. A bill to extend the coverage of the Social Security Act to certain employed persons formerly excluded, to amend the Internal Revenue Code by changing the definition of employment for employment taxes, to provide for a variable basis for Federal grants to States for old-age assistance, and for other purposes; to the Committee on Ways and Means.

By Mr. MURDOCK of Utah:

H. R. 10385. A bill providing for tenure during good behavior and for retirement salary for judges of the police court, the municipal court, and the juvenile court of the District of Columbia; to the Committee on the Judiciary.

By Mr. TENEROWICZ:

H. Res. 571. Resolution providing for the consideration of H. R. 10323, a bill to provide a temporary haven from the dangers or effects of war for European children under the age of 16; to the Committee on Rules.

By Mr. KRAMER:

H. Res. 572. Resolution providing for a conference of Governors in Washington for the purpose of securing uniform action by the States a prohibition against the appearance of the Communist Party and the names of its candidates on the ballots in the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. MARTIN J. KENNEDY:

H. Res. 573. Resolution for the investigation of air-line passenger service; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. JOHNSON of Indiana:

H. R. 10386. A bill granting an increase of pension to Harley Hesler; to the Committee on Invalid Pensions.

H. R. 10387. A bill granting an increase of pension to Harry G. Ross; to the Committee on Invalid Pensions.

By Mr. ROBSION of Kentucky:

H. R. 10388. A bill for the relief of the estate of Opal June Lindsay, Luck A. Lindsay, Thelma Louis Lindsay, and Laura Kathleen Lindsay; to the Committee on Claims.

By Mr. TINKHAM:

H. R. 10389 (by request). A bill for the relief of Gerald M. Pollack; to the Committee on Immigration and Naturalization.

PETITIONS, ETC.

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

9194. By Mr. GREGORY: Petition of B. L. Trevathan, secretary of the Young Men's Progress Club of Benton, Ky., requesting all possible aid to the Allies; to the Committee on Military Affairs.

9195. By Mr. MICHAEL J. KENNEDY: Petition of the Cafeteria Employees Union, Local No. 302, American Federation of Labor, on behalf of its 10,000 members relative to the proposed conscription bill; to the Committee on Military Affairs.

9196. Also, petition of Michael J. Quill, international president of the Transport Workers Union of America, representing 70,000 members, favoring Federal mine inspection bill; to the Committee on Mines and Mining.

9197. Also, petition of the New York State Industrial Union Council, favoring Federal mine inspection bill; to the Committee on Mines and Mining.

9198. Also, petition of the Chelsea Clinton Peace Council of New York, relative to the proposed conscription bill; to the Committee on Military Affairs.

9199. Also, petition of the International Ladies Garment Workers Union, urging enactment of legislation to sell the over-aged destroyers to the British Government; to the Committee on Foreign Affairs.

9200. By Mr. KEOGH: Petition of the American Legion, Kings County, Department of New York, urging passage of legislation now before both Houses of Congress providing for the construction of a drydock sufficiently large to accommodate the new 45,000-ton battleships, etc., such drydock to be constructed in the Borough of Brooklyn, county of Kings, city of New York, which is particularly adapted as the location, and further, because of the existence of the New York Navy Yard there; to the Committee on Naval Affairs.

9201. By Mr. SUTPHIN: Petition of the Ladies' Auxiliary, Jewish War Veterans of the United States, Tri-County Post, No. 126, Camden, N. J., that Congress pass legislation licensing the sale of all firearms and compel registration of all firearms, and that such legislation provide adequate penalties insuring its enforcement; to the Committee on the Judiciary.

9202. By Mr. VAN ZANDT: Petition of the Veterans of Foreign Wars, Post No. 100, Cristobal, C. Z., advocating the establishment in the Canal Zone of a program of aviation instruction under the direction of the Civil Aeronautics Authority; to the Committee on Interstate and Foreign Commerce.

9203. Also, petition of the Veterans of Foreign Wars, Post No. 100, Cristobal, C. Z., expressing the opinion that should it be necessary that the United States establish a selective draft of its citizens for military or naval service that the Panama Canal Zone not be exempted territory; to the Committee on Military Affairs.

9204. By the SPEAKER: Petition of the International Workers Order, Lodge 4310, in regular meeting assembled, petitioning consideration of their resolution with reference to the national-defense program; to the Committee on Military Affairs.

SENATE

WEDNESDAY, AUGUST 21, 1940

(Legislative day of Monday, August 5, 1940)

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

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

Most gracious God, we humbly beseech Thee, as for the people of these United States in general, so especially for their Senate and Representatives in Congress assembled, that Thou wouldst be pleased to direct and prosper all their consultations, to the advancement of Thy glory, the safety, honor, and welfare of Thy people; that all things may be so ordered and settled by their endeavors upon the best and surest foundations, that peace and happiness, truth and justice may be established among us for all generations. Through Jesus Christ, our Lord and Saviour. 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 Tuesday, August 20, 1940, was dispensed with and the Journal was approved.

CALL OF THE ROLL

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

The PRESIDENT pro tempore. The clerk will call the roll.

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

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

Mr. MINTON. I announce that the Senator from Illinois [Mr. LUCAS] is in camp with the Illinois National Guard and is therefore necessarily absent.

The Senator from North Carolina [Mr. BAILEY], the Senator from Mississippi [Mr. BILBO], the Senator from Montana [Mr. MURRAY], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from South Carolina [Mr. SMITH] are unavoidably detained from the Senate.

Mr. AUSTIN. I announce that the Senator from Oregon [Mr. HOLMAN] is absent on official business.

The PRESIDENT pro tempore. Eighty-seven Senators having answered to their names, a quorum is present.

JAMES H. HEARON

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 3710) for the relief of James H. Hearon, which was, on page 1, line 6, after the word "claims", to insert "against the United States".

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

The motion was agreed to.

NANNIE E. TEAL

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 3354) for the relief of Nannie E. Teal, which were, on page 1, line 5, after the word "settlement", to insert