By Mr. STEPHENS of California: A bill (H. R. 7583) granting an increase of pension to Rufus B. Tucker; to the Committee on Invalid Pensions.

By Mr. STONE: A bill (H. R. 7584) granting a pension to George E. Boyer; to the Committee on Pensions.

Also, a bill (H. R. 7585) granting a pension to Lewis W. Pattison; to the Committee on Pensions.

By Mr. TALCOTT of New York: A bill (H. R. 7586) for the relief of the legal representatives of Nathaniel Post, deceased; to the Committee on War Claims.

Also, a bill (H. R. 7587) granting an increase of pension to John E. Quackenbush; to the Committee on Invalid Pensions.

By Mr. TOWNSEND: A bill (H. R. 7588) for the relief of James Devore; to the Committee on Military Affairs.

By Mr. TUTTLE: A bill (H. R. 7589) for the relief of Sarah Eastmond; to the Committee on War Claims.

By Mr. WEDEMEYER: A bill (H. R. 7590) granting an increase of pension to M. S. Hall; to the Committee on Invalid Pensions.

By Mr. WILLIS: A bill (H. R. 7591) granting an increase of pension to Eli Sherrett; to the Committee on Invalid Pensions.

By Mr. WOODS of Iowa: A bill (H. R. 7592) for the relief of Daniel Lane; to the Committee on Military Affairs.

Also, a bill (H. R. 7593) for the relief of Thomas J. Shropshire; to the Committee on Military Affairs.

PETITIONS, ETC.

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

By the SPEAKER: Petition of certain veterans, seeking general pension legislation; to the Committee on Invalid Pensions.

By Mr. ASHBROOK: Resolutions of the Trades and Labor Council of Coshocton, Ohio, opposing intervention by the United States in Mexico; to the Committee on Military Affairs.

Also, petitions of 46 Democrats and 15 Republicans of Johnstown, Ohio, against any reduction in the tariff on raw wool; and Brownsville Banner Grange, No. 1738, against Canadian reciprocity; to the Committee on Ways and Means.

By Mr. FITZGERALD: Resolutions of the Marble City Lodge, No. 67, International Brotherhood of Paper Makers, Natural Dam, N. Y., protesting against the reciprocity bill; to the Committee on Ways and Means.

By Mr. FULLER: Petition of James W. Shearer, of West Point, Nebr., and D. S. Crawford Post, No. 197, Grand Army of the Republic, favoring the Sulloway bill; to the Committee on Invalid Pensions.

Also, papers to accompany a bill for the relief of Victor M. Wheeler (H. R. 6227); to the Committee on Invalid Pensions.

By Mr. HAMILTON of Michigan: Petitions of Watervliet Paper Co., of Watervliet, Mich., and B. Desenberg, of Lawton, Mich., against Canadian reciprocity; to the Committee on Ways and Means.

By Mr. HANNA: Petition of citizens of North Dakota, against Canadian reciprocity; to the Committee on Ways and Means.

Also, petition of citizens who live along the rural routes in the State of North Dakota, favoring the increase to rural free delivery carriers; to the Committee on the Post Office and Post Roads.

Also, petition of M. G. Strauss, of North Dakota, against parcels post; to the Committee on the Post Office and Post Roads.

By Mr. KENDALL: Petition of citizens of Ollie, Martinsburg, and Fremont, Iowa, against parcels post; to the Committee on the Post Office and Post Roads.

By Mr. MOON of Tennessee: Papers to accompany bill granting an increase of pension to Lillie Frazier, widow of John Frazier; to the Committee on Invalid Pensions.

Also, papers to accompany bill granting an increase of pension to Solomon A. Rymer, of Polk County, Tenn.; to the Committee on Invalid Pensions.

Also, papers to accompany bill granting a pension to Mary Emma Axmacher, widow of Robert Axmacher; to the Committee on Invalid Pensions.

Also, papers to accompany bill for the relief of James Simpson, of Hamilton County, Tenn.; to the Committee on Invalid Pensions.

Also, papers to accompany bill for the relief of Samuel H. Humbard, of Bradley County, Tenn.; to the Committee on Invalid Pensions.

Also, papers in the case of John B. Evans, Rafter, Monroe County, Tenn.; to the Committee on Military Affairs.

By Mr. MOTT: Affidavit to accompany bill for relief of John Dupray; to the Committee on Military Affairs.

By Mr. NEEDHAM: Resolutions of the Pomona Grange, Sonoma County, Cal., against Canadian reciprocity; to the Committee on Ways and Means.

By Mr. O'SHAUNESSY: Petitions of Potter & Buffington, Providence, R. I., and S. & B. Lederer Co., Providence, R. I., favoring the passage of House bill 32260; to the Committee on the Judiciary.

By Mr. PALMER: Resolutions of Washington Camp No. 327, and Local Camp No. 435, Patriotic Order Sons of America, urging passage of the illiteracy test; to the Committee on Immigration and Naturalization.

By Mr. ROBINSON: Papers to accompany House bill 7044, to repeal the several acts authorizing an internal tax on cotton, and to refund the same; to the Committee on War Claims.

By Mr. SIMS: Papers to accompany bill for the relief of John A. Fry, of McNairy County, Tenn.; to the Committee on Invalid Pensions.

By Mr. J. M. C. SMITH: Petition of Alfred Sargent, of Coldwater, Mich., for increase of pension; to the Committee on Invalid Pensions.

Also, petition of J. E. Mintline, of Coldwater, Mich., requesting an honorable discharge; to the Committee on Military Affairs.

By Mr. THISTLEWOOD: Petition of the twenty-fifth Illinois congressional district against parcels post; to the Committee on the Post Office and Post Roads.

By Mr. TUTTLE: Resolutions of Washington Camp No. 148, Patriotic Order Sons of America, located at Succasunna, State of New Jersey, urging the passage of the illiteracy test; to the Committee on Immigration and Naturalization.

By Mr. WOOD of New Jersey: Petition of Riverside Grange, No. 125, Patrons of Husbandry, of Three Bridges, N. J., against Canadian reciprocity; to the Committee on Ways and Means.

HOUSE OF REPRESENTATIVES.

WEDNESDAY, *April 26, 1911.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

O Thou Great Father, soul from whom all blessings flow, feed us with the bread of Heaven, that we may be strong of mind, pure of heart, fearless of action, ever ready to follow wheresoever Thou dost lead in the spirit of Him who died that we might live. Amen.

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

ORDER OF BUSINESS.

Mr. UNDERWOOD. Mr. Speaker, I understand that there are no bills on the calendar to be considered on Calendar Wednesday. I therefore move that the House suspend operations under the rule that brings up bills on Calendar Wednesday to-day.

The SPEAKER. It was held by Speaker CANNON that under the circumstances in which we find ourselves, it did not require any motion to dispense with Calendar Wednesday. The Chair thinks it was a good ruling and a matter of common sense that that rule should be considered like any other.

THE TARIFF.

Mr. UNDERWOOD. Mr. Speaker, if that is the ruling of the Chair, I withdraw my motion, and move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 4413) to place on the free list agricultural implements and other articles.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. ALEXANDER in the chair.

The CHAIRMAN. The House is now in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4413, of which the Clerk will read the title.

The Clerk read as follows:

A bill (H. R. 4413) to place on the free list agricultural implements, cotton bagging, cotton ties, leather, boots and shoes, fence wire, meats, cereals, flour, bread, timber, lumber, sewing machines, salt, and other articles.

Mr. UNDERWOOD. Mr. Chairman, I yield to the gentleman from Kentucky [Mr. JAMES] such time as he desires.

Mr. JAMES. Mr. Chairman, I listened yesterday to the distinguished gentleman from Illinois [Mr. MANN], the leader of

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the minority, in his assault upon the farmers' free-list bill. The gentleman is always entertaining, quite as often technical, generally critical, most generally hypercritical, and he did not deviate from those usual tendencies. [Laughter.]

He asked the mighty question with the triumphant air of the puzzler, "What is an agricultural implement?" Mr. Chairman, it only shows the decadence of the once great Republican Party that they would elevate to the lofty station of minority leader one who admitted without shame that he did not know what an agricultural implement was. [Laughter.] Why, he says, "What are meats?" I will tell you what meats are and what meats were placed on the free list for. Meats are necessary articles of food and were placed on the free list in order to dissolve those nonmeat-eating Republican clubs that were organized all over the United States in 1907 under the benign reign of Republicanism. [Applause on the Democratic side.] Go ask the hungry people of your own city of Chicago, where they had to organize these nonmeat-eating clubs under the prosperity of the grand old Republican Party and its 1907 panic. They can tell you what meats are.

And the purpose of this bill, Mr. Chairman, is that whenever the Beef Trust takes control of the American market and forces the price of meat up so that the people of this country are forced to combine themselves into clubs resolving that they will not eat meat because the price is so high they can not buy it. This bill lets in meat from every part of the civilized world to compete with one of the products of Republicanism, the Beef Trust, that is organized and in control of the markets in this country. [Applause on the Democratic side.] My friend's speech got so dry that he was forced to undertake to prove that cereal foods consisted of Kentucky whisky. [Laughter.] I want to say to my friend from Illinois that no man that has ever eaten these dry eatables ever once suggested that they were in any way comparable with Kentucky whisky. [Laughter.]

But our friend from Massachusetts [Mr. GARDNER] undertook to tell us that this bill was sectional. I want to say to you gentlemen on that side of the House that you have played that old sectionalism gag out and it will not work. Your plea of sectionalism in the past has borne fruit, and under this appeal to hate and prejudice you have succeeded in placing a trust on every article that the people consume. You have kept your party in power for all of these years by your plea of sectionalism, but no longer will the American people listen to this plea when it comes to dealing with things that affect every article which they consume. [Applause on the Democratic side.]

Our friend from Massachusetts [Mr. GARDNER] was not quite fair—and he usually is—when he undertook to deal with binding twine, for he tried to create the impression upon the northern farmer, resorting to quibbling——

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

Mr. JAMES. Mr. Chairman, I will yield presently, if the gentleman will keep that thought that he has in mind. I am discussing the question of binding twine. The gentleman said that it was not upon the free list—trying to create the impression upon the northern farmer that this old, wicked Democratic Party had come here and placed upon the free list cotton ties and cotton bagging, but had denied to the northern farmer free binding twine. What are the facts? Here they are. Binding twine is upon the free list. [Applause on the Democratic side.] Here is the record: Shipped into this country in 1909 there were 13,558,323 pounds of binding twine, of the value of $984,914, and it did not pay one penny of tariff. Yet this argument is thrown in here, and why? Because you can not meet this bill upon its merits. Be fair in discussing these things for the consideration of the American people, 50 years removed from the struggle of heat and passion to which you would appeal, to longer bend their backs with taxation and pile upon them trusts and monopolies. [Applause on the Democratic side.]

In 1910 the imports of binding twine were 9,130,409 pounds, of the value of $681,033, which paid not one cent of tariff. And yet the gentleman from Massachusetts [Mr. GARDNER] said, in his argument, that there was no binding twine imported, though the record I have shown conclusively proves that nearly 14,000,000 pounds of binding twine were imported in 1909, of a value of almost a million dollars. Most of the binding twine comes from Canada, some of it comes from England, but none of it pays any duty at all. And you gentlemen think sectionalism is to be considered. I am an American that refuses at this late day to predicate the hope or the argument of Democracy upon such a withered proposition as sectionalism. [Applause on the Democratic side.] I might point out, if I desired to urge sectionalism as a reason for the passage of this bill, if I had no better argument upon which to base it, if I desired to appeal to prejudice between the different parts of a common great Republic—I say I might urge that you have given to the northern farmers all these years free binding twine, but have denied free bagging and ties to the southern farmers who produce cotton. [Applause on the Democratic side.]

Mr. WARBURTON. Mr. Chairman, will the gentleman yield now?

Mr. JAMES. I yield to the gentleman.

Mr. WARBURTON. I will say to the gentleman that I expect to vote for this free-list bill. [Applause on Democratic side.] I am not inimical to the bill, but there is one thing that I hope to see the gentleman himself or some gentleman on that side add to the bill, and that is free rice.

Mr. JAMES. Mr. Chairman, let me say to the gentleman that all of the articles which we intend to place upon the free list are not included in this bill. There will be others. The gentleman can not go any further upon free articles than I can.

Mr. WARBURTON. How about free sugar?

Mr. JAMES. So far as I am concerned, I am in favor of free sugar.

Mr. WARBURTON. Free rice and free sugar?

Mr. JAMES. I am in favor of free rice and free sugar, and if the time comes when we can get an income tax on the fortunes of the rich to produce revenue enough to run the Government, I am willing and will be happy to give to the people free sugar. [Applause on the Democratic side.]

Mr. WARBURTON. Well, I have introduced a bill placing sugar on the free list and rice on the free list. Will the gentleman vote for it at this session?

Mr. JAMES. If the gentleman will point out to me how we can secure enough revenue to run the Government of the people without creating a deficit which will wreck it, I will gladly vote for it.

Mr. WARBURTON. I would suggest a few other things, for instance, diamonds, to raise them from 10 per cent——

Mr. JAMES. I am with the gentleman. I am delighted to see the gentleman come to our side. The gentleman is an insurgent, is he not?

Mr. WARBURTON. Yes. [Applause and laughter.]

Mr. JAMES. I want to say to the gentleman that I welcome him to our side, because there is more joy on this side over the "tear-wet face of one repentant sinner than over the snowy robes of a hundred who are just." [Applause and laughter.]

Mr. WARBURTON. I would like to suggest to the gentleman that I want to go right down the line on that proposition at this session.

Mr. JAMES. Oh, the gentleman ought to come into the Democratic Party; he ought to tear off his mask and bare his face full and fair to the breeze. [Laughter and applause.]

Mr. WARBURTON. I suggest to the gentleman——

Mr. JAMES. Oh, I can not let the gentleman take up all of my time. Come over on this side and I will give you my seat. [Laughter.]

I made a speech in 1909 in favor of placing sugar on the free list. There is no defense at all for the differential that exists upon sugar, and it benefits only the Sugar Trust, and I sincerely trust that we will be able, by proper economy in the expenditure of the people's money, to give to the people sugar free of any duty at all. It is used by all the people, goes into every home, and is almost a necessity of life. And I am gratified to know that 30 States in this Union have ratified the income-tax amendment to the Federal Constitution, needing but 5 more to make it a part of our organic law, a law that will do away with the technical construction of the validity of this law by the courts. An income-tax law will afford us a hundred million dollars of revenue upon the fortunes of those most able to pay to sustain the Government that most favors and prospers them. It is a law so just that for a hundred years of our history it met the approval of courts and Congresses; it is a law so just that the Master gave it to us when he announced that a tithe should be given to keep up the churches, to succor the widow and the orphan. And with this righteous tax we will be able to relieve the people of many burdens of a protective tariff, for it will supply revenue to a great degree.

Mr. Chairman, our friend from Massachusetts [Mr. GARDNER] went further, but he is always entertaining. He generally has fish on his mind, and yesterday he had suckers on his mind [laughter], and he tells us that we are legislating in favor of the northerners against the southerners. Let me call the gentleman's attention to the fact that in the bill he voted for, the Payne-Aldrich bill—and here it is—his party in that bill placed a provision to do what? Let me read it:

> Imported salt, * * * shall, upon satisfactory proof, under such regulations as the Secretary of the Treasury shall prescribe, that such meats have been cured with imported salt, have refunded to them from the Treasury the duties paid on the salt so used in curing such exported meats, in amounts not less than $100.

Your party wrote into this Payne-Aldrich bill a provision that taxes the farmers of my country for the salt that goes into their bread and that cures their meats, but gives to the fish industry, which the gentleman from Massachusetts represents, and to the Beef Trust, which exists in this country, the right to go to the Treasury and get back from the Treasury the money they paid to import salt here if they used it to the extent of more than $100. [Applause on the Democratic side.]

And yet the farmers of this country who do not buy a hundred dollars worth of salt a year for use upon their meat and upon their table have no such favoritism shown to them, but the taxes they pay into the Treasury upon salt remain there, except when they are taken out by the Beef Trust or by the fish industry of the gentleman from Massachusetts. That looks to me like sectionalism if we are to consider this bill upon that line and along that path. But our distinguished friend from Iowa made his speech upon the Canadian reciprocity bill and I want to contrast it with the speech of my friend from Illinois. You gentlemen are awfully hard to please. Our friend from Iowa argued with eloquence when the Canadian reciprocity bill was under consideration. He said, "You put cattle on the free list; people do not eat cattle, they eat meat." My friend, Mr. MANN, comes right along and says, "Why, you put meat on the free list and leave cattle off the free list." The criticism of the gentleman from Iowa to this side was that we let cattle in free, we let hogs in free, we let sheep in free, but we do not let in free the beef and pork. The criticism of the gentleman from Illinois [Mr. MANN] is that we let in free the beef and pork, but do not let cattle in free. [Applause on the Democratic side.] That is merely an evidence of the general tendency of the Republican Party to criticize without foundation, and I want to ask you gentlemen this thing: You have written a platform. I do not think you will ever do it again [laughter on the Democratic side], especially not this one, but here it is:

The Republican Party declares unequivocally for a revision of the tariff by a special session of Congress immediately following the inauguration of the next President—

Of course, I am too kind to comment upon that. I never believed in striking a man when he was down or hitting something that was dead, and I shall not refer to your violation of this promise. [Applause on the Democratic side.]

Your Republican platform of 1908 continues:

And commends the steps already taken to this end in the work assigned to the appropriate committees of Congress, which are now investigating the operation and effect of those schedules. In all tariff legislation the true principle of protection is best maintained by the imposition of such duties as will equal the difference between cost of production at home and abroad, together with a reasonable profit to American industries.

You wrote that, did you not? I know most of you are ashamed of it, but your party wrote that into your platform. What does that mean? That you will place upon the bending backs of the farmers of this country who feed this world the burden of giving to the manufacturers of this country a profit. A profit—you say a reasonable profit, but who decides what is a reasonable profit? Are we to conclude that a reasonable profit in this country creates millionaires with fortunes so big they can not give them away? But you place upon these toilers, these tillers of the soil, the burden of giving to these men a profit. I come in their name and ask you not to guarantee to them a profit but to take the brutal hand of oppressive taxation off the tools with which they toil. [Applause on the Democratic side.]

Will you do that? Will you place yourselves in the position of saying: I will place upon the farmers of this country the burden of paying a profit by tariff taxation to the manufacturers, and I will not even take the tariff tax, the burden of monopoly, off of the plow, the harrow, and those things that he uses to produce the food without which the people would starve? The drought may come and wither, the frost may come and kill, storms may come and destroy the farmer's growing crop, he who toils from dawn till dark, but no Republican platform yet has ever offered to him a reasonable profit or any profit or any aid in his business. If the farmer's business does not pay, no taxing law is at his command, advocated by republicanism, to take from others enough to give him a profit or even to give him a living. The taxgatherer comes just the same to his door, the mortgage holder demands payment; and I say it is un-American under our system or any other system in existence among free people to tax one class to make the other rich or to tax one class to give another class profit.

I expect to see you northern Republicans, Republicans from New York, Massachusetts, from Ohio, and other States, when you vote, cast that vote to tax the things with which the farmer labors, and then attempt to write, and stand for its enforcement, an iniquitous provision in law that wrings from his pocket a profit to pour into the laps of the manufacturers, trusts, and monopolies. That is the position you gentlemen are in upon this tariff bill. [Applause on the Democratic side.]

My distinguished friend from Illinois [Mr. MANN] took up the farmers' free-list bill and criticized it. He said that under this provision allowing fencing wire to come in free, telegraph and telephone wire could be imported under the same provision, coming in as fencing wire. I want to examine that and see whether it is true or not. Here is the language:

Barbed fence wire; wire rods; wire strands; wire rope; wire, woven or manufactured, for fencing; and other kinds of wire suitable for fencing, including wire staples.

Now, would the gentleman from Illinois, if he had to construe that as a lawyer, put a cat's eye in his head and come looking around for small insects in the construction of a provision of that sort? Would the gentleman from Illinois stake his reputation as a lawyer—and he is a good one—upon such a technical and far-fetched construction of a passage in this law as that? The gentleman from Illinois knows that telegraph wire and telephone wire is much larger wire than fencing wire. The gentleman from Illinois knows that it is much more costly than fencing wire, and under the glorious Republican prosperity our farmers have not reached that position yet when they have got money enough to fence their farms with telephone and telegraph wire. [Applause on the Democratic side.] But I have no doubt, Mr. Chairman, that the Republican Party, so long accustomed to construing everything in favor of monopoly, might, in looking for some place to assist some of their favorite concerns, distort, contort, and twist an honorable, plain, manly construction of it in favor of the farmer away from him, so as to aid some of the monopolies engaged in telegraph and telephone pursuits. [Applause on the Democratic side.]

But you will have to base your objection upon something more tenable than that in order to meet the approval of the American people.

The gentleman made another argument in regard to "agricultural implements." That very language is included in your own tariff bill, namely, the words "agricultural implements." Why did you not make objection then? Why, the gentleman was one of the wheel horses upon the Republican side in favor of the Republican tariff bill, but I never heard any technical construction about what an "agricultural implement" is. Some on your side complain because we are too broad, and others because we are not broad enough; but I will tell you now that there will be no trouble in the construction of this bill when it comes up for the consideration of those gentlemen that you pay high salaries to for the purpose of saying what the language of this bill means.

Now, let us go to your free list. You have a free list in the Payne bill, and I want to call your attention to some of the items. I want to contrast what the Democratic Party stands for as a free-list bill and what the Republican Party stands for as a free-list bill.

On the Republican free list you have acorns. Now, I am not surprised at that, because the "policy of the Republican Party" has created so many hogs in this country that you have to import acorns in order to feed them here. [Laughter.]

But we, instead of giving acorns to the hogs, turn and give flour and meal to the people who need them to eat. You give "broken bells" to the consumers of this country. They will ring false notes, but no more false than the notes you have rung on that side. [Applause on the Democratic side.] But we offer the farmer, instead of broken bells, fencing wire with which to fence his farm.

Another thing you give on the Republican free list—Payne-Aldrich bill—to the people, and they are grateful for this, and you are entitled to lasting credit for this item which you place upon the free list, namely:

Dried blood, not specially provided for.

[Laughter.]

But the Democratic party in this bill says: "We will not force you to eat dried blood, but we will give you beef and veal, and pork, and something that a man can eat, upon the free list. [Applause on the Democratic side.]

Your free list provides for the admission without any tariff of catgut and wormgut, but we offer upon our free list to the people cereal food without any taxation at all. [Applause on the Democratic side.]

The next article I find here on the Republican free list is fossils. I thought if there was anything in the world that we had an overabundance of in this country it was fossils. I thought that if there was anything in this country that afflicted the Republican Party it was fossils, and I thought surely you would not invite any importation of them by placing them upon the free list. [Laughter and applause on the Democratic side.]

You gentlemen do not seem to learn, as you go along, the necessities of the people. But the Democratic Party, instead of fossils, offers to the wives and mothers of the Republic sewing machines upon the free list. You placed needles upon the free list. You were willing that they might tear their fingers and wear out their eyes using needles, which you did not have the heart to tax. We place sewing machines upon the free list. You placed fish skins upon the free list, and I do not believe that would have been done if my friend from Massachusetts [Mr. GARDNER] had been here. We give them agricultural drills. You placed old junk upon the free list. We give them bagging for cotton; boots and shoes. You placed leeches upon the free list. [Laughter.] I could excuse the Republican Party for placing even fossils on the free list, but how on earth you can find any satisfaction in placing leeches on the free list when we have already too many bloodsuckers in this country, is a strange thing to me. [Laughter and applause on the Democratic side.]

No criticism! Why, what a pleasant impression my friend from Illinois [Mr. MANN] would have made if he had inquired, "What is a leech?" instead of "What are farming implements?" and if, instead of "What are meats?" he had asked the question, "What is junk?" [Laughter.]

The gentleman in discussing the question of shoes was right sharply amused by that proposition. He used a remarkable expression when I asked him the question, "Why are the shoe manufacturers selling abroad $13,000,000 worth of boots and shoes?" When I asked the gentleman from Illinois what explanation he had to make of that, "Why," he said, "I congratulate our manufacturers. They are doing well. But because they are doing well your party ought not to turn and swat them." But what does the Republican Party do?

Instead of swatting them you turn and allow them to swat the American consumer. The shoe people who went before the Ways and Means Committee said, "Give us free hides." I have no doubt that if they had known of the coming avalanche upon Republicanism and the number of hides that were to be hung up at the last election they would not have asked for free hides. [Laughter.] But they asked for hides to be placed on the free list. They said, "If you give us free hides, then we will sell boots and shoes in competition with the world and without any tariff at all." What did your party do? You put hides on the free list, and when you did it you discarded the advice, the acknowledgment, and the desire of these shoe manufacturers when they said you could place their products upon the free list.

And what do we find? In 1909 these gentlemen—the shoe manufacturers in this country—that you are protecting with a tariff tax sold abroad sole leather to the extent of $6,887,000; kid, $3,373,000; patent leather, $169,000; splits, $17,624,000; and other leather, $2,159,000; total, $30,304,000. They sold abroad boots and shoes, $10,305,000; harness, $650,600 worth; total, $41,367,600 worth of goods that these leather manufacturers and boot and shoe manufacturers are sending abroad and selling in competition with all the world; $41,000,000 worth of leather in 1909, including $10,000,000 worth of boots and shoes. And yet you gentlemen turn upon the American consumer who needs the boots and shoes, the farmer who needs the harness, who needs the leather, and say, "Notwithstanding they are able to sell $41,000,000 worth of these articles abroad in competition with the world, we will lay upon you the heavy hand of tariff taxation and make that much more flow into their pockets from the pockets of the mass of our people.

And I want to say here that these men did not understate the facts when they said: "If you will give us free hides we will compete with the world." I voted to give them free hides, and let us see how much they have increased their business. In not quite one year how much have they increased it? In 1910 instead of selling $6,887,000 worth of sole leather in foreign countries they sold $8,419,473 worth of sole leather. Instead of selling $3,673,000 worth of kid, glazed, they sold $16,675,000 worth. They sold a total of $51,123,000 worth of leather goods, as compared with $41,000,000, or an increase of $10,000,000 in foreign trade in one year under free hides. Why, the sale of these articles abroad is much greater than the entire sale of the United States in the early days of the Republic when the Republican Party was fighting for a protective tariff to protect our infant industries. The boot and shoe makers of this country sent abroad boots and shoes to the extent of $13,216,000, or an increase of $3,500,000 in the sale of boots and shoes as compared with last year. Why can they not sell them to the American consumer as cheaply as they can ship them across the ocean and sell them in competition with the world? Where did they sell them? They sold to Great Britain $4,400,000 worth of sole leather. They sold to Great Britain of other leathers $10,900,000, while all the other countries took $6,000,000 worth.

Now, the question I want answered, and you must answer it to justify your system that you are pursuing here, is this: If these men can ship this amount of goods, and they gladly do it, into foreign countries, and sell $51,000,000 in competition with the world, why can they not sell here to the American consumer without any protective tariff at all? [Applause on the Democratic side.]

It will not do to undertake to answer this argument by saying that they are sold as cheaply here as abroad. That statement is untrue; that you have fought and are now fighting for a protective tariff shows it to be untrue. If they were sold as cheaply here as they are abroad, why would you ask for a protective tariff? If our manufacturers of shoes and harness and leather can pay the freight rates across the mighty deep and go into far-away Japan and China and Germany and England and France and Russia and lay down our leather goods in competition with the world, what have they to fear from competition from those countries upon their own soil? The very fact that they are fighting for this tariff shows that they are extorting higher prices from the American consumer than they get from the foreigner. [Applause on the Democratic side.] Yet your party after giving free hides for the benefit of these people turned and kept the tariff upon the finished article, and the tariff to-day is laid against every consumer in this country who purchases anything made out of leather.

Some of the gentlemen upon the Republican side have taken the position that the tariff upon farm products helps the farmer. Gentlemen, my word for it—and I can sustain this by the record—there can be no price for the American farmer for his home product better than that which he gets for the surplus in the foreign markets. When the American farmer is forced to send abroad 100,000,000 bushels of wheat or corn he does it because he can not sell it here, and he can not sell it here because our people can not consume it. Then the price of the surplus product is fixed in the foreign market, and no man will send a bushel of wheat or a bushel of corn or a single ounce of produce from this country and sell it to the foreigner for less than he can sell it for to the American consumer. Why does he ship it abroad? Because of the fact that he gets a better price for it abroad, or because he gets as good a price for it abroad after deducting the freight from the shipment? Let us see if that statement can be sustained. The price of wheat in England every year absolutely squares with the price of wheat in this country when you deduct from the English price the cost of shipment. The very fact that we ship more than 100,000,000 bushels of wheat to England every year is conclusive proof of the fact that it brings a better price there or it would not be shipped. What farmer would ship hogs to the city market when he could sell them upon his own farm at a better price? What farmer would ship his wheat to the city market if he could sell it in his home county for a better price? I know the Republican Party has tried to fool the farmer for years upon this question of a protective tariff upon his wheat and corn. The record shows completely that that is a fraud and a delusion upon the American farmer. Under this system of deception you have undertaken to keep the American farmer quiet while his pockets were picked by the manufacturers, to whom you guarantee a profit. You have kept this fraudulent policy up for the benefit of those giant monopolies that have grown so great they send their products into the foreign markets of the world and sell in competition with all the world there, and then organize trusts and monopolies and annihilate absolutely every semblance of competition here. As a further proof of the fact that the farmer receives no benefit from a protective tariff upon his grain and other products, I give here the domestic and foreign prices of wheat, oats, cattle, and horses for the years 1905 to 1909, inclusive.

Domestic and foreign prices.

[Foreign prices are taken from Report of Agriculture and Fisheries, London. Vol. XLIV, Pt. III, 1909. Domestic prices from Yearbook of the Department of Agriculture, Washington, D. C., 1909.]

WHEAT.

[Per bushel.]

	Average price in London.	Average farm price in the United States.
		Cents.
1905	$0.92	74.8
1906	.87	66.7
1907	.94	87.4
1908	1.00	92.8
1909	1.14	99.0

Domestic and foreign prices—Continued.

OATS.

[Per bushel.]

	Average price in London.	Average farm price in the United States.
	Cents.	*Cents.*
1905	54	34.3
1906	57	29.1
1907	59	44.3
1908	55	47.2
1909	57	40.5

FAT CATTLE (WHOLESALE).

[Per pound.]

	London.	Chicago.
	Cents.	*Cents.*
1905	7¾	5¾- 7
1906	7¾	5¾- 7
1907	8	5½- 7½
1908	8	5½- 8½
1909	8½	5⅞-10½

HORSES.

[Per head.]

	London.	New York.	Farm value.
1905	$129	$91	$87
1906	150	108	98
1907	135	131	112
1908	166	138	107
1909	173	156	107

I desire to call a witness out of President Taft's Cabinet, Secretary Wilson himself, who, in a letter to the National Grange of February 9, 1911, relative to the prices the farmer receives, uses this language:

The United States produces surplus wheat above domestic requirements. This surplus production is sold in foreign countries. The price of our exported surplus is governed by the world's requirements, being regulated by the law of supply and demand, and the price of wheat in the United States, while we are exporting, is governed by the price at which the surplus is sold, as a general proposition. Occasionally wheat corners may interfere with the law of supply and demand and temporarily affect the price.

Wheat is never cornered until it is out of the farmer's hands and in the hands of some Chicago trust king. The price he forces up on wheat does not aid the farmer—his wheat is all sold—but the effect is that the laborer who buys his bread is held up and robbed by the millionaire who corners wheat. So this tariff on wheat of 25 cents per bushel never benefits any one except the grain gambler, who with his corner upon wheat drives up the price of the poor man's bread.

But it is unnecessary to pursue this question as to whether a protective tariff benefits the farmer.

My friend from Illinois [Mr. MANN] has been a great advocate of free lumber. This bill does give us free lumber, and I will tell you why I am for free lumber, notwithstanding our friends on that side have told us so often of the glory of Republican prosperity. I am not of that class of Americans that would seek to dispute the prosperity of my people if I could do otherwise. I am only too glad when our people prosper and to cheer them on in their prosperity. But when you tell me the people of this country are prospering under Republican control I want to call your attention to the fact that, according to the census of 1900, the total dwellings in this country were 14,474,771. The total number of tenants, those who had to rent their homes, were 8,246,747. That shows that practically 42,000,000 American people occupy this very day and will sleep this very night in homes they can not call their own, in homes upon which they have to pay a rent.

I want to make men patriotic, and I want to give to the laboring man an opportunity to build his home. Whenever you give an opportunity to 42,000,000 Americans who do not own their homes—notwithstanding your boasted Republican prosperity—whenever you give them a chance to build their home, which we are offering them by giving them free lumber, you make a patriot out of each one and give to each man a home, and then he has got something he can call his own and something he is willing to defend. [Applause on the Democratic side.]

Free lumber! I would call attention of the Republican side to the fact that free lumber is a Democratic doctrine. Free lumber was placed in the Democratic platform of 1908, and it is there to-day, and the Republican side is again following the teaching of the forerunning footsteps of aggressive Democracy demanding for the people of this country free lumber out of which they can build their homes. [Applause.]

How the Republican side can fail to advocate free lumber is a mystery to me. James G. Blaine said that he was a friend of free lumber. He said that the hand of taxation should never rest on that article out of which people build the homes in which they live, out of which they build the churches in which they worship, out of which they make the cradles in which they rock their first born, and out of which they make the coffins in which they bury their dead.

But Blaine is gone, and Republicanism for which he stood has decayed, and the party now is clothing themselves in his habiliments and going forth with his distinguished name and claiming that they represent the Republicanism of Blaine when they advocate the levy of a tax on all of the people for the benefit of the Lumber Trust. [Applause on the Democratic side.]

And why is it that our Republican friends will not give our old friends, the farmers, the benefit of these articles upon the free list? The farmer has borne your burden for a long time; he has paid the tariff tax a long time, and he has heard the arguments you have made; and as you argued that the tariff on wheat raised the price of wheat the good old Republican farmer applauded; as you argued that the tariff on flour lessened the price of flour he applauded. And so now he only comes and asks for these things with which he works to be untaxed. Of course the gentleman from Illinois, from the great city of Chicago, which has no waving fields of wheat or corn, which has no products of the farm, can well ask, "What are farming implements?" But you gentlemen on the other side who climb over the fence and go into the furrow with the good old farmer and beg him for his vote as you follow along behind him in the furrow, he may turn long enough to ask you why you did not take off the tariff on this plow that he was using, off of the harrow and his farming machinery. What will your answer be? That is likely to cause you a heap of trouble. I like my friends on the Republican side, and I would rather see them back here than any other Republicans I know, but the only chance you have of coming back is to vote for this free-list bill that we have written and propose here for the benefit of the American farmer. [Applause on the Democratic side.]

Plows, tooth and disk harrows, headers, harvesters, reapers, agricultural drills, planters, mowers, horserakes, cultivators, thrashing machines, and cotton gins; farm wagons and farm carts.

All in our free-list bill.

My friend from Illinois [Mr. MANN] asks what is a farm wagon. Why, of course I did not expect him to know what a farm wagon was. My friend from Ohio [Mr. LONGWORTH], delightful as he always is in debate, suggested that maybe it included automobiles. That is just in keeping with the Republican construction. [Applause and laughter on the Democratic side.] I have no doubt that if this passes and a trust Republican comes to construe it, of course it is a farm wagon for the benefit of the old farmer, but that some shrewd Republican, who has been growing fat on the profits that your platform "guaranteed them," will point out with the adroitness of my friend LONGWORTH that it means automobiles. [Laughter and applause.] I have no doubt of that, but no one on our side is now riding in automobiles. CHAMP CLARK even does not ride in an automobile. [Laughter and applause.] He has refused to take advantage of Uncle Joe's machine, because that thing operated so swiftly and so recklessly that even a man of CHAMP CLARK's daring was afraid to take the automobile that had been used by Uncle JOE CANNON. [Laughter and applause.]

Mr. LONGWORTH. Could my friend tell us what has become of those mules that we heard so much about last winter? [Renewed laughter.]

Mr. JAMES. Oh, the mule is always a friend of the Democratic Party and the people. The mule is never like the emblem that belongs to your party, the elephant, which is always on dress parade. The mule is always plowing and doing work, trying to feed somebody, aiding some one. [Applause on the Democratic side.] The elephant that speaks for your party is like your party, always parading and never doing anything, always claiming and never performing. [Laughter and applause on the Democratic side.]

I was amused at one of the most distinguished Republicans in the House, and I believe he knows as much about the tariff as anybody else, but his mind has been in a groove along a certain channel of taxing somebody else and getting profits for somebody else, always for his own folks, of course—I was amused at his saying that this bill in using the words—

And all other agricultural implements of any kind and description, whether specifically mentioned herein or not, whether in whole or in parts, including repair parts—

would be so construed that the monopolies would mold iron ore and pig iron into parts like repair parts for plows and machines

and bring them in here free of duty. Mr. Chairman, that is another strained construction of our Republican friends. Why do you not meet this bill on its merits? Why try to pick flaws in it? It is because you can not attack it on its merits that you are drifting to that argument.

Hoop or band iron, or hoop or band steel, cut to lengths, punched or not punched, or wholly or partly manufactured into hoops or ties, coated or not coated with paint or any other preparation, with or without buckles or fastenings, for baling cotton or any other commodity; and wire for baling hay, straw, and other agricultural products.

I do not see anything sectional about that. The farmer of the North grows hay. He grows other agricultural products. Mr. Chairman, these articles on which wire is used in baling can be produced in the North as well as in the South.

When it comes to the question of leather some one told me—I did not have the pleasure of hearing all of the speech—that our friend from Massachusetts [Mr. GARDNER] argued that this did not let in all sorts of shoes. Well, that is true, I expect. The finer class of shoes and that character of shoe that the farmer's family never see and are not able to buy. I do not suppose this bill does include them. This is a farmer's free-list bill. We are going to get to these other schedules as we go along. You gentleman will have enough of free-list articles, and they will all be those articles that are needed by the families of the United States. This is the character of articles that we are going to put on the free list. [Applause on the Democratic side.] We are not going to put on the free list your dried blood and your leeches and junk. We are going to put on something that a man can use and that a family can use. That is the Democratic policy.

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. JAMES. Yes.

Mr. MOORE of Pennsylvania. Mr. Chairman, I would like to ask, for information, whether the Democratic Party proposes to do all this revising this summer?

Mr. JAMES. Mr. Chairman, the gentleman can possess his soul in patience. We will do it in our own time and in our own way if it takes all summer. We are not afraid of the heat, because the people have been suffering long under the burdens that your party has placed upon them. [Applause on the Democratic side.]

Mr. Chairman, I want to appeal to the Republican side and ask them to aid us to pass this bill. I heard a peculiar argument made here the other day by one class of Republicans. I regret to see you divided into warring sides. It makes my heart bleed [laughter] to see a once militant Republican Party, so aggressive, so united, always the party of constructive legislation, always the bearer of prosperity, now divided and at each other's throats, taking separate roads and announcing differing doctrines.

I tell you it makes me grieve overmuch. [Laughter on the Democratic side.] I want to say to the gentlemen upon the other side who argued, when the reciprocity bill was under consideration, and said, "Oh, we must attach this free-list schedule to the reciprocity bill," my friend from Wisconsin [Mr. LENROOT], the second in command of the insurgent forces, because I believe the first in command is in another body, introduced here the free-list schedule to go on the reciprocity bill. And what was their argument? My friend NORRIS indulged in that argument, too. They argued that if we put both of these bills together, the reciprocity bill being a bad bill and the free-list bill being a good bill, that the Senate would pass both of them together, which the Senate would refuse to pass separately, and they maintained the man you elected would, if we passed them separately, veto the good bill and sign the bad one; but if we passed them both together he would affix his signature to both, the good and the bad. [Applause on the Democratic side.] I am unwilling to indulge in that argument against even a Republican President. I fought him in many of the States of this Union; I did not believe he ought to have been elected; but I am not willing to stand upon the floor of this House and say that our President—for he is our President now—if we passed these two measures separately, would sign the bad one and veto the good one. Aye, as strong a Democrat as I am, I am willing to concede to a Republican President too much patriotism to sign one bill because it is bad and veto another one because it is good. [Applause on the Democratic side.]

And if your President has an opportunity at this free-list schedule, as I believe he will have, because in another end of this Capitol your party has but 9 majority, if you count both contending factions in it, and I believe enough on your side will come to us to pass this bill, never on earth will enough courage be mustered in the big frame of your big President to veto this bill which takes the hand of taxation off the implements with which the American farmer tills the American soil. [Applause on the Democratic side.] I want to appeal to my Republican friends upon that side of the House to help.

I believe that Thomas Jefferson uttered the truth when he spoke of the farmer better than anyone ever has, or, perhaps, than anyone ever will, when he said of these millions of American farmers:

The cultivators of the earth are the most valuable citizens; they are the most vigorous, the most independent, the most virtuous; they are tied to their country and wedded to its liberty and interests by the most lasting bonds.

I want to appeal to both sides of this House for the passage of this bill. I appeal irrespective of politics in behalf of the American farmer, and I beg this House to pass this bill giving to the farmers of our Republic free farming implements—tools of trade, implements to till the earth free from any tariff taxation. In the name of millions of honest hearts which beat in the bosoms of these Americans behind the plow, upon the harrow, at the drill, those who make the harvesters sing in fields of golden grain, I beg you in their name to take the heavy hand of taxation off of the tools with which they woo from the earth the food which feeds the millions of this world. The farmer asks no guaranty of a reasonable profit which the Republican Party gives the manufacturer from the pockets of the farmers themselves. The farmer only asks that you let him have untaxed by tariffs and unmonopolized by trusts the tools of his trade. Give the farmers this relief. They are the future hope of this Republic, as they have been its past reliance. For these men I appeal for the passage of this bill. The farmer stands under your Republican policies bowed by the weight of your oppressive tariff, even upon the implements with which he farms.

He leans upon his hoe and gazes upon the ground,
The emptiness of ages in his face and on his back the burden of the world.

Can you, will you, deny him this relief? God grant that you will pass this bill. [Loud and continued applause.]

Mr. UNDERWOOD. Mr. Chairman, I would ask the gentleman from Pennsylvania if he desires to yield now?

Mr. DALZELL. Mr. Chairman, I yield one hour to the gentleman from Nebraska [Mr. NORRIS].

Mr. NORRIS. Mr. Chairman, for several years there has been a tendency in the business world toward combination. There is no doubt but what economy in production and manufacture can be brought about by the combining of energy and of capital. But history has shown that men do not go into these combinations from any ideas of philanthropy, and that when any combination has succeeded in monopolizing and controlling the production or distribution of any given article the price to the ultimate consumer is increased and the unfair and unreasonable profits are pocketed by the men or corporations in control.

When competition has been throttled monopoly has taken possession, and if unrestrained and uncontrolled the result has always been an unfair and an unequal distribution of the products of labor and of wealth. The favored few have unduly profited at the expense of the unorganized thousands. From the dawn of history there have been laws against monopoly and unreasonable restraint of trade, but great combinations, on account of their wealth and influence, have been able to employ the brightest and keenest minds of the age to invent and put into operation plans and methods whereby these laws can be circumvented and avoided and the combination allowed to continue to levy their unholy and unrighteous tribute.

The combinations that have attracted the most attention and have first drawn the fire of the courts have usually been those which have affected a comparatively few people, but in such a large degree as to make it an object for every individual affected to go into court for redress. But I shall speak of a combination that levies its tribute in pennies, but counts its contributors by the million. Other monopolies levy their tribute but once, but this monster is a daily uninvited guest at every breakfast table in the land. Other combinations confine their energies to the country of their origin, but this one makes its daily visits to every humble home in the civilized world. Most of the trusts and combinations to which our attention has been attracted in the past have been composed of men and subsidiary corporations, but this gigantic institution numbers among its stockholders a sovereign State and one of the independent nations of the world.

In 1906 Sao Paulo, one of the States of the Brazilian Government, undertook to control the world's supply of coffee. About 85 per cent of the world's supply of coffee is raised in Brazil, and of the Brazilian coffee a very large proportion of it is raised in the State of Sao Paulo. The method employed for the purpose of cornering the world's supply of coffee was for this State to buy all the coffee produced within its borders and

to issue bonds thereon and hold the coffee until the price went up and then sell at the advanced figure. It was supposed that the proportion of the world's supply of coffee raised in this State would be sufficient, if held out of the market, to control the price all over the civilized world.

The undertaking, however, was too great for the State of Sao Paulo to successfully control the situation, and after two years of trial had shown that the plan would in the end fail, a new and more gigantic scheme was devised. In 1908 this new plan was consummated and put into active operation. The history of the civilized world will not show another as gigantic an undertaking as was this. In order to carry out its purpose, the assistance of the Brazilian Government was procured and some of the largest financial concerns in the civilized world became interested partners in the colossal scheme. This plan to corner the coffee of the world provided that bonds to the amount of $75,000,000 should be issued by the State of Sao Paulo and that the payment of both principal and interest of these bonds should be guaranteed by the Brazilian Government. Out of the proceeds of the sale of these bonds it was agreed that the coffee produced in the State of Sao Paulo and all of the adjoining States should be purchased and held out of the market until the price could be artificially controlled. These bonds were handled by English, German, French, Dutch, and American bankers. Rothschild & Sons and J. Henry Schroder & Co., of London, took $25,000,000 of them. The Societe General and the Banque de Paris, of France, took $25,000,000. S. Bleischroder, of Berlin, took $10,000,000 of the bonds. The National Bank of Belgium took $5,000,000. The other $10,000,000 were taken by J. P. Morgan & Co., the National City Bank, and the First National Bank, all of New York City.

It was also agreed that a committee of seven men should be selected to supervise and control the sale of the coffee purchased with the proceeds of these bonds. Six members of this committee were to be selected by these financial firms whose names I have given, who furnished the money to finance the scheme, and the other member of the committee was to be selected by the Government of Brazil. The coffee purchased was to be shipped to representatives of these financial concerns and the possession thereof held as a further security for the bonds. Such coffee was to be stored in warehouses in America, England, Germany, Holland, and France and sold in such quantities and at such prices as should be agreed upon by this committee of supervision. As a further guaranty for the payment of the bonds and interest, the Brazilian Government agreed to levy an export or surtax on coffee shipped out of that country and to remit the proceeds of this tax weekly to these financial backers, the same to be applied in payment of the necessary expenses in looking after the details of the agreement and in the interest on the bonds as it should mature. It was likewise agreed that the Brazilian Government should enact a law that would prohibit the planting of any additional coffee trees and to prevent as far as possible an increase in the supply. This agreement has been in successful operation since the latter part of the year 1908. In accordance with its terms, the Brazilian Government enacted a law preventing the planting of additional coffee trees and provided for severe penalties for any offense against this provision of the statute. Inspectors were appointed who went through the country and destroyed any new trees that had been planted and administered severe punishment against those who were guilty of an infraction of the law.

The bonds were duly issued and, in accordance with the provisions of the agreement, Brazilian coffee was purchased and shipped to different parts of the world, where it was held in storage until the price advanced sufficiently to make the scheme profitable, when it was sold, but in such quantities as would not break down this artificial market.

It takes three or four years after a coffee tree is planted before it comes in bearing, and the tree does not reach its full bearing capacity for six or seven years, but after the tree has once reached maturity it does not lose its vitality or decline in its productivity until it is 40 or 50 years old. At the time of this agreement, in 1908, there were a great many thousands of coffee trees planted in Brazil that had not reached the bearing stage, so that it was quite evident to the promoters of this plan that, even though no additional trees be planted, there would be quite a large increase in the production of coffee as fast as the trees then planted should reach the stage of production. The bonds were not to mature until 1919, and ample provision was made for the control of the coffee market up to that time, even though the production should for several years increase beyond consumption. It was no doubt understood by these promoters that their scheme of valorization would have a tendency to increase the planting of coffee trees by other coffee-producing countries of the world, but they knew that by the practical ownership and control of from 80 to 85 per cent of the coffee of the world, even though other coffee-producing countries would increase their supply, they would be able to control the coffee market.

On account of the new trees that came into bearing after the agreement was made, and which trees had been planted prior to the making of the agreement, the production of coffee in Brazil increased for several years at a greater rate than the consumption of coffee, but so firm was the hold of this gigantic combination upon the coffee markets of the world that they have been able to absolutely control the supply and the sale of coffee throughout the civilized world. The coffee as it was purchased was sent to the different ports of Europe and America, where it was held until the price of coffee went up, and was then sold only in such quantities as would not break the market. The price of coffee has steadily advanced from month to month since the time this agreement went into effect, until on the 1st day of January of this year it had more than doubled in price. The wholesale price of No. 7 Rio coffee in New York in December, 1908, was 6½ cents a pound. From that time on the price, with practically no variation whatever, slowly but steadily advanced from month to month, and on the 1st day of January, 1911, the same coffee in the same market was selling at 13½ cents a pound.

The Government of Brazil did everything in its power to carry out its portion of the agreement. It sometimes increased the export tax, which had a twofold effect—it had a tendency to decrease the exportation of coffee from Brazil, and thus decrease the world's supply, and it increased the money received as an export tax to be applied upon the expenses of the scheme and the payment of interest on the bonds.

In order that there might be no doubt as to the ability of this combination to hold up the price of coffee, it was at one time seriously proposed that the law providing for a surtax on coffee exported from Brazil should be changed, and instead of taking a tax payable in money the Government should take one-tenth of the coffee exported, and that this coffee so taken in tithe should be loaded into barges, carried out into the ocean, and sunk in the sea.

At another time the proposition was seriously considered of taking one-tenth of the coffee produced in Brazil and burning it. This proposition was at one time approved by this committee of seven, who, as I have said, had charge of the disposition of the valorized coffee, and had it not been for a fear that this wanton destruction of coffee would arouse a sentiment of criticism throughout the world and call particular attention to the methods that were being devised to control the market price of coffee there is no doubt but what this particular plan would have been executed.

Of this committee of seven, Baron Schroder, of London, is the chairman and Herman Sielcken, of New York City, is the American member.

On the 27th day of April, 1909, there was a meeting of this committee in London. They had under consideration, among other things, this particular method of curtailing the supply of coffee, and at that time they issued a circular letter to the coffee trade, from which I copy the following:

A meeting of the committee charged with the management of the State of Sao Paulo government coffee was held to-day under the chairmanship of Baron Bruno Schroder, and the following members were present:

1. Dr. Francisco Ferreira Ramos.
2. M. le Vicomte des Touches.
3. The Societe Generale.
4. Mr. Herman Sielcken.
5. The firm of Theodor Wille.
6. Mr. Edouard Bunge.
7. The firm of J. Henry Schroder & Co.

The following statement was approved:

1. With reference to clause 2 of the circular dated 5th January, 1909, the committee states that no sales of coffee have been made, that the contemplated sale of 500,000 bags will not be undertaken until the trade is ready to pay the price stipulated therein, or its equivalent in any of the markets, and that in no case shall the sales during the current year exceed 500,000 bags.

2. The Government has lately had under its consideration the advisability of replacing the existing law limiting the export of coffee by a new law creating an extra duty of 10 per cent on all exports of coffee, payable in kind, such coffee to be destroyed under the control of the committee. This law would, in the opinion of the Government, bring about the same result as the existing law, but in a more satisfactory manner. The change would appear to the Government to be most desirable, as it would obviate the rush to market the crop, which would undoubtedly take place under the existing law; the planter would thereby be given time to properly prepare his coffee; the exports would then, as in former years, be spread over the whole 12 months, and the quality of the coffee exported would be improved by the destruction of the lowest grades. Such alteration of the law would also be desirable in the interests of the coffee trade, of labor, and of the railway and shipping companies, and would at the same time assure the stability of the exchange.

The Government has now approached the committee officially on the subject, having set forth its reasons, as above, for desiring an alteration of the law, and the committee, after careful consideration of all

interests, is of opinion that the proposed change of the law is desirable and will consider the feasibility of such an alteration.

The Federal Government of Brazil is ready to sanction the proposed change in the law.

It might be well to note, in passing, that these bonds were taken by the financiers, whose names I have given, at 85 cents on the dollar. They drew 6 per cent interest, a higher rate than the bonds of any nation on the face of the earth.

In order that Members may get a definite idea as to the steady advance in the price of coffee that has taken place since the beginning of this valorization plan, and in order that all may see how steadily the market has advanced and how complete the control thereof has been on the part of this combination, I will incorporate in the RECORD a table showing the wholesale weekly price at New York of Rio Standard No. 7 coffee from December 5, 1908, to the 7th day of January, 1911.

1908.	Cents.
Dec. 5	6½
Dec. 12	6½
Dec. 19	6¼
Dec. 26	6½
1909.	
Jan. 2	6¾
Jan. 9	6⅞
Jan. 16	7
Jan. 23	7½
Jan. 30	7½
Feb. 6	7¾
Feb. 13	7⅞
Feb. 20	8
Feb. 27	8
Mar. 6	8½
Mar. 13	8
Mar. 20	8⅛
Mar. 27	8¼
Apr. 3	8¾
Apr. 10	8½
Apr. 17	8¼
Apr. 24	8¼
May 1	8¼
May 8	8¼
May 15	8¼
May 22	7⅞
May 29	7¾
June 5	7¾
June 12	7¾
June 19	7¾
June 26	7¾
July 3	7¾
July 10	7⅞
July 17	7⅞
July 24	7½
July 31	7⅜
Aug. 7	7¼
Aug. 14	7¼
Aug. 21	7¼
Aug. 28	7¼
Sept. 4	7¼
Sept. 11	7¼
Sept. 18	7¼
Sept. 25	7
Oct. 2	7¼
Oct. 9	7½
Oct. 16	8
Oct. 23	8
Oct. 30	8
Nov. 6	8½
Nov. 13	8¾
Nov. 20	8½
Nov. 27	8¾
Dec. 4	8¾
Dec. 11	8½
Dec. 18	8½
Dec. 24	8¾

1910.	Cents.
Jan. 1	8¾
Jan. 8	8¾
Jan. 15	8¾
Jan. 22	8¾
Jan. 29	8¾
Feb. 5	8¾
Feb. 12	8¾
Feb. 19	8⅝
Feb. 26	8¾
Mar. 5	8¾
Mar. 12	8¾
Mar. 19	8¾
Mar. 26	8¾
Apr. 2	8¾
Apr. 9	8½
Apr. 16	8½
Apr. 23	8¾
Apr. 30	8¾
May 7	8¼
May 14	8¼
May 21	8⅛
May 28	8
June 4	8
June 11	8¼
June 18	8¼
June 25	8¼
July 2	8¾
July 9	8¾
July 16	8¾
July 23	8½
July 30	8½
Aug. 6	8¾
Aug. 13	8⅞
Aug. 20	9⅛
Aug. 27	9⅞
Sept. 3	10½
Sept. 10	10¼
Sept. 17	10¼
Sept. 24	10⅝
Oct. 1	11
Oct. 5	10⅞
Oct. 8	11
Oct. 15	10⅞
Oct. 22	10¾
Oct. 29	10¾
Nov. 5	10⅞
Nov. 12	11½
Nov. 19	12⅜
Nov. 26	13
Dec. 3	13¼
Dec. 10	13¼
Dec. 17	13⅜
Dec. 24, no quotation; Christmas eve.	
Dec. 31	13½
1911.	
Jan. 7	13½

These prices are the closing wholesale prices on every Saturday from December 5, 1908, to January 7, 1911.

Mr. Chairman, right here I desire to incorporate in my remarks not only this table but several others, and I would ask permission at this time to incorporate such tables as I have without taking up the time to read them.

The CHAIRMAN. The gentleman from Nebraska asks unanimous consent to incorporate the tables referred to. Is there objection? [After a pause.] The Chair hears none.

Mr. NORRIS. It must be remembered that the attempt to control the coffee market of the world really began in 1906, although, as I have explained, the first two years of the valorization scheme, the combination did not include all of the American and European financiers I have mentioned and did not have behind it all of the stringent laws in its behalf afterwards passed by the Brazilian Government. The price of coffee at the beginning of the valorization plan in 1906 was considerably lower than at the date of the beginning of the table which I have inserted.

Mr. SHARP. Mr. Chairman, may I ask the gentleman a question?

Mr. NORRIS. I will yield.

Mr. SHARP. I desire to ask the gentleman in regard to the statements he is to incorporate in the RECORD. May I ask if you have also the prices obtained for coffee in England as well as in the United States during the period mentioned?

Mr. NORRIS. No; I have not.

Mr. SHARP. I ask that question because while we were discussing the Payne-Aldrich bill I remember very well Mr. PAYNE arose in his seat and, in answer to a question that was asked him, tried to explain why coffee sold in this country for nearly four times the price at which it was imported, and he frankly stated that the Committee on Ways and Means had been bothered by that fact and they then could not account for it.

I spent some little time in investigating the subject, and I found that at that time, although the same price was paid by the importers in Great Britain for the coffee of similar brands and qualities, yet it sold universally over there for about 60 per cent of the price at which it sold in the United States; and the same was true of tea.

Mr. NORRIS. Now, I will say to the gentleman, Mr. Chairman, that I will take up that question a little further on. It is probably explained in the fact that the different States in Brazil, as I shall explain in detail, have spent a great deal of money and a great deal of effort in trying to increase the use of coffee in Great Britain. I will take it up later, and if I do not cover the point the gentleman wants, if he will ask me then, and I have the information, I will be glad to give it to him.

There is no doubt but what this attempt I have been speaking about would have failed had it not been for the combination entered into in 1908 by the Brazilian Government and the financiers of Europe and America. That the increase in the price of coffee during the period of this valorization was not due to natural causes, but was purely artificial, is easily demonstrated.

Mr. COOPER. I hope the gentleman will permit one question right there.

Mr. NORRIS. I yield.

Mr. COOPER. The gentleman refers to a table which shows the increase in price. Will he state approximately the increase?

Mr. NORRIS. The price doubled from 1908 to the 1st of January of this year.

Mr. COOPER. One hundred per cent in three years?

Mr. NORRIS. Yes; a little more than doubled up to the 1st of January.

Mr. CANNON. That is, the coffee as it is imported?

Mr. NORRIS. Yes, sir. That is, the wholesale price at New York City. I was about to say, Mr. Chairman, in my opinion, it would not be difficult to demonstrate that this wonderful increase in the price did not come about naturally.

The world's consumption of coffee has averaged for the last four years about 17,900,000 bags. The world's production of coffee for the same period has averaged over 18,600,000 bags. So, in the face of a continual and yearly overproduction of coffee, the price has steadily and regularly advanced. During this time the annual production of coffee by Brazil has exceeded 14,000,000 bags.

Mr. MICHAEL E. DRISCOLL. How much in a bag?

Mr. NORRIS. A bag is 133 pounds. During this same period of four years there was imported from Brazil into the United States about 23,000,000 bags of coffee; and from all other countries there were imported into the United States during the same period a little over 5,000,000 bags of coffee. This shows how easy it is to control the market price of coffee if the combination is able to control absolutely the output of Brazil.

As bearing upon this question of the control of price regardless of natural conditions, it is interesting to note a recent report that was made by Dr. Olavo Egeidio, secretary of finance of Sao Paulo, to the president of that State. At the beginning of the present year Dr. Egeidio made a full report of the transactions connected with the valorization of coffee. I quote from this report:

> There is no foundation whatsoever to the suggestion which has sometimes been made that the benefits which followed the Government's action were due simply to natural causes and were not in any way influenced by such action. What happened was just the contrary, and it may be easily verified by examining the figures for the crops of four years preceding and four years succeeding the intervention.

Dr. Egeidio then proceeds to show from statistics that the world's production of coffee for the four years in which the market price has been under control has exceeded by a large amount the world's production of coffee for the four years preceding such intervention. He shows that for the four years preceding the so-called valorization the average yearly production of the world's coffee was 15,574,000 bags, and that for the four years following the commencement of the valorization scheme the average world's production of coffee was 18,418,000 bags. In addition to this, it appears that for one of the years since the valorization plan has been in force the world's production of coffee reached the stupendous amount of over 23,000,000 bags;

and yet, notwithstanding this enormous overproduction of coffee, the price steadily advanced. He shows that during all this time there has been an overproduction of coffee and that the combination has had such complete control as to continually increase the price. He concludes his report with the following language:

All honor therefore to Dr. Jorge Tibirica and his able secretaries, your excellency among them, for conceiving the idea of valorization of coffee by direct intervention.

Notwithstanding the immense profits that have already come to the promoters of this scheme, the day of largest reward and financial gain for this gigantic combination is still in the future. If they are able to increase the price of coffee when the production is greater than the consumption, then what will the result be when the law of supply and demand, instead of working against them, will be working in their favor? What will be their harvest during the later years of this combination, when the yearly increase in the consumption of coffee shall have surpassed the yearly production? For the last 15 years the annual increase in the consumption of coffee has averaged 400,000 bags. The annual production, as far as Brazil is concerned, has about reached its maximum. As long as no additional coffee trees are planted in Brazil it will not be long until the world's demand for coffee will exceed the supply. If the yearly consumption of coffee continues to increase at the same rate that it has increased in the past, the world will demand about 22,000,000 bags of coffee yearly by the time that this combination ends according to its own terms. But this is not all. The different States of Brazil as well as the Brazilian Government itself are engaged in a world-wide campaign to increase the per capita consumption of coffee.

And now I am coming to the point where the gentleman from Ohio [Mr. SHARP] interrupted me in regard to the efforts they are making to increase the consumption of coffee in different countries, and I have no doubt but that it has some effect upon the price in England.

In the development of this scheme the Brazilian Government has appropriated $150,000 gold to be expended in the propaganda for the increased use of coffee abroad. The condition of the appropriation, however, being that the coffee-producing States of Brazil should each appropriate a similar amount for the same purpose.

In the recent budget of the State of Sao Paulo there was included an appropriation of $300,000 for this purpose, and I understand that the State of Minas Geraes and the State of Rio de Janeiro have made appropriations of $150,000 each, to be added to this fund. Altogether there is, in round numbers, an appropriation of about $750,000, which is to be expended in one year in behalf of a more extended use of coffee.

And I want to say right here that I am not making these observations about the attempt of the Brazilian States and Brazil to increase the consumption of coffee in a spirit of criticism.

It is, perhaps, commendable. I mention it only to show, and I think it has the tendency to show, that the yearly increase in the consumption of coffee will not decrease, but in all probability increase at a greater rate than it has in the past on account of this effort being made. It is perhaps not intended that this campaign is to include the United States, because the consumption of coffee per capita in the United States is now greater than in most any other country of the civilized world. The per capita consumption of coffee in Great Britain is less than 1 pound, in France it is 5 pounds, in Germany it is 7 pounds, and in the United States 12 pounds, and the per capita consumption in Russia is very small. This money will undoubtedly be used to increase the consumption of coffee in those countries where the per capita consumption is the lowest.

A year or so ago, in carrying out this plan for the increased use of coffee, arrangements were made with a firm in London by which it was agreed that this firm should be paid $243,325 to superintend and manage the campaign in England for five years for that purpose. The arrangement made with this firm provided for the preparation of coffee under the supervision of a representative of the State of Sao Paulo, and all the details of the plan have been agreed upon. Advertising matter has been furnished and the finest grades of coffee have been supplied in order to create an appetite for coffee among the people of England. The coffee is specially selected and prepared under Government inspection, and, in addition to the money paid to the firm for superintending the management of the business, large allowances are made for expenses and commissions on the part of the jobber, and a commission of 23 per cent on the product is allowed to the retailer. Similar methods are contemplated for other Governments, so that if the plan is successfully carried out the per capita consumption of coffee in all these countries will be greatly increased and the profits of this enormous combination be increased manyfold.

The question might naturally arise in the mind of any thinking person that since the world's production of coffee has been exceeding the world's consumption, this combination would be accumulating an enormous supply of coffee, and that unless conditions change they would eventually be compelled to dispose of this surplus in the markets of the world. As I have already pointed out, the production of coffee has by this combination been limited and the maximum production must soon be reached. While the consumption of coffee is naturally increasing at the rate of 400,000 bags per year, it is safe also to estimate that the efforts which I have mentioned toward the increased use of coffee will have its effect and, therefore, that the world's demand will increase at a much greater annual rate than it has in the past. When the demand for coffee exceeds the supply, then it will be easy to put upon the market this stored coffee in such quantities and in such places as not to break the market. It is estimated that by the year 1915, at least, the world's demand for coffee will equal the world's production, and from that time on the demand will exceed the production, and long before 1919 the visible supply of coffee will have entirely disappeared and the coffee drinkers of the world will be completely at the mercy of this gigantic combination. This was taken into consideration at the time this scheme was devised, and was carefully investigated and thought out. In a report which appeared in a Rio de Janeiro publication about the time this combination was formed, there was a very careful review of the entire situation. In that report it was estimated that by 1915, four years before the expiration of this trust, the world's consumption of coffee would be 20,000,000 bags, and that the world's production of coffee would be considerably less. So that the promoters of this trust would have more than five years to dispose of the surplus at the enormous artificial prices which their combination has brought about.

As I have said, the steady advance of the price of coffee would have a tendency to increase the planting of coffee trees in the countries not controlled by this combination. There has been and will continue to be some increase in the production of coffee in these other countries, but yet there is no doubt but what this increase will be much smaller than might appear to be warranted at first blush. We must remember that this gigantic combination expires by its own terms at the close of the year 1919. It is apparent, therefore, that any man who is thinking of adding to his coffee plantation, or any Government that desires to increase its coffee production, will take into consideration the fact that this artificial method of counteracting the law of supply and demand and holding up the price of coffee will cease in 1919, which would be just about the time that the new trees planted on account of the high price of coffee would come into bearing. Men would therefore hesitate to put their money into coffee plantations with the uncertainty of the future staring them in the face. Unless some new scheme is invented or some new and different combination entered into, the year 1920 will find these bonds paid off and the millions of profit divided up among the members of this international combination, and the law of supply and demand will again be permitted to hold sway.

In the face of these conditions it is doubtful whether there will be any abnormal increase in the production of coffee on the part of the other coffee-producing countries of the world. I presume when 1919 is reached the members of this great international Coffee Trust will look over the situation and will decide, according to the conditions that exist then, whether it will be profitable to continue the combination and renew the agreement by which they are now exacting, and will until that time continue to exact, contributions from the coffee-consuming world.

As interesting and as instructive as all these facts are, the question naturally recurs, "What are we going to do about it?" There is no doubt but what the laws of the United States can not be directly applied either to a foreign State or a foreign nation. Neither can we bring into the courts of the United States the citizens and corporations of Europe. The members of this combination who are residents and citizens of our own country are subject to our laws, and if they have violated them can be punished, even though their coconspirators can not be directly reached. There is no doubt in my mind but what we can, indirectly at least, reach the Government of Brazil and its States by the proper change in our tariff laws. It is to the question of reaching Brazil and her States and the American members of this combination that I now desire to address myself.

First, let us take the several American corporations that are parties to this international agreement. If the facts as I have narrated them are true, there can be no possible doubt but what these institutions have violated the Sherman Antitrust Act, and

are therefore subject to its penalties. Section 1 of that act is as follows:

Every contract, combination in the form of trust or otherwise, or conspiracy, in restraint of trade or commerce among the several States, or with foreign nations, is hereby declared to be illegal. Every person who shall make any such contract or engage in any such combination or conspiracy shall be deemed guilty of a misdemeanor, and, on conviction thereof, shall be punished by fine not exceeding $5,000, or by imprisonment not exceeding one year, or by both said punishments, in the discretion of the court.

This law has been in force over 20 years and has been construed on numerous occasions by the Supreme Court. I shall not take the time to follow these decisions, but will content myself with the statement that any student who will follow the construction that has at various times been given to this section must be led to the inevitable conclusion that conduct such as I have narrated, when once established, has always and without exception been held by this court to be a violation of this section. The court has often held that the "restraint" mentioned in this section applies not only to a restraint among the members of a combination, but it applies likewise to any restraint that the combination imposes upon outside parties who are not members of the combination.

There can be no doubt but what one of the very objects of this combination is a monopoly in the trade of coffee. Section 2 of the Sherman Act applies particularly to monopolies and to attempts to monopolize or to combinations and conspiracies to monopolize. This section reads as follows:

Every person who shall monopolize, or attempt to monopolize, or combine or conspire with any other person or persons to monopolize any part of the trade or commerce among the several States, or with foreign nations, shall be deemed guilty of a misdemeanor, and on conviction thereof shall be punished by a fine not exceeding $5,000 or by imprisonment not exceeding one year, or by both said punishments, in the discretion of the court.

Assuming that I have correctly stated the facts in regard to this combination, the inevitable result must follow that every person or corporation connected with this combination has violated this section; and if they are within the jurisdiction of the courts of the United States, they can be convicted and punished for violation of section 2 of this act. This section, like section 1, has been often construed by the Supreme Court, and its meaning in no respect is left in doubt. Any person who shall "monopolize" or "attempt to monopolize" or "combine or conspire" to monopolize "any part" of trade or commerce is guilty of a violation of the act. In addition to these two sections, section 4 of the same act gives the courts of the United States power to restrain and to prohibit such violations by the writ of injunction. It would seem, therefore, as far as individuals or corporations in our own country are concerned, that the laws are sufficient, and that these persons, parties, or corporations can be proceeded against in a civil action by injunction that would break up the combination, and can likewise be prosecuted in a criminal suit for a violation of both sections 1 and 2.

In connection with the enforcement of the Sherman antitrust law as against this combination, and also, in general, as against all violators of the law, I desire to call attention to section 6 of that famous statute. It reads as follows:

Any property owned under any contract or by any combination, or pursuant to any conspiracy (and being the subject thereof) mentioned in section 1 of this act, and being in the course of transportation from one State to another, or to a foreign country, shall be forfeited to the United States, and may be seized and condemned by like proceedings as those provided by law for the forfeiture, seizure, and condemnation of property imported into the United States contrary to law.

It has no doubt often occurred that great combinations have been able out of the profits of their unlawful business to pay for the fines and penalties charged against them for the violation of the statute and still have a snug surplus on the right side of the ledger as a result of their unlawful operations. A few applications of the remedy provided in section 6 would make the violation of this statute unprofitable as well as illegal. In the famous Addyston Pipe case (85 Fed. Rep., 271), the United States circuit court of appeals for the sixth district held that an action under this particular section could not be joined in an equity suit under section 4, to enjoin the defendants from continuing their unlawful conduct. It was held there, however, and it seems to be a plain provision of the section, that the property of such a combination being in the course of transportation from one State to another, or to a foreign country, may be seized and condemned in the method provided by law for the condemnation of property that is imported into the United States contrary to our tariff laws. These custom laws have been enacted and changed from time to time, but there have always been and still are in force provisions of law for the seizure and condemnation of such property which are both summary and severe. Such proceedings are prosecuted according to the custom laws of our country, and the same district attorneys who are charged by section 4 with the enforcement of this antitrust statute are likewise charged with the duty of instituting proceedings under section 6.

It is an open secret that it has cost and is still costing a large amount of money to enforce the different provisions of this antitrust statute against combinations and monopolies. If section 6 were enforced in all cases of the violation of section 1 of the act and the property that is the subject of the illegal combination was seized and forfeited to the United States, these great combinations, to a great extent at least, would be compelled to pay the governmental costs of the prosecution for their violation of the law.

In this connection I desire to call attention to section 73 of the act of August 27, 1894, the same being Twenty-eighth Statutes at Large, 570. This section reads as follows:

SEC. 73. That every combination, conspiracy, trust, agreement, or contract is hereby declared to be contrary to public policy, illegal, and void when the same is made by or between two or more persons or corporations either of whom is engaged in importing any article from any foreign country into the United States, and when such combination, conspiracy, trust, agreement, or contract is intended to operate in restraint of lawful trade, or free competition in lawful trade or commerce, or to increase the market price in any part of the United States of any article or articles imported or intended to be imported into the United States, or of any manufacture into which such imported article enters or is intended to enter. Every person who is or shall hereafter be engaged in the importation of goods or any commodity from any foreign country in violation of this section of this act, or who shall combine or conspire with another to violate the same, is guilty of a misdemeanor, and, on conviction thereof in any court of the United States, such person shall be fined in a sum not less than $100 and not exceeding $5,000, and shall be further punished by imprisonment, in the discretion of the court, for a term not less than 3 months nor exceeding 12 months.

The provisions of this section apply only where there is a conspiracy between two or more persons or corporations in which any one of them is engaged in importing any article from a foreign country into the United States. It seems that there can be no doubt but what some of the persons or corporations interested in this valorization scheme are so engaged and that their contract without doubt operates in restraint of trade and free competition, and that they are amenable to the punishments provided in this section. The very object and foundation of the entire scheme was to increase the price of coffee. Whether the financiers who furnished the money for this plan were themselves personally and directly engaged in the importation of coffee would not, in my judgment, be material. In order to carry out their plan the coffee had to be imported. Somebody must import it, and therefore some one who is a party to the contract must, either through himself or some other person or corporation, be engaged in the importation of the coffee.

I come now to the question as to whether there is any practical way for the United States Government to legally deal with a foreign nation or State where such nation or State has entered into a combination the effect of which is to monopolize trade and artificially increase the cost of any article of commerce to the American consumer.

In the discussion of this question, I believe it must be admitted, to begin with, that there is no direct way by which the United States can interfere with any sovereign nation or State in the enactment of its laws or in the adoption of such rules and regulations as it may deem advisable, regardless of how severe such laws, rules, or regulations may be against the commerce of the United States, and regardless of what effect the same may have upon the price that our people must pay for the commodities imported from such country. All the laws which we may pass and the rules and regulations which may be adopted in pursuance of such laws can have no direct application or effect upon any other nation. It is no doubt true that if any particular product or article of commerce, on account of geographical condition or conditions of climate, can be raised and produced only in one particular country, then such country has the right to make any law it sees fit in regard to the exportation of such product and can, if it so desires, prohibit entirely the exportation of such product, or can provide by law for any conditions or regulations it may deem best under which such articles can be exported. However, the condition of trade and commerce among the civilized nations of the modern world is such that no nation can live unto itself alone. If a country produces of any particular article more than it can consume, it must find a market for the surplus among the other countries of the world. In addition to this, there is not a nation to-day but what desires, to a greater or lesser extent, some of the products of other countries which it is unable to produce. In this respect there is perhaps no country in the world so well situated as our own, and if international trade and commerce among the nations of the world were entirely suspended and prohibited, we would perhaps be able to meet the then existing conditions with less damage to ourselves and with less interference with the comfort and happiness of our people than any other nation on the globe.

Trade and commerce between the different civilized nations of the world are practically necessary and imperative, and it

therefore becomes a matter of no extreme difficulty for the Congress of the United States to pass such laws as will make it to the advantage of any foreign nation to deal with us and with our produce in a fair and honest manner. It would be easy for us to pass the necessary laws under which Brazil would find it very unprofitable for her to continue her attempt at monopolizing and thereby increasing the price that American consumers must pay for her products which we use.

Section 2 of the present tariff act has for its object the prevention by any foreign power of any discrimination against the products of the United States. This section, however, did not contemplate the prevention of the conditions which have been brought about on the part of the Brazilian Government in her attempt to valorize coffee, and it is undoubtedly true that this section as it now stands would not enable us to meet the emergency. This is the section that provides for the maximum and minimum tariff. In substance it provides that where any foreign country makes any discrimination against the United States or the products thereof imported into such country, then and in such case all articles imported from such foreign country shall, in addition to the duty provided for in section 1 of the act, pay an additional duty of 25 per centum ad valorem.

This section, among other things, provides that all foreign nations shall be exempt from the payment of this additional or maximum rate if such foreign country "imposes no terms or restrictions, either in the way of tariff rates or provisions, trade or other regulations, charges, exactions, or in any other manner, directly or indirectly, upon the importation into or the sale in such foreign country of any agricultural, manufactured, or other product of the United States which unduly discriminate against the United States or the products thereof." It will be noted that this statute in effect provides that the maximum rate of duty can not be imposed unless the laws, rules, or regulations of the foreign country "unduly discriminate" against the products of the United States. In the case of Brazil it would undoubtedly be held that her action that I have described was not a "discrimination" against the United States, because all of these laws, rules, and regulations apply to the balance of the world as well as to our own country, and there would therefore be no discrimination. In other words, all the nations of the earth are treated the same. If this great combination to which she is a party applied only to us, the penalty provided in section 2 of our tariff act could be applied to her, but since she not only conspires against America but does the same with everybody else she is able to avoid the penalties of the act.

By a slight amendment to this section we could possibly meet the contingency. If we provided by an amendment to this act that to entitle any foreign country to our minimum tariff rates it would not only be necessary that such country should not discriminate against our products, but that such country should not by law, rule, or regulation, or otherwise, become a party to any combination or conspiracy the effect of which was to monopolize trade between the United States and foreign nations, and by virtue of such monopoly to increase the price of commodities to our consumers, then she would be compelled to cease such unfair treatment and withdraw from such conspiracy or subject all of her products imported into the United States to the penalties provided in this section. Brazil can not afford to engage in a tariff controversy with the United States. We are one of her best customers. We have provided by law for the admission of a large proportion of her exports into our country free of duty. I will insert in the RECORD a table showing the amount and value of her exports for the year 1909.

Articles.	Quantity.	Value.
Coffee	16,880,696 bags	$161,922,682
Rubber	39,027 metric tons	91,578,388
Hides	35,784 metric tons	8,812,660
Yerba-maté	58,017 metric tons	8,025,333
Cacao	33,818 metric tons	7,739,870
Tobacco	29,782 metric tons	6,443,681
Skins	3,897 metric tons	4,709,492
Sugar	68,483 metric tons	3,247,504
Cotton	9,969 metric tons	2,861,662
Bar gold	4,323 kilos	2,252,898
Manganese	241,000 metric tons	1,730,311
Chestnuts		1,493,712
Carnaba wax	3,042 metric tons	1,230,638
Bran	38,158 metric tons	1,210,572
Cotton seed	33,615 metric tons	711,401
Monazite sand	6,462 metric tons	708,092
Precious stones		288,212
Total of 17 articles		304,967,108
Miscellaneous articles		3,364,721
Total exports		308,331,829

It will be seen from this that the total value of the exports from Brazil for the year 1909 was $308,331,829. Of this amount the United States took by far the major portion. There is no other country that took more than one-third of the amount of exports that were taken by the United States. We took of these exports $123,817,298. The nearest other competitor was the United Kingdom, which took a little over $49,000,000.

It is conceded that if we amend section 2 of the tariff law so as to deprive Brazil of our minimum tariff rates that such amendment would not affect the importations from Brazil which are on the free list, and since coffee is on the free list it could still be imported free from Brazil, even though our maximum rates applied, because such maximum rates would only apply to such articles as are on the dutiable list. In order that we may understand just exactly what articles from Brazil will be affected by such action, I append a table showing importations from Brazil during the fiscal year 1910 which were on the dutiable list, giving the quantities imported, the rate of duty, and the duty collected.

Dutiable imports from Brazil to the United States, fiscal year 1910.

[General imports with estimated duties collected thereon.]

	Quantities.	Amount.	Rate of duty.	Estimated duty.
			Per cent.	
Feathers and downs, crude		$21,178	20	$4,235.60
Hides of cattle ... pounds	[1] 211,098	[1] 35,704	15	5,355.60
Plants, orchids, palms, bulbs, etc		3,293	[2] 18	592.74
Other plants, not specified		4,787	30	1,436.10
Seeds, castor beans ... bushels	158,351	192,397	[3] 25	39,587.75
Other seeds not specified		21,836	[2] 34	7,424.24
Sugar: Cane not above No. 16 Dutch standard in color ... pounds	6,860,735	151,637	[2] 53	80,367.61
Wool: Class 3 ... do	84,898	7,460	[3] 4	3,395.92
Monozite sand ... do	1,322,760	113,293	[3] 4	52,910.40
All other articles dutiable		3,751		1,355.53
Total dutiable imports		555,336		196,661.49

[1] Hides of cattle free on and after Aug. 6, 1909; figures cover period July 1 to Aug. 5, 1909, inclusive.
[2] Estimated.
[3] Cents.

Mr. STERLING. Will the gentleman yield for a question?

The CHAIRMAN. Does the gentleman from Nebraska yield to the gentleman from Illinois?

Mr. NORRIS. Yes.

Mr. STERLING. Do I understand the gentleman's idea to be that we should put coffee on the protected list?

Mr. NORRIS. No. If the gentleman will permit me to proceed just a little further, I will reach that question and take it up, and show just exactly what we might do and could do in regard to it.

Mr. STERLING. If we should put a tariff on coffee, all that the importers would have to do would be to add that duty to the cost of the coffee, I presume?

Mr. NORRIS. Yes. I am going to discuss that question, but I am not going to advocate the placing of a tariff on coffee; although if we are going to go into it, it could easily be shown that we are practically the only country in the world that admits coffee free. They have duties in the other countries. I shall say more about it later on. We pay more for coffee than anybody else.

If this amendment suggested would not bring the proper relief, it would be a very easy matter to further amend our tariff law as it applies to Brazil so as to put all, or at least parts, of her importations upon the dutiable list until she should cease giving her support to the valorization scheme. I know it will be said that if we undertook to place a duty on coffee it would injure the American consumer rather than help him; but I do not believe it is necessary for us to put coffee on the dutiable list. If we should pass an amendment to our tariff law that would provide that the coffee produced in all other countries except Brazil should come in free, and then limit the free coffee from Brazil to such an amount which, together with the coffee imported from other countries, should equal and perhaps somewhat exceed the consumption in our country, and then provide for a high duty upon the balance of Brazilian coffee, I think we would meet the situation and compel Brazil to come to terms.

I think that, Mr. Chairman, is an answer to the question suggested by my friend from Illinois [Mr. STERLING].

Let us see how this kind of a law would work.

Mr. NEEDHAM. Will the gentleman yield for a question?

The CHAIRMAN. Does the gentleman yield?

Mr. NORRIS. Yes.

Mr. NEEDHAM. Would not the original proposition that was presented by the Ways and Means Committee last Congress, providing that a tariff equal to whatever export tax is put on by any other country—would not that be more effective than the method proposed by the gentleman?

Mr. NORRIS. I do not believe it would be. Of course it might work absolutely right; I would not say. I have some doubt about it. But I do not see how this plan that I have suggested could be in any way objectionable. Let us see, I say, how this kind of a law would work.

I think it would be conceded, to begin with, that if there was a duty on Brazilian coffee, and coffee from all other countries should be admitted free from duty, it would result in the coffee from all other coffee-producing countries being imported into the United States. It would bring to our ports practically all the coffee produced anywhere outside of Brazil, because practically all the coffee-consuming countries of the world levy a heavy duty upon the importation of coffee into their respective countries. If coffee produced everywhere except in Brazil had free entrance into the United States, while it had to pay a duty in other countries, the result would certainly be that it would practically all come to us. I will print in the RECORD a table showing the rate of duty charged by the principal countries of the world upon importations of coffee.

Statement of duty charged by various countries on coffee.

Austria-Hungary (per 100 kilos):
Raw, 95 crowns (about 8 cents per pound).
Roasted, 120 crowns (about 11 cents per pound).
(Crown=20.3 cents.)
Belgium (per 100 kilos):
Not roasted, free.
Roasted, 10 francs (about 1 cent per pound).
(Franc=19.3 cents.)
France (per 100 kilos):
Raw, maximum, 300 francs (about 27 cents per pound); minimum, 136 francs (about 12 cents per pound).
(Franc=19.3 cents.)
Germany (per 100 kilos):
Raw, 60 marks (about 6 cents per pound).
Roasted, ground or not, 85 marks (about 9 cents per pound).
(Mark=$0.238.)
Netherlands: Free.
Russia (per pood):
Raw, in the bean, 5.85 rubles (about 8¼ cents per pound).
Roasted, in the bean or ground or compressed, 9 rubles (per pood, weight of packing included).
(Ruble=51.5 cents; pood=36 pounds.)
United Kingdom (per pound), 2 pence (about 4 cents per pound).
United States: Free.

Mr. LONGWORTH. Will the gentleman yield?

The CHAIRMAN. Does the gentleman yield to the gentleman from Ohio?

Mr. NORRIS. Yes; I yield to the gentleman from Ohio.

Mr. LONGWORTH. Has the gentleman any figures to show what proportion of all our importations of coffee are of Brazilian coffee?

Mr. NORRIS. Yes; I have figures on that. I am going to give them later.

Mr. LONGWORTH. I did not hear that.

Mr. NORRIS. Yes; I have some tables showing that. I will take that up right now, if the gentleman from Ohio will give me his attention.

It must be noted, of course, that the people of the United States consume more coffee annually than is produced by all the coffee-producing countries of the world outside of Brazil, and if we stopped at this point we would, perhaps, get no relief to the consumers of coffee, because if the free coffee did not equal the consumption then the owner of the free coffee would, of course, raise the price to the level of the tax-paying coffee. In other words, the coffee which paid the duty and which it would be necessary to put with the free coffee in order to equal the amount of coffee we consume would fix the price of coffee to the consumer. To meet this difficulty we could provide by the proper enactment to admit from Brazil up to a certain limit her coffee free of duty, on the same theory that we admit to a certain limit tobacco free of duty from the Philippine Islands. In round numbers, we consume annually between seven and eight million bags of coffee. The coffee-producing countries of the world outside of Brazil produce and export from their respective countries from four to five million bags of coffee. I think it is nearer five millions and sometimes over five rather than under. If we provide by law that from three to three and a half million bags of coffee from Brazil should be annually admitted free, and then charge a high duty on the importations of the balance of Brazilian coffee imported, while admitting all the coffee of the balance of the world free, we would, in my judgment, completely meet the situation. This would, in effect, give the American consumers of coffee the lower prices that would come through the admission of free coffee, while it would practically exclude from our market all Brazilian coffee which we would not need for consumption.

It must be remembered also that Brazil produces a large amount of other products which we admit into our country free of duty. These same products are produced by the other South American and Central American countries, and by Mexico. It would be an easy matter to charge Brazil an import duty on her importations of such products while admitting them free from the other countries named.

The effect of this would be to place Brazil at a great disadvantage in the markets of the United States with all other countries whose products are similar to those produced by Brazil. She would lose a large part of the trade with her most valuable customer. During the year 1910 we purchased from Brazil, outside of coffee, about $70,000,000 of her products, which we admitted free of duty. If we should provide by law for the same discrimination against these products as I have outlined that it would be possible for us to provide as regards her coffee, she would find herself without a market for her surplus products, and as a matter of self-preservation she would be compelled to comply with our law and desist from further participation in any scheme of valorization.

The success that has come to this combination in its attempt to valorize coffee has been so marked that for some time there has been agitated in Brazil the proposition of organizing a similar combination in regard to rubber. The increased demand for several years all over the civilized world for rubber, particularly in the automobile industry, has materially increased the price of the product. From present indications the world's demand for rubber will continue to increase at a wonderful rate. It would therefore be a very desirable commodity in which to organize a gigantic world's trust with a view of controlling the supply and thus increase the price to the consumer.

During the calendar year 1910 there was imported into the United States 90,139,332 pounds of rubber. Of this amount we received from Brazil 36,236,475 pounds, valued at $41,582,766. During the calendar year 1909 there was imported into the United States 93,967,414 pounds of rubber. Of this amount Brazil sent us 44,219,868 pounds, valued at $43,099,654. During the same calendar year (1909) there was imported into the United Kingdom from all other countries 83,471,360 pounds of rubber. Of this amount Brazil furnished her 34,578,880 pounds, valued at $41,982,000. During the same calendar year there was imported into Germany 48,893,618 pounds of rubber. Of this amount Brazil furnished 10,566,647 pounds, valued at $12,550,000. During the calendar year 1909 there was imported into France from all other countries 25,579,973 pounds of rubber. Of this amount Brazil furnished 4,418,018 pounds, valued at $6,962,000; showing that Brazil produces and furnishes a large majority of the rubber that is used in the civilized world, although not nearly as great a per cent as she does of coffee.

It must be remembered in analyzing these figures that all the rubber imported from Brazil into the various countries named was produced in Brazil, while as a matter of fact the importations from other countries often included rubber that had not been produced in the countries from which it was exported, and undoubtedly some of this rubber imported from such other countries was produced in Brazil.

It will be seen from this that Brazil does not produce as large a proportion of the world's rubber as she does of the world's coffee, and it will therefore be a little more difficult for her to carry out a scheme of valorization as applied to rubber with the same success that she has had in the valorization of coffee. There is no doubt but what it is generally understood in rubber circles that an attempt is being made to valorize rubber and that Brazil is lending her influence to this scheme.

In the New York Journal of Commerce of February 24, 1911, it is stated as a matter of news that the recent advance in rubber was undoubtedly caused by the circulation of the report that there was taking place in rubber circles some such scheme like that of the Brazilian Government's valorization of coffee. It is generally believed that the Brazilian Government has taken a hand in this proposition, and that if the necessary arrangements can be brought about the world will soon see the valorization applied to rubber as it has been applied to coffee. In this article it was stated that the indications were that the Bank of Brazil, a Government institution, was undertaking to organize financial interests in Brazil for the purpose of controlling rubber, and that, while official announcement of the connection of the Government with the scheme was not made, it was ascertained on inquiry that the Brazilian Government itself was behind the proposition. It was stated that this bank had already organized branches at the chief Amazon River ports, and

the president of the bank had sailed for Europe and the United States with the intention of making the necessary financial arrangements in these countries. From other sources I have learned that it is currently reported in Brazil trade circles that the Brazilian Government itself intends to advance $20,000,000 for the purpose of starting this huge combination and bringing about the control of the rubber market of the world.

We have recently heard a great deal about the control of the potash industry by Germany. It has been claimed that there is an attempt on the part of Germany to monopolize and control the potash industry of the world. Without attempting to express any opinion as to the merits of this controversy, it can at least be said that Germany's step has in its favor the more or less plausible claim that it is simply an effort on her part to conserve her natural resources, while the Brazilian Government has even curtailed the resources at least of some of its people in order for the chosen ones to profit thereby. Is the world soon to see an era of combination greater than the tendency which has existed in that direction in the past? Are we to pass from combinations of men, wealth, and corporations controlling the products in one particular country to another step wherein men, financiers, and corporations of different nations shall combine to control and monopolize articles of commerce over the entire world, and then from that to the still further step that the nations themselves shall become participants in these great combines with the view of monopolizing the products of their own countries at the expense of the consumers of the balance of the world? The success of the valorization of coffee and the apparent tendencies toward a similar attempt in regard to rubber, with perhaps an effort on the part of Germany to do the same as regards potash, would indicate that the tendency of the times is in that direction.

If the conspiracy to monopolize and control the market price of any product is composed of men and corporations, the combination thus formed is an ordinary, common trust, but if the combination has behind it the power and influence of a great nation, it is dignified with the new term "valorization." Reduced to common language, it is simply a hold-up of the people by a combination composed of men, corporations, money, and nations that extends and reaches out over the entire civilized world.

I have no doubt but what such a combination can be and will be nullified and dissolved by the proper amendments to our tariff law, which I have suggested, but if such a change in the law is not sufficient or will not accomplish the ends, then we will ultimately be forced to the necessity, in self-defense and in defense of our people, to go ourselves into the valorization business. In looking over the world of commerce it at once becomes apparent that the United States is, on account of its geographical location and the diversity of its products, industries, and manufactures, in a better condition to thus valorize any of the common necessities of life than any other nation of the world. In the calendar year of 1909 the world produced 854,316 metric tons of copper, of which the United States produced 501,372 metric tons, the product of the United States being 58.69 per cent of the world's production. The average yearly production of copper from 1900 to 1909, both inclusive, has been 663,832 metric tons. The average yearly production of the United States during that period has been 369,418 metric tons, the same being 55.68 per cent of the world's production. Copper is used all over the civilized world in various manufacturing enterprises. The increase of the use of electricity has increased to a great extent the use of copper. Germany, in particular, in her manufacturing enterprises uses and must have a large amount of copper, and during the calendar year of 1909 she consumed in her manufacturing industries 154,673 metric tons of copper. Of this amount she purchased from us 143,718 metric tons. A metric ton is 2,204.6 pounds. Without American copper many of the most important manufacturing industries of Germany, as well as the balance of the civilized world, would be compelled to shut down.

During this same year—1909—England imported from all other countries 2,188,762,240 pounds of cotton. Of this amount 1,640,484,160 pounds were supplied by the United States. During the same year Germany imported and used in her manufacturing industries 1,068,514,505 pounds of cotton. Of this amount she imported from the United States 810,472,688 pounds. During the same calendar year France imported and used in her various manufacturing industries 702,581,769 pounds of cotton. Of this amount she purchased from us 558,539,819 pounds. During the same year Austria-Hungary imported for her manufacturing industries 414,316,298 pounds, of which she purchased from us 233,916,878 pounds. Italy imported 420,730,273 pounds, of which 303,092,817 pounds came from the United States. The same is practically true of all the other civilized nations of the world. Without American cotton the spindles of the civilized world would become idle. The same comparison might be made with many of the other common necessaries of life.

I offer these figures and facts not because I advocate or am in favor of the United States entering into any such unfair and unjust combination to control arbitrarily and unreasonably the price of any of the common necessities of life, but to show that if we were driven to the extremity of meeting international combinations by methods so unjust and so unfair, we are so situated and in possession of so many natural resources and the necessaries of life that we could more than hold our own in such a contest. I do not believe there will be any necessity for resorting to such procedure. As I have said before, I think the proper changes in our tariff laws will bring about the necessary relief, as far as foreign nations and States are concerned, and that the proper enforcement of laws already on our statute books will prevent citizens of our own country from engaging in or becoming parties to any conspiracy or combination having for its object the monopoly of trade and the increase of the price of commodities.

It is gratifying also to note that the participation on the part of Brazil in this world-wide combination to control the price of coffee has received the attention of lawmakers and people generally in countries other than our own. The subject has been discussed, with a view to investigation, in the German Reichstag. On the 15th of December last the Deutsche Kaffee-Zeitung, published at Berlin, went into a full discussion of this Brazilian coffee valorization scheme, and as a result of this exposition and other investigations that have been made in Germany on the subject, the indications are that the German Government will enact the necessary legislation to prevent, in Germany at least, the carrying out of this colossal combination.

I have been moved in the suggestion I have offered not by any spirit of hatred or animosity toward Brazil, but by a firm belief that we should enact the necessary legislation to prevent the further robbing of our people by this gigantic combine, and that we should not hesitate to act simply because a great and friendly nation is one of the guilty parties in the deal. We ought to be just as careful to protect our citizens against monopoly if the promoters of such monopoly are sovereign States as though the affair were accomplished by our citizens alone. I ask nothing for our own people but what is fair and right, and we ought not hesitate to give it to them regardless of who the wrongdoers may be. As a Nation and as a people we are in possession and control of the natural resources and are occupying a situation that, by demanding and asserting only what is right and fair, we will be able to secure justice to our people without doing any injury to the people of any other nation. To this we are entitled, and we should be content with nothing less. With a spirit of entire friendliness toward the balance of the world we should demand and exact common justice to our own people. We should apply the doctrine of the golden rule to all the people of the earth and at the same time should insist that the rule work both ways. We should give justice to all others and should demand that the recipients of our favor repay us in kind. [Applause on the Republican side.]

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

Mr. NORRIS. I yield to the gentleman.

Mr. CANNON. I have listened with very great interest to the speech of the gentleman, and frankly say that it is a subject that I have had little leisure or, if I have had leisure, have lacked industry to investigate; but I would be glad to have the gentleman tell me if he knows the importing price now of the coffee berry.

Mr. NORRIS. I have it here. I think I can give it to the gentleman.

Mr. CANNON. Eight cents?

Mr. NORRIS. No.

Mr. CANNON. Not so much as that?

Mr. NORRIS. It is more than that. I have here a letter, dated March 24, in which it is stated that on Monday, March 20, the commonest kind of Rios—that is, No. 7 Rio—and I will say to the gentleman that that is the grade upon which most of the figures are based unless it is otherwise stated—were firmly held at 12½ cents; Santos, at 12¾ to 13; Santos and Rios No. 4 were offered at 13¼ cents. He goes on to say that good roasting and drinking Santos, 3 and 4, were 13¾ to 14⅝, according to quality.

Mr. CANNON. That was the importing price or the jobbers' price?

Mr. NORRIS. I take it that that was the importers' price. I will say to the gentleman that the table I quoted in my speech, running up to the 1st of January, shows that on January 1 the price of coffee was 13½ cents.

Mr. CANNON. The importing price or the jobbers' price?

Mr. NORRIS. Yes.

Mr. CANNON. I am glad to know the price. Has the gentleman investigated the price that we all pay when we buy coffee for consumption?

Mr. NORRIS. I have made no extended investigation. I have, I presume, the same knowledge that the gentleman has if he buys coffee. I can not say that my information is absolutely reliable, but I understand that the average price of retail coffee, taking all grades and averaging them, is 25 cents, over the country.

Mr. CANNON. Generally roasted and put in packages?

Mr. NORRIS. I think, perhaps, roasted and put in packages it would be a little more, would sell a little higher than that; perhaps from 30 to 40 or 45 cents. I think the cheapest kind is not sold in that way.

Mr. CANNON. My recollection is 30 to 40 cents on my grocery bills.

Mr. NORRIS. I think the coffee that is put in packages would probably sell for over 30 or 40 cents; but averaging all the coffees, including the poorer grades, that would bring the price down.

Mr. CANNON. Has the gentleman investigated far enough to know whether the combination made by Brazil and other people in the world, capitalized as it is, has charge of the preparation of the coffee from the time that it is imported and lands free or duty paid in the various countries to the time that it reaches the retailer, and whether prices are dictated by this combination to the retailer, at which he sells?

Mr. NORRIS. I have not any information on the subject as to whether they control or attempt to control any further than the sale to the big jobber, although the American member of the committee controlling the valorized coffee is a member of one of the largest coffee-jobbing firms in the United States. I would like to say in connection with this that in this letter of the date of March 24 the writer of the letter, a coffee expert, gives an opinion, together with some information. I will read an extract:

In talking the situation over with a gentleman who represents a large Brazilian coffee-importing interest, and who has been a bear for the past 10 years, and who remained a bear up to 3 months ago, he told me that if the Brazil coffee remained in the hands of the present owners that there was nothing to prevent them from putting the price of coffee to 20 cents by December 31 of this year, and that he firmly believed that we would see Rio number 7 sell at 20 cents before this year was out.

Mr. CANNON. I do not see why, if the combination is as it seems to be, that is not practicable. But it seems to me, the importing price being 13 cents or 14 cents, and when it is roasted and ground and put in packages and sold to the consumer, oh, say, 28 to 30 cents a pound, that is almost 100 per cent for roasting and grinding and delivering to 92,000,000 people. The gentleman presents a very interesting state of facts, which, it seems to me, if possible, ought to be dealt with, but probably there is a much greater manipulation somewhere after the coffee is imported that smells of monopoly.

Mr. NORRIS. I think that is true with every product that goes from a big jobber down to the consumer through the retailer—that there is a great deal of increase in the price—and, to look at it abstractly, it looks too great. But, of course, there is a reason why there should be a greater advance in price than where it is handled in quantities of several million bags at a time. As to the combination I have been speaking of, I have not traced it any further, but it is very probable that this combination reaches beyond the valorization plan.

Mr. MICHAEL E. DRISCOLL. Will the gentleman yield?

Mr. NORRIS. Certainly.

Mr. MICHAEL E. DRISCOLL. I think the committee would be glad to know how these very large profits made by the combination are divided up. First, whether the bankers who advance the money get any more than 6 per cent on the principal when it is closed out.

Mr. NORRIS. In the first place, the bonds drew 6 per cent interest and, I understand, were underwritten by those who took them at 85 cents on the dollar. In order to pay out there was an enormous profit, and in order to insure their paying out they had to control the price of coffee.

I find in various reports and articles that there is a large expense connected with it that all comes out of the export tax and from other sources. As to all the other sources of income and revenue, I am not able to tell and have not been able to discover.

Mr. MICHAEL E. DRISCOLL. Does the agreement provide for a sinking fund to pay these bonds in 1919?

Mr. NORRIS. Yes.

Mr. MICHAEL E. DRISCOLL. Are they all to be paid off through a sinking fund?

Mr. NORRIS. Yes; all to be paid by 1919.

Mr. MICHAEL E. DRISCOLL. Aside from what the gentleman has just stated, I would like to ask the gentleman if the Brazilian Government gets the balance of the profit?

Mr. NORRIS. I can not tell you what the Brazilian Government gets beyond what I have stated. In the reports I have had access to, made to the Brazilian Government by some of its officers, and a part of which I have read, they mention a profit to the Brazilian Government. I would not say on my own investigation that the Brazilian Government was getting, as a Government, any profit out of it. They may be, but I do not know about it.

Mr. MICHAEL E. DRISCOLL. Does the gentleman know whether or not the price is raised to the producers of coffee in Brazil according as the price is raised in the market?

Mr. NORRIS. No; I could not say. I suppose in Brazil most of the people raise their own coffee and do not have to buy it.

Mr. MICHAEL E. DRISCOLL. I mean the people who raise coffee that is put into this pool for distribution throughout the world.

Mr. NORRIS. Do they get an increase in the price?

Mr. MICHAEL E. DRISCOLL. Yes.

Mr. NORRIS. I think they do.

Mr. MICHAEL E. DRISCOLL. And does the gentleman think they get the main part of the profit that comes from this raising of the price of coffee throughout the world?

Mr. NORRIS. No; I do not think they do.

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

Mr. NORRIS. Yes.

Mr. OLMSTED. I would like to ask the gentleman if he has made any investigation as to the cost of producing coffee in Brazil?

Mr. NORRIS. No; I have not.

Mr. OLMSTED. I would say that a year or two ago, when looking up the Porto Rican question in the consideration of the coffee grown there, I investigated it somewhat, and satisfied myself as a result of such investigation that the average grade of coffee costs to produce in Brazil about 3 cents a pound, and could pay an export duty of 3 cents a pound; and coffee could be laid down in New York at 7 cents a pound, and would be unless the price were increased by some artificial means.

Mr. NORRIS. I will say to the gentleman that at the time of the beginning of this valorization plan No. 7 Rio was selling in New York at about 6 cents a pound.

Mr. OLMSTED. Everything above 6 or 7 cents a pound is the result of artificial enhancement of the price.

Mr. NORRIS. I think so, because for several years there was more coffee produced than there was consumed.

Mr. STERLING. One question more. Is it true that the Government of Brazil has limited the production of coffee by legislation?

Mr. NORRIS. Yes; I could not say it was by legislation, but they have limited it by law. I do not know whether it is necessary to have legislation, or whether an edict or something of that kind was issued.

Mr. SABATH. They have limited the sale of it, have they not?

Mr. NORRIS. They have limited the production, which of course limits the sale.

Mr. UNDERWOOD. Mr. Chairman, I yield 40 minutes to the gentleman from Alabama [Mr. HOBSON].

Mr. HOBSON. Mr. Chairman, it is very fortunate at this juncture, when the control over the fiscal policies of the Nation is changing hands, that the Democratic Party coming into power should immediately submit to the consideration of this House a limited free-list bill. Such a bill is particularly fortunate because it does not involve the discussion of schedules. Our fathers, in considering tariff policies, gave their time and thought chiefly to the discussion of the fundamental principles involved, and upon these principles they founded broad policies. But for the last 20 years the consideration of tariff bills has degenerated into the formulation of a series of complicated mathematical schedules determined chiefly by the interests benefited, each interest bent on getting all it can.

BACK TO PRINCIPLES.

A whole generation has grown up under the influence of such a method of treatment, and local, selfish interests have supplanted broad principles and policies in the framing of tariff bills. It is high time to return to the methods of our fathers, and the country is to be congratulated that now, for the first time in this generation, Congress has before it a bill that involves no adjustment of schedules, a free-list bill that can be and should be disposed of from consideration of broad policies and fundamental principles.

TWOFOLD EFFECT OF BILL.

The purpose and the effect of this bill may be divided into two parts. One is to relieve as far as may be the high cost of living. The other is to readjust our fiscal policies to do justice to the agricultural population. I shall not at this time make an extended discussion of the items in the bill, but pass rather to a discussion of the fundamental principles upon which they are founded, at the outset I wish to call attention to the fact that in this bill the Democratic Party has proceeded wisely in the methods adopted to attain the twofold object, namely, to lower the cost of living to all and to adjust equitably the conditions in the farming industries.

STRIKES AT MONOPOLY.

To lower the cost of living the bill does not aim to interfere with legitimate laws of supply and demand and the natural high prices that bring prosperity to the producers, but it strikes at the interference with natural laws through restraint of trade. It is a matter of general knowledge that monopolies have gained control of many of our necessities of life, and always as a middleman, by which prices are put up to the consumers and put down to the producers. This bill strikes at the middleman monopoly and without lowering prices received by the producers will relieve the burdens now laid on the consumer.

LIGHTENS BURDENS OF FARMERS.

To relieve the discrimination so long practiced against those engaged in agricultural pursuits the bill does not undertake to give the farmer artificial protection, but it does relieve him from unjust burdens of taxation now laid on the articles required on his farm. For more than a generation the whole effect of our fiscal policies has been a discrimination in favor of city pursuits and against agricultural pursuits, so much so that the equilibrium of population has been disturbed by a steady stream flowing from the country to the city. At the outbreak of the Civil War it is estimated that over 80 per cent of our population were engaged in agricultural pursuits; to-day the new census will probably show that only 30 per cent are so engaged.

ABNORMAL GROWTH OF CITY LIFE.

The discrimination in favor of city pursuits began incidentally in the adjustment of fiscal policies to meet the demands of war expenses and of the great public debt incurred by the war. It was simply a repetition of history that the burdens of the war should fall chiefly on the shoulders of the farmers. But when the war debt was practically paid, the burdens on the farmer were not removed. On the contrary, in the three principal tariff bills of the last 30 years—the McKinley bill, the Dingley bill, and the Payne bill—the burdens on those engaged in agricultural pursuits were steadily increased; discrimination in favor of manufacturing pursuits as against agricultural pursuits became a settled policy; the flow of population from the country to the city has never abated; immigrants coming from abroad remain in the cities. Never before in the history of the world has there been such an abnormal growth of city life with so little growth of country life, and it can have no other basic foundation but the artificial discrimination of our fiscal policies in favor of cities and against the farms.

We can not escape the parallelism between the census reports showing the great velocity of the current from the farm to the city and the increase in the duties on manufactured articles from one tariff bill to another. In fact these bills show on their faces that our fiscal policies have been framed primarily at the instance of, if not under the promises of, great manufacturing industries located in the cities and not with regard to the interests of the farmers or of the country as a whole.

THE MENACE OF DEGENERACY.

I will not at this juncture discuss the grave perils that attend an abnormal growth of city life, but can not refrain from pointing out that such a growth preceded the downfall of all the great nations that have perished. It is in city life that national degeneracy does its deadly work. It is in city life that the people come under the dominion of alcoholic poisoning, which not only saps the life force of those who drink, but causes their progeny to be abnormal and degenerate from childhood. The effect of a vast degenerate vote upon the purity of the ballot has already blighted self-government in our great cities. The yearly consumption of alcoholic beverage per capita in the United States has gone up from 4 gallons in 1850 to more than 25 gallons to-day, and is increasing steadily with the preponderance of city life. This bill does not go far, but it is a step toward correcting a vicious policy of discrimination in favor of city life that has come to menace the foundations of the Republic.

I intend, Mr. Chairman, to adhere to my purpose of confining my remarks in the limited time allotted me to discussing the principles involved in this bill and not the individual items, but there is one item that ought to be taken up as affecting a great public policy, our trade relations, and notably our balance of trade with the rest of the world, the item bearing upon the culture of cotton.

In the last few days Members of this House, notably the gentleman from Massachusetts [Mr. GARDNER], and some of the papers, have alleged that this bill discriminates in favor of the southern farmer because it puts cotton bagging and cotton ties on the free list. The fact is that the discrimination has been against the southern farmer all these years. The last Democratic tariff bill, the Wilson-Gorman bill, put binding twine and yarn on the free list along with cotton bagging and ties, treating the western farmer and the southern farmer alike, but the Republican tariff that followed, while leaving binding twine and yarn on the free list, put a high duty on cotton bagging and ties, and Republican Congresses have turned a deaf ear to the demands of the southern farmer, and have kept the tariff high, while a monopoly absorbed the manufacture of cotton bagging and ties. This bill simply gives a tardy relief from monopoly and removes the discrimination against cotton culture.

COTTON A GREAT NATIONAL QUESTION.

I wish to call the attention of this House to the fact that the question of cotton is not a local but a national question of the first importance. Unfortunately, cotton was formerly associated with slave labor, and this association engendered a prejudice that has steadily persisted in the minds of our National Government and has resulted in great injustice to those engaged in cotton culture and in great financial loss to the Nation. Nearly a half century has elapsed since the proclamation of emancipation and the close of the Civil War, and we should look at the facts dispassionately. After the surrender, and after the full restoration of citizenship, cotton belonging to southern citizens was seized by our Government without compensation, amounting to more than $5,000,000, and not till the Sixty-first Congress has action been taken looking toward indemnifying the citizens so openly and admittedly wronged.

HISTORIC PREJUDICE AGAINST COTTON.

This unlawful seizure of cotton was quickly followed by a direct tax on cotton, a measure that was unconstitutional on its face, but before the Supreme Court declared it unconstitutional over $67,000,000 were collected, and to this day the Treasury of the United States carries $67,000,000 taken away unlawfully by the Government from its citizens. When the income tax was declared unconstitutional, the taxes collected were promptly returned, but this vast sum exacted from a people in dire distress has lain in the Treasury and no action has been taken to return it to its lawful owners.

Last year there was a question of a contest between the bears and the bulls on the cotton market. For once since the Civil War the bulls, favored, you might say, by Providence and the weather, were able to hold their own and keep the price of cotton up to the level of supply and demand, whereupon, for the first time in the history of this Government, the Department of Justice proceeded to prosecute the bulls because they formed a pool to control a few hundred thousand bales of cotton out of a crop of over 11,000,000 bales to protect their own interests and keep up the price of cotton, and made no effort to prosecute the bears for combinations openly made to advance their own interests by putting down the price of cotton. The Government found indictments in July when the cotton market was dull, criminal indictments that called for speedy trial, and kept them sealed until last year's crop was marketed and then at a critical time brought them forth and furnished the strongest factor in putting down the price of cotton.

THE GOVERNMENT A BEAR ON THE COTTON MARKET.

It is estimated that more than 1,000,000 bales of cotton futures were speedily sold abroad by spinners and bear speculators—cotton that had never even been planted—sold at a price far below the price at which actual cotton could be bought, all for the purpose and with the effect of breaking the market. It is estimated that the Government appearing constantly as a powerful bear factor on the cotton market is costing America over $50,000,000 loss annually in its proceeds of sales of cotton abroad. Before the bull pool had been formed the bear interests had depressed the price of futures to 8½ cents per pound; as a result of bull operations the crop of 1909 was marketed at nearly 15 cents a pound, a price in keeping with the small crop. America's sales abroad actually brought $450,000,000 cash, whereas at the bear prices it would have been $250,000,000, a difference of $200,000,000. It seems incredible that our Government should go out of its way to become and remain a bear

on the cotton market and cut down the profits of the sales of our own people to the people abroad. Never has the Government undertaken to prosecute the bears on the cotton market; never has it undertaken to prosecute bulls or bears on the wheat market or any other produce market. On the cotton market, where we sell over half of our total crop abroad, our Government should appear as a bull and not as a bear.

That brings me to the point I wish to make, namely, that the cotton industry is not sectional but is the most national of all our industries.

AMERICA A LEGITIMATE BULL ON THE COTTON MARKET.

Supplying, as we do, about 70 per cent of all the cotton of the world, our Government should give every legitimate assistance to our producers to grow and to market their crops and should adopt the policy in both its branches, legislative and executive, of a bull on the cotton market. Germany produces a large fraction of the actual output of potash, though not as large a portion as we have of cotton, and the German Government, legislative and executive, has put itself upon the market as a powerful bull agent for potash. We have just listened to eloquent remarks about coffee. Brazil produces a large fraction of the coffee of the world, though not as large a portion as we do of cotton, and the Brazilian Government has taken hold of the coffee market as a powerful and dominating bull agent. Think what this cotton crop of ours would add to our national wealth and prosperity if prejudice did not blind us to its claims and its possibilities.

AMERICA HAS A PRACTICAL MONOPOLY OF THE COTTON PRODUCTION OF THE WORLD.

We produce to-day in the neighborhood of 70 per cent, nearly three-fourths, of all the cotton produced in the whole world. Cotton has at times been $1, $1.25, and $1.50 a pound, and yet, while the nations of the world have tried, in all parts of the world, to grow and develop the cotton industry, they have always failed. They have found rich soil; they have found equitable, average temperature, but they have never found the meteorological conditions required for cotton culture. Take the physical geography of the United States you will see that it is like a great funnel, with the Appalachian system running parallel to the coast to the north and east, and then half way across the continent the Rocky Mountain system running north and west.

THE CONTINENTAL FUNNEL.

The vast plain between these systems has the Great Lakes at the northern end, deep and cold, and the Gulf and southern Atlantic at the southern end, with no mountain barriers between. Not far out from the seaboard is the Gulf Stream. That warm current, gathering in the equatorial regions, curves and sweeps up parallel to the coast. At a higher temperature than the surrounding water and atmosphere vast volumes of heavy moist-laden air rise from its surface to the upper region of the air.

In the late winter and spring the draft of that great continental funnel draws from the south and the southeast. The vast volumes of moisture above the Gulf Stream are drawn across the Southern States and up the Mississippi Valley. The effect of the Great Lakes, which are cold the year round, is to cause precipitation. The great waterfall in the Great Lake region and Mississippi Valley does not come from the Great Lakes. They are inland. It could not come from them primarily. The moisture does not cross the mountains and come from the east or the west. It could not. It comes up the Mississippi Valley from the Gulf and the Gulf Stream, and produces the vast corn area of the Middle West and the cotton area of the South.

The draft of the funnel coming from the south and southeast in the late winter and spring and early summer is reversed in the middle and late summer and early fall and discharges the dry air from the continent at the time when this sun crop wants no more moisture, but wants the sun. In all other tropical and subtropical lands the heat and the moisture do not come at the right time for cotton. As a rule the moisture comes when the plant wants dry weather. The meteorological combination we have in the Southern States is not duplicated anywhere else in the whole world and gives us a monopoly of cotton culture. It is time that our American people should realize the fact that nature has put into our hands the power to control the first great necessity of all civilized human life.

COTTON THE FIRST GREAT NECESSITY OF HUMAN LIFE.

Clothing comes first, because food products are very variable. Man's digestion is very adaptable. But for clothing there is but one article that can supply the world. Fig leaves were found inadequate after the fall. Furs and skins are gone. Silk is not practicable and wool is limited. The great masses of all the men who live in the world must wear cotton if they would not go naked. Every time that a population is increased a certain percentage, that many more people must be clothed with cotton. We have to-day in our country over 20,000,000 more people to clothe than we had at the last census. The increase of population in Europe must be clothed with cotton. As the Gospel joined with the steamship and the electric wire adds new peoples to the world's civilization, those peoples, the vast myriads of Asia and Africa, must be clothed with cotton grown largely in America.

What a short-sighted policy it is, what economic suicide, for America herself to join with the spinners, the bears of Europe and Asia, to depress the price of cotton.

For 30 years a small group of men, spinners, and those who make money in the cotton futures, have been able to dominate the cotton market and depress the price. They form combines openly, shut down mills, and offer future cotton that has never been planted, at $10 and $15 a bale less than they would have to pay for cotton actually in the market. When buyers step in to take up these offers, the Government interferes and the price goes down all over the world.

GOVERNMENTAL DISCRIMINATION.

Bear combinations of spinners and "spot houses" go on openly unmolested, but a bull combination to handle less than a fiftieth part of a single crop precipitates prosecutions conducted in just the manner best suited to the operations of the bears.

I would like to turn the vision of Members to the possibilities in our reach if we adopt an intelligent attitude toward cotton, both its culture and its manufacture. As long as we sell great quantities of raw cotton abroad, the Nation, its people and its Government, should keep the price of cotton high. But we should not be content with selling raw cotton for others to get the profits in the manufacture and sale of the finished product. It is not raw cotton but the cloth that constitutes the necessity of life and the major profits always go to those who make and sell the finished product.

AMERICA MUST CONTROL CLOTHING OF THE WORLD.

We can and must make and control the clothing of the world.

We should proceed on sound economic lines to increase our mills till we spin and weave here in our own country all the cotton that we produce. America would then hold in its hand a permanent power that would bring all the rest of the world to its feet. They would have to come, or else go naked. This power would enable us ultimately to dominate the commerce, the finance, and at last, the policies of the world.

Mr. RUCKER of Colorado. Will the gentleman yield?

The CHAIRMAN. Does the gentleman yield to the gentleman from Colorado?

Mr. HOBSON. Yes.

Mr. RUCKER of Colorado. Does the gentleman intend to discuss any further the effect of gambling in futures of cotton?

Mr. HOBSON. I expect at a little later date to bring it up.

Mr. RUCKER of Colorado. A later date than to-day?

Mr. HOBSON. Yes. I hope to see it made a subject of exhaustive investigation by this House, and in that connection I expect to bring out all the points bearing upon the subject.

Mr. RUCKER of Colorado. One more question. Will the gentleman at the same time discuss the question of gambling in grain, concerning which I introduced a bill on the first day of this session—to forbid it—following the lines of the cotton bill?

Mr. HOBSON. I can not speak for the committee of investigation, but all of those subjects can be brought up for investigation by one committee or several committees.

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

The CHAIRMAN. Does the gentleman from Alabama yield to the gentleman from Kentucky?

Mr. HOBSON. Yes.

Mr. CANTRILL. Will the gentleman from Alabama permit me to offer a suggestion, that the Department of Justice prosecuted the tobacco farmers of Kentucky when by their own efforts they had raised the price of tobacco from 5 to 15 cents a pound, and sent its officers to Kentucky and dragged Kentucky farmers into the Federal courts and prosecuted them and fined them. I simply offer that as a suggestion to bear out what the gentleman says as to the prosecution of the cotton farmer and the policy of the Republican Party now in control as against the farmer.

Mr. HOBSON. I am glad that the gentleman brings that point out. No policy of government could be more pernicious than that of persecuting those who produce American staples and allowing to go free those who combine to put down the price of those staples.

Now, Mr. Chairman, I will take up the thread of my discourse. In achieving this future of greatness the country should look to the South. The South to-day is the greatest undeveloped asset this nation has. [Applause on the Republican side.]

Now, I do not propose on this occasion to discuss the general question of the resources of the South, but I desire to suggest to you who come from sections further developed, from whose districts farmers are going out in search of cheaper lands, that land values in the South are but from one-sixth to one-seventh of what they are in the Middle West. The Agricultural Department has demonstrated—and I have had it done in my district—that by equal care you can produce more on an acre of land there, where the tax value is $10 an acre, than on an acre of land in Illinois, where the tax value is $72 an acre. I wish to suggest further that the completion of the Panama Canal is going to cause the South to be discovered and peopled and land values will advance faster than they ever did in the Middle West. Why should farmers selling their high-price lands in the Middle West go to the cold Canadian northwest or to the arid southwest and buy lands three times as dear as more fertile lands in the salubrious Southern States.

THE SOUTH THE NATURAL HOME OF MANUFACTURING.

But I wish at this juncture to point out that in the great industrial expansion to produce the clothing of the world, the South is the logical region for the factories. The raw material—cotton—is on the spot. The power, both coal and water power are at hand. It is estimated that the South has 60,000 square miles of coal fields, the greatest undeveloped coal fields in the civilized world, and that it has 5,000,000 horsepower of waterfalls available under usual methods and 10,000,000 horsepower ultimately available, more than half of all the undeveloped water power in America. The white population of the South is demonstrating a high capacity for skilled labor when trained. More than two-thirds of all the inland navigable waterways are in the South, most of them flowing to the Gulf, giving short water transportation to tidewater—straight in line for the future center of distribution of world staples.

Nowhere else in this country or in any country can you find the raw materials and the power together in quantity with advantages for transportation. This wonderful combination applies to industries based on iron and industries based on cotton—the two greatest basic materials. Near my district is found great deposits of iron in one range of hills, great deposits of coking coal in the hills in front and limestone for fluxing in the valley between. If any one of you will come down in my district and erect a cotton mill, I will see to it that you are given a coal mine to erect it on, and you can build it in a cotton field that will supply the raw material. [Applause.]

Mr. HAMILTON of Michigan. Will the gentleman yield?

The CHAIRMAN. Does the gentleman from Alabama yield to the gentleman from Michigan?

Mr. HOBSON. Yes.

Mr. HAMILTON of Michigan. I want to say to the gentleman from Alabama that I regret very much that I did not have an opportunity to hear all of his remarks. What I have heard of them was very interesting and instructive. I want to make this inquiry of the gentleman. Suppose Canada grew cotton, and American cotton were protected by a tariff, would the gentleman be in favor of removing the protection from the cotton grower?

Mr. HOBSON. Certainly. You do not have to protect yourself against yourself. [Applause on the Democratic side.]

Mr. HAMILTON of Michigan. Do you regard Canada as yourself?

Mr. HOBSON. Canada does not grow cotton.

Mr. HAMILTON of Michigan. I said, suppose Canada grew cotton.

Mr. HOBSON. Precisely.

Mr. HAMILTON of Michigan. Evidently the gentleman did not understand me.

Mr. HOBSON. I see. Mr. Chairman, I have just demonstrated that in all the realm of physical science such a supposition is impossible.

Mr. HAMILTON of Michigan. Certainly; it is an insupposable case.

Mr. HOBSON. I can not bring myself to leap over impossibilities, any more than nature can over a vacuum.

Mr. HAMILTON of Michigan. I wanted to ask the gentleman to draw the long bow of his imagination. He has a very active imagination.

Mr. HOBSON. And I am going to draw it in a few minutes, and I hope to the entire satisfaction of the gentleman, on that same line.

Mr. HAMILTON of Michigan. Could not the gentleman draw it now?

Mr. HOBSON. Yes; I could. It would be very simple and easy. If we have natural conditions here that warrant cotton as a great permanent industry, and if our people are the equal of others, particularly if we can demonstrate that they are the superiors of any of their competitors, and especially if we can demonstrate that their natural resources in this supply are superior to those of their competitors, then I would say that they need no protection in the world; and furthermore, that to give them any protection would be tending to build up a wall around them, like trying to keep children inside of a yard instead of letting them go out into the open fields.

Mr. HAMILTON of Michigan. Will the gentleman permit me? The gentleman has demonstrated that the cotton grower of the United States has practically a monopoly of cotton production for the world. He has demonstrated that climatic conditions in the South are extremely favorable to cotton growing. Now, I am asking the gentleman to suppose conditions in Canada to be as favorable to the production of cotton as conditions in the Southern States. The gentleman may say that is an insupposable case, but I am asking him to assume that. Then I am asking him to assume protection against Canadian cotton. Then I am asking the gentleman if he would be willing to remove the protection to the cotton grower of the United States?

Mr. HOBSON. I will say to the gentleman that the proposition is very plain in my mind, as a matter of principle. Assuming that this industry could be a permanent one and had passed its infancy I would certainly be willing to see all protection removed. If it could not be a permanently profitable industry we would have to protect it if we wanted it at all. But there are very few industries that as a people we ought to maintain permanently at a loss.

Mr. HAMILTON of Michigan. Precisely.

Mr. HOBSON. I will say to the gentleman, as I intended to say a little later, that I am both a protectionist and a free trader.

Mr. HAMILTON of Michigan. I understood the gentleman to say he could not suppose an insupposable case, but he seems to be able to do it. The gentleman has evidently drawn his long bow.

Mr. HOBSON. I am sure the gentleman can make his speech later.

Mr. HAMILTON of Michigan. I beg the gentleman's pardon. The gentleman yielded to me.

Mr. HOBSON. But not for a general discussion of abstractions. Of course it can be applied to other articles, but as applied to cotton——

Mr. HAMILTON of Michigan. One moment. Just a word. It applies to reciprocity, and it applies to the general proposition of fair dealing with the various industrial divisions in this country, and I submit it to the gentleman because he is a fair thinker. I pay him that tribute.

Mr. HOBSON. I appreciate the gentleman's compliment.

Mr. HAMILTON of Michigan. The gentleman is a man of intellectual integrity, and I have a high regard for the gentleman.

Mr. HOBSON. I think I can return the compliment, which I appreciate.

YOUNG MAN, GO SOUTH.

Coming back to my subject, in the next 20 or 30 years our young men do not have to go to Canada, to the Northwest, to buy $30 land, nor to the Southwest, among the deserts, and resort to artificial irrigation; nor do they have to go to the Tropics or the islands of the seas. The greatest opportunity to grow up with the country ever offered is the opportunity now offered by the South. Here is the greatest field of development that the world has ever seen, with ridiculously cheap lands with great and varied fertility located in the choicest part of the Temperate Zone close to the future center of distribution of the great world staples, with unmatched facilities for water transportation, offering the raw materials and the power for manufacturing in close proximity for the greatest world staples, with possibilities for a monopoly of the greatest of all staples, cotton and its manufactures, the prime necessity of all human life. These marvelous combinations make the South the greatest asset the Nation has ever had. [Applause on the Democratic side.]

THE SOUTH A GREAT SOCIAL AND MORAL ASSET.

Further, this asset is not simply material. In the South to-day over 95 per cent of all the people are descendants of a generation of Americans that signed the Declaration of Independence and fought through the Revolutionary War, the purest American blood in America and probably the purest Anglo-Saxon blood in the world. In my own district the people are 99

per cent American and Anglo-Saxon. I do not depreciate any other strain of blood that is going in to make our Nation great, but it is a fact that each type of blood has its own specialty; and that the Anglo-Saxon type has as its specialty the question of evolving and maintaining free institutions.

In the great wave of materialism and commercialism that has swept this country and is sweeping the whole world and is shaking the foundations of liberty, this country needs the asset that would come if it could draw fully upon this great body of old Anglo-Saxon blood that has escaped this wave.

THE RISE OF THE SOUTH THE OFFSET TO COMMERCIALISM.

An unusually large percentage of these Anglo-Saxons are illiterate because the conditions of wealth, consequent upon the Civil War and the period of reconstruction, have not been such as permitted their education. But the material development of the South will bring to them the benefit of education, and in their full development they will come into this Congress, come into the great councils of all the great parties of this country and the councils of the Nation; they will help wonderfully to bring a return to old-fashioned devotion to principle on the part of public officials, and to strengthen the foundations upon which our institutions must rest if the Government is to endure. [Applause on the Democratic side.]

TARIFF PRINCIPLES.

That brings me to the second part of my discussion, namely, what are the underlying principles that should guide us in voting on this tariff measure or other tariff measures. The gentleman from Illinois, the minority leader, yesterday—and I am sorry he is not here—spent two hours in discrediting schedules and he gave one-half minute to stating his philosophy. Here is his philosophy, namely: He is in favor of the home producer and would not allow articles to come in from abroad because he wants them produced at home. The gentleman has not, as far as I know, expounded any system for raising the revenues necessary for the Government. His philosophy of the tariff, namely, a prohibitory tariff, would leave the Government without revenue. I have stated in discussing the reciprocity bill that I am in favor of direct methods of taxation and favor the progressive substitution of income tax, inheritance tax, and other direct tax laws to produce the revenues of the Government, so that consideration of the tariff might be settled on economic grounds.

THEORY OF HOME INDUSTRIES.

But suppose in giving the work at home you maintain industries at a loss and strike at the general prosperity, the additional work you would supply in the industries in question would be small in comparison to the loss of work in general. The true philosophy would be to have the people constantly engaged in the most profitable employment, buying from others what it would be a loss to produce at home.

If the minority leader were here I would ask him, not only what arrangement he would make for revenue if he cut off importation, but how he explains Republican measures that at times have placed an unwieldy surplus in the Treasury and precipitated extravagance, not to say corruption.

A PROTECTIVE TARIFF AN INIQUITOUS REVENUE MEASURE.

The fact is, at one time the Republican tariff measures formed for protection only produced a deficit and shook public confidence, tending to cause panics; at another time they flood the Treasury with surplus, tending to extravagance and corruption.

It is the Democratic side that has always and now is giving real serious consideration to the question of the revenues while framing the tariff. [Applause on the Democratic side.] For twenty-odd years the tariff has been framed practically without regard to its effect upon the revenues, and our Government for 20 years has had no sound fiscal policy. It has had no real budget. It was really refreshing to hear the leader of the majority yesterday give an exposition of the proper adjustment of tariffs with a view to meeting the revenue needs of the Government, economically administered. But, Mr. Chairman, that is not the foundation of a true tariff.

The CHAIRMAN. The time of the gentleman has expired.

Mr. UNDERWOOD. Mr. Chairman, I yield 10 minutes more to the gentleman from Alabama.

Mr. HOBSON. Mr. Chairman, what is the true foundation of protection? What was enunciated by the fathers who inaugurated protection policies in this country? They stated it in simple words as protection to infant industries.

THE PROTECTION OF THE FATHERS.

The avowed object and the real object of the fathers was to promote the development of our industries by protection in the period of their weakness, so that when grown they would make us independent of the world for those products. In the sense of protecting a legitimate industry in the early stages of its life I would give protection, and such protection is warranted by the laws of life. But the time comes in the life of every organism when the protection needed in the early stages is no longer needed, and being then artificial, if continued will produce retrogression and ultimately degeneracy. Follow the development of a child, for example. A father protects his boy in childhood and youth, and during this period protection promotes the boy's development; but the time comes in the life of the boy when he reaches manhood. If the father keeps him under the parental roof and continues his protection the young man's development will be retarded and he will never reach his full growth. For his own highest development he needs the competition of the world. The same is true with an industry.

LEGITIMATE PROTECTION.

Protect a legitimate industry up to a point where that industry fills the home market and protection is beneficial to the industry, but at that point protection should end. There might be an exception in the case of a product necessary to make our country independent of the rest of the world, for which we have not the natural conditions for competition, where protection would have to be permanent, but this would apply to few, if any, of our great industries.

We are starting new industries from time to time. Let us give them protection. But the great industries that come down to this city every time a tariff measure is framed and clamor for higher and higher protection have all grown up to the proportions of the American market and have reached the period where legitimate protection should end.

CONTINUED HIGH PROTECTION THE MOTHER OF TRUSTS AND THE FATHER OF MONOPOLY.

With a high tariff wall, if the various common producers get together, they can all get the benefit of that wall, and raise their prices up to its level. If they do not come together, if they compete, none of them will get the benefit of the tariff wall, consequently we find producers combining and all our great industries organized to eliminate competition. They either combine openly or they have a gentlemen's agreement. In many cases they have actually consolidated until they control the whole output, or substantially the output, and dictate the price.

Continued protection leads inevitably to monopoly and the oppression that comes with it. Holding a monopoly in a necessity of life gives the power to tax the American people, which as a source of profit is greater than all the gold mines in the world. Tyrants used to tax the people of small resources and accumulate vast treasures, but the power to tax the American people with their one hundred and thirty billions of property is such a vast source of gain that the moment it is acquired the holdings can be doubled, trebled, increased tenfold, and pay dividends.

HIGH COST OF LIVING.

This is largely the secret of the high cost of living. This is why we have had such universal rank abuse in watering of stocks, and raising of prices to pay dividends on the watered stock. This is why we have had such mushroom growths of millionaires and multimillionaires. But that is not all. Making the large dividends within this high-tariff wall the stockholders care but little about the great markets of the world where competition causes the dividends to be reasonable.

CORRUPTS POLITICS.

Instead of continuing development the industries give their main attention to fortifying their control or monopoly. They go into politics and hold out great rewards to men and parties for continued favors, they shut down plants, as they have done in Birmingham, as a threat, they precipitate panics, they undertake to destroy statesmen, to chastise parties, to overturn administrations, to intimidate the American people.

What happens to the industry we are supposed to be protecting? Do they continue a healthy development? On the contrary. I realize that we are having an increase of population here by immigration of nearly a million a year, which with the natural increase of population increases the home market, and the industries naturally grow to that market, but for the last 20 years there has been no serious effort on the part of these industries to go out and capture the great markets of the world.

DWARFS THE INDUSTRIES THEMSELVES.

This Nation can never be on a sound, permanent, economic basis until its industries have for their markets the great reservoir of the world's consumption. The perpetuation of these high tariffs beyond their legitimate period is dwarfing the development of the industries themselves. It has reached the second period of the organic life of the Nation's industries, where it is producing degeneracy.

I realize perfectly well what the gentleman from Michigan [Mr. HAMILTON] had in mind in asking me questions about competition with Canada. He would probably have followed them up by claiming that American labor engaged in these industries needs protection. I do not hesitate to say that when this monopolistic power is acquired labor gets less than it got before, no matter how enormous the profits. The Steel Trust will clear a net dividend greater than all the wages paid to all the labor without volunteering a dollar raise in wages. The truth is that labor engaged in the highly protected industries to-day is the poorest paid labor in America. [Applause on the Democratic side.]

OPPRESSES LABOR.

The supreme power in the hands of a monopoly enables it the better to oppress labor. You do not pay a dollar more for labor than you have to; neither do I; neither does a soulless corporation. No matter how great their profits they undertake to get labor as cheaply as they can. They operate in two ways. At strategic moments they shut down part of their plant. It matters little to them, because they will put up the prices of the commodity to the American people and make the American people bear their losses. They shut down their plants, reduce the demand for labor, and throw labor on the market, and thereby lower the price. Holding a monopoly enables them to wield the weapon of shut-outs, so demoralizing to labor and so harmful to the public. But they are not satisfied with that weapon. They undertake to increase the supply of labor on the market by bringing in aliens. I pointed out in the remarks I made on the reciprocity measure that it is the policy, and a natural policy, for these great industries to promote immigration from Europe.

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

Mr. HOBSON. I would ask five minutes more. I do not want to impose upon the gentleman from Alabama, but I would be obliged if he could spare me that much time.

Mr. UNDERWOOD. I yield the gentleman five minutes additional time.

PERVERTS IMMIGRATION.

Mr. HOBSON. As I was saying, the great overprotected industries are at the basis of a large part of our immigration. They fight every immigration law we try to put on the statute books. They reach out to crowded Europe for pauper labor. Pauper labor comes which can not pay its passage, but it comes somehow—some way—and when it comes it does not go out to the farms where, as I pointed out, the demand is so great, but it remains in the cities, remains around the factories, remains at the mouth of the mines, to glut the labor market and put the price of labor down. It is ridiculous to maintain that American labor is now protected in any industry against any pauper labor of Europe. Labor is the one thing that is eternally on the free list in Republican tariff measures. I do not mean to say that American labor, if freed from the grip of monopoly and monopolistic prices, needs any protection against the labor of Europe. I will not take the time now to repeat what I stated in my remarks on reciprocity that the average American laborer turns out $2,450 worth of product a year, the Canadian $1,455, the Australian $900, the Frenchman $640, the Englishman $556, the German $460. The average American laborer produces four times as much as the average European laborer. It is alleged he gets twice the amount of wages. I question it; but, suppose he did? He is then only one-half as well paid as the European laborer for what he produces. [Applause on the Democratic side.]

If, instead of being dwarfed by the high tariff, our great industries proceeded systematically to capture their proportion of the world's markets they would seldom if ever shut down plants, but would run plants full time and steadily increase the number of plants. The increasing demand for labor would cause the price of labor to go up, and the laborer, freed from the clutches of monopoly, would find his proportionate share of the profits of production continually increasing while the cost of living continually declined. A proper revision of the tariff would usher in a veritable new era of prosperity for American labor. Thus the most powerful economic reasons demand speedy reform in our tariff policies—the high cost of living, the actual dwarfing of our industries themselves, the great hardships to American labor.

MENACE TO AMERICAN INSTITUTIONS.

But, Mr. Chairman, there are deeper reasons even than these economic ones why we should hasten reform. The perpetuation of such abnormal conditions of taxation is menacing our political institutions. Great interests go into politics and pour vast sums into political campaigns in order to secure privileges at the hands of the victorious party. It is not an overstatement to say that more than once has the popular will been reversed in national elections by money put into doubtful States, and many times has the will of the people been disregarded in the election of Senators or even of Representatives. The successful party, more dependent on great moneyed interests than upon the will of the people, has naturally enacted laws and administered laws with scant regard for the public welfare, and with but slight concern for economy and efficiency. Widespread extravagance, not to say corruption, have been inevitable, and inefficiency has been almost universal. In addition, we can not but view with alarm the effect of continual refusal on the part of the party in power to make legitimate reforms. Dammed up so long, the current of reform is threatening us with the floods of radicalism.

CAUSE OF SECTIONALISM AND BLIGHT UPON STATESMEN.

Furthermore, the availability of the Government for exploitation has caused each interest, each locality, each section to take a narrow, selfish view of the function of government. For 20 years these conditions have been producing parochial statesmen, men really sincere and earnest, who on this floor do not hesitate to advocate unwise policies for the nation, provided only they can gain selfish advantages for their localities, while the National Treasury is considered legitimate prey for anyone to raid. Our statesmen have come to operate for to-day with a magnifying glass turned upon the temporary interests of a district; they should operate with a telescope turned upon the whole world and upon all history to establish policies for a nation that is to endure a thousand years.

PERVERTS THE FUNCTIONS OF GOVERNMENT.

The harmful effect upon our political institutions goes yet deeper and reaches the very conception in the public mind of the functions of government. The true sphere of an enduring government is in the regulating system, leaving the producing and distributing systems to private enterprise. Our tariff system has produced such a perversion in the public mind that one of the great parties in its platform advocates the Government's taking such a part in private enterprise as to insure the profits. No government in the world can long endure that burdens itself with such activities.

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

Mr. UNDERWOOD. I yield three minutes more to the gentleman.

The CHAIRMAN. The gentleman's time has been extended for three minutes.

Mr. UNDERWOOD. If the gentleman desires, I will yield 10 minutes more.

Mr. HOBSON. I will be glad to have it, but I will try not to consume it all, as I do not wish to impose on the time of others who are to speak this afternoon.

I wish to complete this thought, Mr. Chairman, namely, that we are tending to produce a condition here in America that is striking at the foundation of our political institutions, namely, the conception in the minds of our people that the Government is something to go out and affect the producing system and the distributing system, for individuals and combinations to get all out of it they can; whereas the Government is founded primarily to be the regulating system, to lay down principles and maintain the administration of justice and equity for and between all the people.

EQUALITY OF OPPORTUNITY IS THE MAIN OBJECT OF GOVERNMENT.

I lived for three years on the Continent of Europe and I have lived in Asia. I have seen many of the peoples of the world and their systems and have had occasion to see the effect of those systems upon the development of their citizens. The greatest thing in this part of the universe is human life. Human life comes into the world in an embryonic state and has to evolve and develop. The evolution and development of human life is the greatest thing in the world. The primary object of any Government that would fulfill its highest functions is to establish those conditions under which all its people would attain the highest development. Now the law of development is repeated regular exercise of the faculties. In order to have repeated regular exercise of the faculties there must be opportunities for same in regular avocations. In order to realize a maximum of opportunities for all the peoples there must be equality of opportunity between the individuals. Therefore the guarantee of equality of opportunity between its citizens is the highest object of government. It is not only the essence of liberty, but the foundation of progress and development.

EUROPEAN, AMERICAN, CANADIAN.

Let us be concrete and take a young peasant, such as one finds in any country in Europe. He may be endowed by nature with

wonderful God-given faculties. Of course there are exceptions, but speaking broadly he is not going to have a chance to fully develop his faculties. His opportunities for exercising them will be limited to a certain small sphere, limited by his own strata of society. Pass to the other stages on up until you get to the nobility and the royalty. Take the crown prince. In many cases I have seen the crown prince would have improved his development if he had gotten down the ax or gone between the handles of the plow.

But he can not. He has to sit on a throne and rule; perhaps the very thing that may ruin his development. With artificial stratification of society, limiting individuals to the activities of one strata only, the average citizen in each strata falls short in his development, and the nation must fall short in the aggregate. Come to America. The system that our forefathers founded and that we should perpetuate and develop is a system whose very essence is a guarantee, not only of equality of public burdens, but equality of public opportunities. This tells the secret many have wondered at of America's marvelous growth, the marvel of all history. This tells the secret of the contrast between America's growth and the growth of Canada, where the start was made at the same time, under similar physical conditions and natural advantages. On one side of an imaginary line is the undeveloped country; on the other populous cities.

REPUBLICAN HERESY.

The most alarming event of modern times is the appearance in the platform of a great party of a plank that calls upon the Government to guarantee "profits" to those on the lists of protection. This plank does violence to the American conception of the functions of government. It takes the Government into the forbidden spheres of business, and causes it to fail in its duty in the legitimate sphere of regulation.

The policy defined by this plank, persisted in, would lead straight to the permanent development of privileged classes and the disruption of free institutions. Until that plank is purged from the platform and from the purposes of the Republican Party it should forfeit the support of all independent citizens who hold country above party.

OUR GLORIOUS INHERITANCE.

It is time for us as a people to restore the conditions bequeathed to us by our forefathers—the conditions of equality, of opportunity—where any American boy, no matter where born, no matter how humble the circumstances of his birth, no matter how richly endowed with capacity, can develop his faculties to the utmost, by having a free access, with equal chances of success, to any occupation, any business, any profession. Any American boy should have access to the development that comes with grappling with great problems of his day—economic, political, social. Every American boy should have a clear field, without let or hindrance, for leadership, for holding positions of honor and trust at the hands of his State, at the hands of his country. With our institutions preserved, the humblest-born American boy can have the developing uplift of the feeling that he in a devoted life can help shape his country's great world policies; and with such a country as we have, advocating such wonderful principles of equal justice and peace and brotherhood over all the earth, that he can help mold the destiny of mankind, effecting the happiness of myriads yet unborn. [Applause on the Democratic side.]

AMERICA AND ROME.

Alongside the possibilities of such a noble ambition here in America, the ambitions of history, that have so fascinated us, like those of Alexander, Caesar, Napoleon, all combined are as naught. There is but one parallel in the history of this world, and that came about as the result of equality of opportunity. That was when Rome had liberty, and under equality of opportunity extended its empire to the uttermost corners of the earth. Then the old Romans proudly proclaimed that to be a Roman was greater than a king.

The time is near at hand when we, in restoring the integrity of the institutions that our forefathers founded, can proclaim that to be an American is greater than an emperor. [Applause on the Democratic side.]

A CALL FOR PATRIOTISM.

The time has come for a new baptism of patriotism and devotion to country, for a return to the basic principles of government established by our fathers, so that we can successfully meet the great problems that have come upon us in an industrial age, and in solving them not only perpetuate the institutions of our fathers but make them even stronger and nobler than we have received them. I believe that the adoption of this measure is a step—an important step, though only a step—in that direction. [Prolonged applause on the Democratic side.]

Mr. UNDERWOOD. Mr. Chairman, I yield to the gentleman from Kentucky to make a request.

Mr. JAMES. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Kentucky [Mr. JAMES] asks unanimous consent to extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. UNDERWOOD. Mr. Chairman, I desire to ask how the balance of time stands in this debate.

The CHAIRMAN. The gentleman from Alabama [Mr. UNDERWOOD] has used 4 hours and 18 minutes and the gentleman from Pennsylvania [Mr. DALZELL] has used 4 hours and 26 minutes.

Mr. UNDERWOOD. Four hours and twenty-six minutes?

The CHAIRMAN. Yes.

Mr. DALZELL. Eight minutes difference.

Mr. UNDERWOOD. I would like the gentleman from Pennsylvania to yield 30 minutes on that side.

Mr. DALZELL. All right.

Mr. UNDERWOOD. Mr. Chairman, I yield 30 minutes to the gentleman from Missouri [Mr. HAMLIN]. [Applause.]

Mr. HAMLIN. Mr. Chairman, I have no hesitancy in saying that we have listened to one of the most interesting speeches that I have heard delivered on this floor. I believe that if we would only follow out the line suggested by the gentleman from Alabama [Mr. HOBSON] we would not have very much trouble in formulating a revenue measure. The trouble has been that we use every tariff bill as a political football, each side of the House seeking to make political capital out of it. If the spirit which the gentleman suggests could control all of us; if we could broaden out somewhat and get away from the idea that each of us is interested only in the things that especially affect our individual districts; if we could be statesmen in the broadest sense of the word, the people of this country would be very much better off.

But in the past—and, so far as I know, throughout the entire history of this country—the lines proceeded upon have been directly the opposite of this idea. For years the selfish idea of protection has prevailed in this country—protection not to the whole people, protection not to all the people alike, but protection to certain individuals engaged in certain special lines of business. In other words the heel of the protectionist has been upon the necks of the farmers and the laboring people of this country for a great many years, but now, it seems to me, the opportunity has come for us to remove said heel and, by this bill, to give the people of this country many of the prime necessities of life duty free.

I feel that I can say with the good old poet—

This is the day I long have sought
And mourned because I found it not.

[Applause on the Democratic side.]

I am looking forward to the day, which I hope is not far distant, when it can be announced that three-fourths of the States of the Union have adopted the income-tax amendment to the Constitution, after which time we can enact a graduated income-tax law which will compel the wealth of this country to bear its just proportion of the burdens of government. [Applause on the Democratic side.] But until that time, Mr. Chairman, every sane man realizes that the expenses of the Government will go on, and that Congress must provide means for meeting those expenses. Experience has taught us that in order that money enough can be provided to meet these expenses about $350,000,000 annually must be raised by a duty on imports. Therefore it is utterly impossible for us to put all the things on the free list that we would like to put there. The other day we passed through this House the Canadian reciprocity bill, which places upon the free list certain necessities of life, and reduced the present tariff on others, but that agreement only affected articles of import between the United States and Canada. I did not fully agree with the terms of that trade pact, but I believed that it was a step in the right direction, hence I voted for it, and I believe this bill, known as the farmers' free list, is several steps in the right direction, for it not only applies to the importations of the things mentioned in the bill from Canada, but from all the countries of the world.

Mr. Chairman, I sat for a week and listened to the debate on the reciprocity bill, and confess to you that it was amusing to hear the reasons assigned by the opponents of that bill for opposing it. Without a single exception, I believe, they put their opposition on the ground, as they claimed, that the farmer was being discriminated against. Why, here was my friend from Pennsylvania [Mr. DALZELL] agonizing over the condition of the poor farmer, when, in fact, there is not a farm in 150 miles of Pittsburg, his home. Of course I would not intimate that the gentlemen who opposed that bill were not entirely sin-

cere in their solicitude for the farmers of the country, but I could not help but notice that each one of them who were here in the last Congress, except some of our insurgent friends, voted against free lumber when the Payne-Aldrich bill was before the House, and the Canadian reciprocity bill puts lumber on the free list. Being human, I could not help but wonder if the fact that lumber was put on the free list had anything to do with their opposition to that bill. I presume not, or else they would have been frank enough to have said so. If it did, however, I would suggest that if they had bottled up all the briny tears they shed in sympathy for the poor farmer they could have run their sawmills by water power, in which event I am sure they could compete with Canada without the aid of a tariff on lumber. [Laughter.]

Now, Mr. Chairman, I want to discuss this pending bill in its relation to the farmer, and it does immediately and directly concern him.

This bill places upon the free list the following articles: Agricultural implements; cotton bagging and ties; boots, shoes, harness, saddlery, and other leather products; fencing wire; lumber; sewing machines; salt, and so forth.

Every one of these articles are prime necessities of life—things which the farmers of this country must buy.

I congratulate the Democrats of the Ways and Means Committee in bringing out this bill, for it goes far toward redeeming the promises which my party made to the people.

And, Mr. Chairman, while I am congratulating, let me congratulate my party on the splendid energy, determination, speed, and unanimity which it is proceeding to make good every promise it made to the country.

True to the promises which we made to the people, we promptly took from the Speaker the power to appoint the standing committees of the House and placed that power where it belongs, in the membership of the House, making the Speaker what the Constitution intended he should be, a presiding officer and not a czar. And, without the aid of the objectionable special rule or limiting debate or shutting off amendments, we have in less than three weeks passed through the House the following important bills, to wit:

First. A joint resolution providing for the election of United States Senators by a direct vote of the people.

Second. A drastic publicity law, known as the Rucker bill, requiring all political parties, not more than 15 days nor less than 10 days prior to any election, to publish a detailed statement of all contributions made above $10, giving name of contributor, also how disbursed, and to file a like supplemental statement every three days thereafter down to the day of election, intending thereby to prevent corruption at the ballot box by the use of large sums of money.

Third. Canadian reciprocity.

And now we are considering, and will in a day or two pass, this free-list bill.

This record has certainly never been equaled by any political party. We will follow this up with an adjustment of the woolen, the cotton, steel, and other schedules in their order.

It seems to me that every citizen who believes in a government of the people, by the people, and for the people ought to be proud of this record.

Now, Mr. Chairman, having felicitated my party upon this splendid record made and to be made in a few weeks, I must get back to a discussion of this bill.

The opponents of this bill and the reciprocity bill, and they are practically the same people, talk about injuring the farmer by taking the tariff off his products. I am loath to believe that there is any man on this floor who knows so little as to actually believe that a tariff on wheat, corn, or other cereals adds to the price of these things to the farmer.

I am reminded that our erstwhile distinguished Speaker, the gentleman from Illinois [Mr. CANNON], did the other day, in a speech on the reciprocity bill, in a sort of half-hearted way deny that the price of the farmers' wheat was fixed in foreign markets. Of course men sometimes, in the interest of consistency, take positions they otherwise would not take, for if he had admitted that the price of our wheat was fixed in foreign markets he would have given his whole case away. But the gentleman from Wisconsin [Mr. COOPER] did read into that speech an admission of the gentleman from Illinois, made in a speech on this floor in 1894, that the price of our wheat is fixed in the foreign markets. The colloquy was between Mr. Simpson, of Kansas, and the gentleman from Illinois [Mr. CANNON], as follows:

Mr. SIMPSON. Will the gentleman permit me to ask him a question?

Mr. CANNON. Certainly.

Mr. SIMPSON. Does the gentleman not admit that we are now competing in Europe with the different countries of the Old World for the sale of our wheat?

Mr. CANNON. Certainly; with Roumania, Russia, and India.

Mr. SIMPSON. Then the gentleman will admit that the price we receive there fixes the price of our article not only in the United States but in the foreign markets?

Mr. CANNON. Certainly; all prices are regulated by the prevailing market, wherever it is.

Now, if that statement was true—and it was—in 1894 it is true in this good year of our Lord 1911. [Applause on the Democratic side.]

I stated two years ago in a speech which I made on this floor when we were discussing the Payne-Aldrich bill that "no man is protected who is compelled to sell his products in the open markets of the world." This was and is a true statement of a fact.

Let us take wheat, for an example. There has never been a year since I can remember when the farmers of this country did not raise a surplus. Of necessity they must find a market for this surplus. This market can only be found outside the United States. The moment the farmers' wheat passes beyond the limits of the United States the pretended tariff on it can be of no effect. His wheat goes to Liverpool, and when offered for sale there it comes in competition with the surplus wheat of Canada, Australia, Russia, India, and every other country that raises a surplus of wheat, and the price it brings is fixed in this open market. And the price fixed in this open market controls the price here. Therefore, how can a tariff on wheat benefit the farmer? And the same is true of corn, oats, and other cereals. In view of these facts, then, how can reciprocity with Canada injure our farmers? To be more specific: We raise a surplus each year, so does Canada, and both countries seek the same market in Europe and the price of wheat of both countries is fixed there, where there is no tariff, and the price there fixes the price both here and in Canada, and the only material difference there can be in the prices in the different localities is the cost of transportation to market and elevator facilities. Of course I recognize the fact that the price of these staples is sometimes affected temporarily by the grain gamblers, whom I wish to God were in the bottom of the sea. Democrats know that this is true, and in order that my Republican friends may be convinced that I am right I will quote from high Republican authority.

Hon. James Wilson, the present Republican Secretary of Agriculture, in a letter written by him to the National Grange on February 9, 1911, among other things said:

There is a difference of 10 or more cents a bushel on wheat and other cereals between the markets of Winnipeg and Minneapolis, but this difference is fully explained by the lack of transportation and elevator facilities and by the greater difficulty that the Canadian farmer now has in point of economic carriage from the Northwest to Liverpool, where by the sale of the world's surplus the price of wheat is fixed for the world.

[Applause on the Democratic side.]

Again, Mr. Secretary Wilson says:

The United States produces surplus wheat above domestic requirements. This surplus production is sold in foreign countries. The price of our exported surplus is governed by the world's requirements, being regulated by the law of supply and demand, and the price of wheat in the United States, while we are exporting, is governed by the price at which the surplus is sold, as a general proposition. Occasionally wheat corners may interfere with the law of supply and demand and temporarily affect the price.

If this be true, then how can the farmer be hurt by reciprocity with Canada?

Mr. Chairman, the farmers of this country are intelligent. They know that when you talk about a tariff on their wheat, corn, oats, and other cereals being a benefit to them that you are only seeking to deceive them. They know, or at least many of them do, that the tariff was put on these things as an excuse for putting a high tariff on certain manufactured articles which they are compelled to buy.

Mr. Chairman, to show that all the farmers are not fooled by the siren voice of the protectionist, I want to read to you a letter which I received the other day from a farmer in my district. I am not authorized by him to use this letter for publication, consequently will suppress the name and place.

The letter is as follows:

There seems to be well-organized effort to create the impression that the farmers, regardless of party, are opposed to Canadian reciprocity, and I presume that you have received numerous letters to this effect. I have heard several expressions, but invariably from Republicans.

Democrats condemn the principle involved in the pact—that is, "free raw material and little or no reduction in the manufactured product"—but they know that "protection" on farm products, wool excepted, is a farce and a humbug, levied only to deceive and furnish an excuse for high duties on manufactured goods, and the sooner the fallacy is exposed and the "bundle separated" the earlier we will be relieved from the extortion from which we have suffered. Rest assured that this noise is made by protectionist and his dupes, and that the Democrats who till the soil have no part in it.

I hope that you may not only be able to pass this bill, but several schedule bills during the extra session.

Mr. PROUTY. Will the gentleman yield for a question?

Mr. HAMLIN. Certainly.

Mr. PROUTY. Is this gentleman engaged in raising sheep?

Mr. HAMLIN. No. He may have a few sheep, but he is a large farmer in one of the best agricultural counties in the United States.

Mr. STANLEY. Will the gentleman yield for a suggestion?

Mr. HAMLIN. I will.

Mr. STANLEY. His letter certainly reads like that of a man who did not have the head of a sheep. [Laughter.]

Mr. MARTIN of South Dakota. Will the gentleman from Missouri yield?

Mr. HAMLIN. Yes; for a question.

Mr. MARTIN of South Dakota. Is the gentleman from Missouri able to tell the reason of the exception of wool in this economic letter?

Mr. HAMLIN. I do not know what was in the mind of the writer——

Mr. STANLEY. If the gentleman from Missouri will allow me, I will say that it is because we do not produce as much wool as we use. Where we import a commodity the market to which it is exported fixes the price, as was said by Secretary Wilson, by Adam Smith, by John Stuart Mill, and every other man who ever lived who wrote and thought on the subject of political economy.

Mr. HAMLIN. I want to finish my answer. As I said, I can not tell what was in the mind of the writer of that letter; but if you had asked me why wool was excepted, I should give the answer that has been given by my friend from Kentucky, with this addition, that the reason that protection amounts to nothing upon wheat and corn and other cereals is because we raise a surplus in this country and are compelled to find a market beyond the limits of the United States.

Now, that is not true of wool. We do not raise a surplus of wool, and the sheep industry in this country seems to be declining. I will not say that the tariff on wool may not be of some benefit to the farmer, and I presume that is what this farmer had in mind; but he had sense enough to know—which seems to be a knowledge beyond that possessed by some gentlemen on the other side of this Chamber—that the tariff on wheat, corn, and oats is no protection to the farmer.

Mr. MARTIN of South Dakota. Will the gentleman permit an observation on that subject?

Mr. HAMLIN. No; but I will yield to the gentleman for a question.

Mr. HARDY. Will the gentleman submit to a question?

Mr. HAMLIN. Yes.

Mr. HARDY. The statement which the gentleman has been making is clear that the price of commodities where there is a surplus raised is controlled by the price in the market where the surplus is disposed of. I think it is essential that an exception should be noted that where the home product is controlled by a trust it may have a higher home price than the foreign price.

Mr. HAMLIN. I hinted at that a moment ago. The control of any article of commerce by a trust creates an abnormal condition, sets aside the law of supply and demand, and creates fictitious prices.

Mr. MARTIN of South Dakota. Now, will the gentleman extend to me the same courtesy that he did to the gentleman from Texas?

Mr. HAMLIN. Yes; if the gentleman will not take up any more time than did the gentleman from Texas, for my time is limited.

Mr. MARTIN of South Dakota. I followed with great interest the development by the gentleman of the argument that the market where the surplus is disposed of controls, but I think the fallacy of the argument lies in this, that the world's market may control or have great influence upon the surplus of that product seeking a market, but it has but little influence on the large proportion we consume in our own country, unless the world's open market can become a competitor to supply our home consumption, which Liverpool can not do as to wheat and corn.

Mr. HAMLIN. The fallacy of the gentleman's statement is demonstrated by actual conditions. The gentleman never heard of a farmer going into town and saying, "I am going to have so much a bushel for my wheat." The farmer realizes that he is at the mercy of the markets of the world, and his first inquiry is, "What is wheat worth to-day?" And the man who is buying wheat can not give him this information until he first hears from either the Chicago or New York market, and these markets will give out no prices until they have heard from Liverpool indicating what the market price is there that day.

Mr. MARTIN of South Dakota. On the other hand, as a matter that I have observed a great deal, I desire to state that there is scarcely a day in the northwestern wheat market but what the price obtained by the farmer in the Dakotas is larger by quite a considerable sum than the price paid in Liverpool, minus the freight. In other words, the American market in the Northwest at the present time, because of a large demand for the consumption of wheat among 92,000,000 people, which is a protected market to the American farmer, yields a higher price than he could get for the same commodity if he were compelled to sell it abroad.

Mr. HAMLIN. But the official reports do not bear out the gentleman's statement.

Mr. MARTIN of South Dakota. The official reports do.

Mr. HAMLIN. Then if that be true the gentleman can put the official figures in his speech.

Mr. MARTIN of South Dakota. I will put it in this speech of the gentleman if he will give me the time.

Mr. HAMLIN. I have not the time; the gentleman will doubtless make a speech in his own time.

Mr. Chairman, the enemies of this bill and also of the reciprocity bill, and who are all protectionists in some degree—ranging from an insurgent Republican whose opinion on any proposition is best represented by an "x," stated algebraically, to a Pennsylvania standpatter—accuse us of bringing in the farmer free-list bill, so called, to pacify, and in a way compensate, the farmer for the injury which will be done him by this reciprocity with Canada.

Of course that allegation is not warranted by the facts. Reciprocity with Canada will not hurt the farmer; therefore he needs no compensating law.

Reciprocity with a country that buys more of the products of our farmers each year than we buy of them can not hurt our farmers. And the official figures show that that is what Canada does. In five years, ending June 30 last—

We sold in Canada	$886,417,376
Canada sold to us	393,913,673
Difference in our favor	492,503,703

It seems to me that no tariff ought to stand between us and such a country, for the more trade we can have with them the better it is for us.

Let us take some of the principal products of our farms, and it applies especially to our Missouri farms, and see whether reciprocity with Canada can injure our farmers.

Government statistics show that for five years ending June 30 last:

Horses:	
We sold in Canada	$14,172,075
Canada sold to us	2,549,201
Difference in our favor	11,622,874
Cattle:	
We sold in Canada	1,578,179
Canada sold to us	1,193,796
Difference in our favor	384,383
Meat and dairy:	
We sold in Canada	17,011,017
Canada sold to us	904,191
Difference in our favor	16,106,826
Breadstuffs:	
We sold in Canada	31,596,556
Canada sold to us	6,679,884
Difference in our favor	24,916,672

Of these items we sold to Canada $53,030,755 more than Canada sold to us.

No, Mr. Chairman, this bill now before the House is not brought in to compensate the farmers on account of any anticipated injury to them by reason of reciprocity with Canada, but it is brought in to compensate them and other laboring people in a measure for having submitted for years to being robbed by a high tariff which you Republicans imposed upon the things which they were compelled to buy for the benefit of a few people who have contributed the money to keep you in power. [Applause on the Democratic side.] And they are the very men who are behind this propaganda to try to make the farmers believe that reciprocity will hurt them.

The RECORD shows that there were 79 of you Republicans who voted against the reciprocity bill because you said that you believed it discriminated against the farmer.

If you are sincere in your protestation of friendship for the farmers you will vote for this bill, because it puts the things which he is compelled to buy on the free list, as follows:

FARM IMPLEMENTS.

Plows, tooth and disk harrows, headers, harvesters, reapers, agricultural drills and planters, mowers, horserakes, cultivators, thrashing machines, and cotton gins, farm wagons and farm carts, and all other agricultural implements of any kind and description, whether specifically mentioned herein or not, whether in whole or in parts, including repair parts.

SHOES AND LEATHER.

Grain, buff, split, rough and sole leather, band, bend, or belting leather, boots and shoes made wholly or in chief value of leather made from cattle hides and cattle skins of whatever weight, of cattle of the bovine species, including calfskins; and harness, saddles, and saddlery, in sets or in parts, finished or unfinished, composed wholly or in chief value of leather; and leather cut into shoe uppers or vamps or other forms suitable for conversion into manufactured articles.

FENCING WIRE.

Barbed fence wire, wire rods, wire strands or wire rope, wire woven or manufactured for wire fencing, and other kinds of wire suitable for fencing, including wire staples.

LUMBER.

Timber, hewn, sided, or squared, round timber used for spars or in building wharves, shingles, laths, fencing posts, sawed boards, planks, deals, and other lumber, rough or dressed, except boards, planks, deals, and other lumber, of lignum-vitæ, lancewood, ebony, box, granadilla, mahogany, rosewood, satinwood, and all other cabinet woods.

SEWING MACHINES

Sewing machines, and all parts thereof.

Salt, whether in bulk or in bags, sacks, barrels, or other packages.

We are told by certain Republicans on this side of the House that this free-list bill will not pass the Senate and will therefore never become a law. As to that I admit I do not know. I confess that I am not in the confidence of the Republican Party, but whether a Republican Senate will pass this bill or not, or if it does whether a Republican President will sign it or not, will not deter us as Democrats from keeping faith with the people. We will do our duty and pass it through the House where we have the majority and are responsible, and then if your party in the Senate wants to turn it down you can take the responsibility. In the language of our admirable leader, Mr. UNDERWOOD, I quote:

I will say to the gentleman that the bill puts on the free list agricultural implements, fencing wire, and salt and free lumber for your northern farmers. It puts on the free list free cotton bagging and free hides for the southern farmers.

It puts on the free list free meats, free bread, free salt for the people who live in the cities and who are crying for cheaper food products to reduce the cost of living. I say to you that when this bill arrives in the United States Senate, if it is not acted upon, there will be a judgment day on the Republican side of the Senate, and if the President does not sign it there will be a judgment day at the White House.

And I will add to this statement that if the Republican Party refuses to pass this bill through the Senate or the President refuses to approve it there will be a Missouri Democrat placed in the White House and an Alabama Democrat in the Speaker's chair. [Applause.]

My Democratic colleagues, we told the people that if they would place us in power we would enact laws which would tend to cheapen the cost of living. We told them that we would try to relieve them of the burdens of the infamous trust in this country. Measured by either of these standards, this bill stands the test, and we can well afford to give it our hearty support.

Every class of articles mentioned in this bill is now controlled by a trust. What are they? The Agricultural Implement Trust, the Steel Trust, the Leather Trust, the Salt Trust, the Lumber Trust, the Meat Trust, Jute Bagging Trust—some of the largest trusts of the country which have secured a monopoly on these necessities of life by virtue of being protected by a tariff on these things and have forced up prices beyond reason or endurance.

This bill puts their products on the free list.

Mr. Chairman, I realize that in revising the tariff we are inviting a relentless war with the entrenched special interests that have enjoyed many years' special privileges under the McKinley, Dingley, and Payne-Aldrich tariff laws. They will not surrender without a terrific struggle.

These interests have so long, under these laws, been permitted to plunder the people that they have come to believe that it is a kind of a divine right they have. And with their increased riches they have grown arrogant. They do not hesitate to attack any man or set of men who dares for a moment to question their right to these special privileges. Only two short years ago these same fellows were freely dropping their shekels into the Republican campaign contribution box and singing the praises of Mr. Taft. He was elected, and now that he shows some little signs of recognizing that there are other people on earth besides these "captains of industries" who deserve some little consideration they turn upon him and make a dire prediction as to his political future that would do credit to the most optimistic Democrat.

Listen to what their organ, the American Economist, has to say this week:

[Correspondence American Economist.]

WASHINGTON, *April 20.*

If President Taft is able to retain his complacent and cheerful smile in the midst of existing conditions in Congress, and in the political arena of the United States generally he is giving a splendid imitation of that famous Emperor of Rome who is said to have performed on a violin while a conflagration was in progress.

Never in the history of the Republican Party has there been such an exhibition of want of leadership by the head of a party as has been displayed by President Taft in dealing with the tariff question and the principles for which his party stands in its platform. Indeed, so lamentable is the situation that few Republicans at this time are found willing to hazard any prediction other than that President Taft must be the nominee of his party in 1912, because no other Republican will accept the nomination, and that Mr. Taft will be the worst defeated candidate since William J. Bryan ran for the office in 1896.

[Applause on the Democratic side.]

SO MOTE IT BE!

Thus it will be seen that these selfish special interests, the beneficiaries of a high tariff, know no friends but self, worship no god but Mammon, and will stop at nothing to accomplish their selfish purposes. [Applause on the Democratic side.]

Why should not the things mentioned in this bill be put on the free list? The manufacturers of agricultural implements are supplying the farmers of the world with implements, often at a lower price than they will sell to our farmers here at home.

The Steel Trust invades every market in the known world.

The American-made shoe is worn by all civilized people of the earth. And so it is with the other articles mentioned in the bill. I am glad that they can go out and conquer the markets of the world, but if they can compete in foreign markets after paying transportation charges it is worse than ridiculous to say that they can not compete here at home without the aid of a tariff.

Let us have a "square deal."

No difference what we may do, Mr. Chairman, our actions will be misrepresented, our motives questioned, and our purpose maligned by these selfish interests; but as men we ought to have the courage of our convictions and do what we believe to be right and abide by the consequences. As I have often said, I have an abiding faith in the judgment, intelligence, and fairness of the people, and as for me I am willing to submit my record to them.

I realize that it requires time to accomplish these great reforms and that we will be unable to do many things that we would like to do, but let us do our utmost to keep our promises to the people, and in doing this our conduct will meet with their approval and, what is even more comforting, the approval of our own consciences. [Applause.]

Mr. DALZELL. Mr. Chairman, I yield one hour to the gentleman from Illinois [Mr. STERLING].

Mr. STERLING. Mr. Chairman, I have listened to the debate in this House on reciprocity; I have listened to the debate on the bill that is now before the House, and two years ago I listened to the debate on the tariff bill that was passed at that time. I have been impressed during all this time with the idea that the agricultural interests have not always had fair consideration in legislation involving questions of the tariff. It has always been that gentlemen on that side of the House have undertaken to legislate against the farmer in tariff legislation, and it sometimes happens that there are gentlemen on this side, who represent districts that are not agricultural, who are willing to join the Democratic free-trade party and sacrifice the farmer for the benefit of other interests. Gentlemen on that side of the House are pleased to call this a bill in the interest of the American farmer. If they imagine that they can fool the farmers of the North and West by legislation which opens his markets, the markets of the United States, to everything which he produces; if they think they can make him believe that that is in his interest, they are very much mistaken. To the gentlemen on this side of the House who call themselves protectionists, but who vote for free farm products, I desire to say that when you discriminate between industries that need protection you threaten the very existence of the protective principle.

It can not be justly said that Members on this side of the House who are demanding protection for agricultural products act from any selfish motive, nor can it be said that the farmers of the country who demand protection for the product of their labor are selfish. The great mass of American farmers do not deny protection to American manufacturers. They believe protection should be granted wherever needed, and only ask the same equal protection under the law for that which they produce. The farmers of the country during the history of protective tariff have patiently paid tribute to the infant industries. They have done much to help build up this great home market, with a hope that they would have the right to enjoy it as against other agricultural countries. When the products of foreign farms sought to invade that market the Republican Party gave the farmer protection in the McKinley law. You gentlemen on that side very promptly repealed that law, and in a great measure deprived the farmer of that equal protection to which he was entitled. It was restored to him again in the Dingley tariff, and under that law the farmer has enjoyed a reasonable degree of prosperity, due to the fact that he was not

at the mercy of competition from cheaper farm products of other countries.

No sooner is the Democratic Party again clothed with power in this House than it, true to its traditions, makes this onslaught on the American farmer.

Some gentlemen on that side have deplored, with seeming regret, that there should be a spirit of sectionalism develop in this debate. The first to suggest a spirit of sectionalism was the leader on that side, the gentleman from Alabama [Mr. UNDERWOOD].

In his opening speech on the bill he said the Republican Party had seen fit to place binding twine, used by farmers of the North and West to bind their grain, on the free list, but had left cotton ties, used by the farmers of the South to bind their cotton, on the protected list. So he is the gentleman who first injected that question into this debate. Let me call attention of gentlemen on that side and on this who represent States like Indiana, Illinois, and Ohio, and all the great Northwest—the States that produce the sheep and cattle, the States that produce the wheat, the oats, and the barley—to some of the things contained in this farmers' free list. This bill proposes to open our markets free of duty to all the meats and breadstuffs of all the world. Canadian reciprocity admits free from Canada cattle, sheep, swine, wheat, oats, and barley, and all things produced on our farms.

Mr. HARDY. Will the gentleman yield?

Mr. STERLING. Yes.

Mr. HARDY. Does the gentleman consider that cattle, sheep, horses, and stock are raised in Texas and the South just as much as they are in the West?

Mr. STERLING. Yes. Texas produces a great many cattle and sheep.

Mr. HARDY. Then why is that a matter of sectionalism?

Mr. STERLING. It is not. I am not charging the gentleman with a spirit of sectionalism. I predict that the gentleman from Texas, when he realizes the effect of this legislation on the cattle industry of that great State, and his constituents call his attention to the fact that we are admitting beef and mutton free from Mexico, will regret his action with reference to this legislation.

Mr. HARDY. That may be; I do not think it will. But the question I was asking was whether that was sectional or not.

Mr. STERLING. Let me say to the gentleman from Texas, under our present tariff law there was imported from Mexico, in 1909, 65,000 head of cattle. The year before there was brought into this country from Mexico 100,000 head of cattle, and if that State does not feel this invasion of Mexican cattle now they will feel it later when cattle from Mexico, raised on cheaper land by cheaper labor, come into the American market without paying any tariff duty.

Mr. HARDY. Will the gentleman permit a question?

Mr. STERLING. Yes.

Mr. HARDY. Will that seem like sectionalism and favoring our part of the country?

Mr. STERLING. I am not saying the gentleman from Texas, or anyone, is acting in that spirit. I am seeking to answer what has been injected into this debate on that question by gentlemen on that side. Now, let me call the attention of gentlemen on both sides who represent States like New York and the New England States and Michigan and Wisconsin—States that produce poultry and butter and cheese and fruits—that all these things come into our markets free under Canadian reciprocity.

And thus it is when we consider these two Democratic measures together, Canadian reciprocity and the farmers' free list, these twin enemies of agriculture, the farmers of the North and West are brought into free competition with the world in the production of cattle, sheep, swine, wheat, corn, oats, barley, hay, dairy products, poultry, vegetables, and fruit, everything that is produced by the farmers in the States which we represent.

On the other hand, this farmers' free list does not make sugar free. Rice is still on the protected list; lemons, oranges, and peanuts will still enjoy protection; and, singularly, these are products of the farms of the South. I think some of them, at least, are entitled to protection—to that same degree of protection to which the farm products of the North and West are entitled. Under the Republican doctrine, which is now and always has been as broad as the Union, all of these things are entitled to that protection which measures the difference in the cost of production here and abroad. These industries of the South came to the Republican Party for that protection, and they got it. They accepted it, and it is evident that gentlemen on that side are willing to retain it. In my opinion, these plain truths are sufficient to show to the country that the Republican Party is not now and never has been sectional in its administration of the protective system.

Mr. JOHNSON of South Carolina. Will the gentleman yield for a question?

Mr. STERLING. Yes.

Mr. JOHNSON of South Carolina. How many States in the South produce sugar?

Mr. STERLING. One, mainly. I presume that Louisiana produces most of the sugar.

Mr. JOHNSON of South Carolina. It is the only Southern State that does produce it.

Mr. STERLING. What difference does it make? It is produced in the South, and it is essentially a southern industry, and these gentlemen think it ought to be protected. I will say, further, that when the Republican Party sought to reduce the tariff on sugar just to the amount of 5 cents per 100 pounds, practically every man on that side voted against that reduction by voting against the Payne-Aldrich tariff bill.

Mr. JOHNSON of South Carolina. I do not like to interfere with the gentleman's remarks, but still I would like an answer to my question.

Mr. HARDY. Will the gentleman yield?

Mr. STERLING. I thought I answered the gentleman's question.

Mr. JOHNSON of South Carolina. You spoke of sugar as a southern product. So far as I know there is only one State in the South that produces any sugar at all. Now, how many northern States are engaged in raising sugar?

Mr. STERLING. The South produces the bulk of the sugar. You gentlemen that represent the sugar-producing districts of the South have demanded protection all the time, and the Republican Party has given it to you; and they have not given it to you because it is a southern industry, but because it is an American industry. [Applause on the Republican side.]

Mr. JOHNSON of South Carolina. Now, I would like to say a word in reply to the gentleman, if he will yield.

Mr. STERLING. I do not yield for a speech, only for a question.

Mr. JOHNSON of South Carolina. I wanted to say that there are lots of people here who do not ask for protection on anything.

Mr. STERLING. This free list admits, free of duty, biscuits, bread, wafers, and similar articles when not sweetened. It even seeks to deprive the baker in this country of an equal chance in the American market for the product of his labor, except when his product contains sugar. Why this distinction between plain and sweetened bread and wafers? There may be some good reason for it, but I am unable to understand what that reason is. Is it because the gentlemen are so diligent and so careful of the rights of the Sugar Trust that they even except the biscuits that are produced from the wheat of the northern farmer if they happen to contain the ingredient of sugar that happens to come from the South? What shall we say to our constituents when they ask why this distinction between the products of the North and the products of the South? It will not be sufficient to say that we were obeying the edicts of the party caucus.

The gentleman [Mr. KITCHIN] who opened the debate on that side on reciprocity boldly declared that the purpose of the Democratic Congress was the destruction of those laws that had been passed by the Republican Party in recent years. I want to say that, in my judgment, they are proceeding very rapidly in that direction. They are proceeding, as the first step, to repeal the very laws under which the American people have prospered in the last 15 years more than they had ever prospered in the same period in all the history of the country. It being their purpose, however, to tear down, they are proceeding effectively to that end by first assailing the farmer. On his success and prosperity depend the success and prosperity of all. He is the foundation stone of the whole structure.

Mr. SHACKLEFORD. May I interrupt the gentleman?

The CHAIRMAN. Will the gentleman from Illinois yield to the gentleman from Missouri?

Mr. STERLING. I will.

Mr. SHACKLEFORD. I desire to inform the gentleman that he is mistaken about what we are insisting on. We are insisting on striking down the tariff barrier that keeps American cattle, American corn, American wheat, American farm products from being sold in Canada; and in consideration for taking our commodities into Canada, to get their tariff out of our way, we are willing to take ours out of their way, because the balance of trade is in our favor.

Mr. STERLING. If that is the purpose of that side of the House, they ought to introduce bills along that line.

Mr. SHACKLEFORD. That is precisely what it is.

Mr. STERLING. The gentleman should suggest to that side of the House, who are now in the majority, that that should be the purpose of his party.

Mr. SHACKLEFORD. I want to call the gentleman's attention to the fact that we are selling more farm products in Canada than Canada sells in the United States, and by increasing the facilities for trade we are benefiting and not injuring the farmers.

Mr. STERLING. That is due to the fact that we are protecting agricultural products under Republican legislation. Is it not well enough to let that condition alone? Why destroy that situation? We do not want Canadian agricultural products to come into this country in excess of what we send there.

Mr. SHACKLEFORD. Have they not had protection against us?

Mr. STERLING. Yes; and will continue to have it on about everything which we export to Canada.

Mr. SHACKLEFORD. I ask the gentleman if the Canadian tariff has not been an impediment against us as much as ours has been an impediment against them? I presume the gentleman wants to put the case fairly before the country, and those are the facts borne out by the statistics.

Mr. STERLING. I have investigated somewhat the question of our trade with Canada. I know that when the former similar reciprocal trade treaty between the two countries was abrogated in 1866 the balance of trade was $8,000,000 in favor of Canada. Since that treaty was abrogated the volume of trade has not only increased year after year, with very great regularity, but the balance of trade has changed, until now it is $120,000,000 in our favor.

Now, I ask, Why change a trade relation that has developed so splendidly for the American people?

Going back to the suggestion that I made awhile ago, that the gentleman from North Carolina [Mr. KITCHIN] had boldly proclaimed to the House and to the country that it was the purpose of his party to tear down the splendid legislation under which prosperity had been built up, Canadian reciprocity is the first step in that direction, and this free-list bill is the second. The gentleman was no false oracle. This new majority has come not to build up, but to destroy. This can be said of you: You are true to your history and your traditions. You destroyed before when you were given power, and you will do so again.

It is said that the provisions of this bill will compensate the farmer for injuries committed against him in the bill for Canadian reciprocity. If, as you contended when Canadian reciprocity was before the House, it would not injure the farmer, what is the need of compensation? If you are sincere that that bill would not wound agriculture, why this balm to heal the wounds?

Let us see what it is you offer as compensation to the American farmer for throwing this great market open to the agricultural products of the world. You have placed agricultural implements, boots and shoes, lumber, and fence wire on the free list. What assurance can you give us that this will reduce the cost of these commodities to the consumer? Gentlemen on that side of the House and some on this told us two years ago that if Congress would put hides on the free list it would reduce the cost of shoes to the consumer. I did not believe you then, and I do not believe you now. Hides were placed on the free list, under the tariff act of 1909, and the duty on boots and shoes was greatly reduced. Hides have gone down in price to the farmer, until now he gets from $3 to $6 less for hides than he did then. Shoes have gone up in price, until the American consumer is paying a little more than he did when hides were protected. You can not fool the American people with this false prophecy a second time.

Nor do I understand the force of your argument when you say that if farm implements be placed on the free list they will be bought cheaper by the American farmer. The gentleman from Kentucky [Mr. JAMES] discussed that question to-day and gave us some very important statistics, which proved conclusively in my mind that cheaper farm implements would not result from this legislation. A number of gentlemen have charged very freely that the price of these things is controlled by monopoly. If that be so, they will still be controlled by monopoly after this bill becomes a law. The gentleman from Kentucky called attention to the fact that the manufacturers of farm implements in the United States were exporting $28,000,000 worth every year. They are not only masters of the market here, but likewise in foreign countries. If other nations can not compete in their own countries with American manufacturers in this line of products, how can they compete in our own markets for the trade of the American farmer, with or without the tariff?

I agree with you that lumber should be on the free list, not that it would give cheaper lumber to the American consumer, for in my opinion the price of lumber to the consumer is largely fixed by trade agreements, and that price would be so fixed, whether it comes from our own soil or from Canadian soil. I would be glad, however, to see lumber coming from Canada to conserve, as far as possible, the remnants of our fading forests, and I would cheerfully vote again, as I have done in the past, for free lumber if you gentlemen on that side of the House will present the question freed from this unwise and unjust proposition that our markets shall be opened to the farm products of all the world.

It was only a few days since that your leader [Mr. UNDERWOOD] proclaimed to the House that you proposed to revise the tariff one schedule at a time. If that is your sincere intention, why do you present this bill in this form, containing articles from numerous schedules in the tariff law?

Give to the Members on both sides of this House the opportunity to cast their votes on these propositions separately. By this bill you admit a very little good legislation in order to get through a great deal of bad and ruinous legislation. When you ask the farmer to sell all of his great products in a free market in order to buy his little lumber in a free market he will say to you that your exchange of markets is unfair to him and the price you demand is too high.

What will be the result if we pass this bill placing agricultural implements on the free list? It has been stated here that already some American manufacturers of agricultural implements have moved to Canada in order to get their products into Canada free of duty. What will be the result now, with Canada charging us a tariff on agricultural implements, and we admitting them free from Canada? Will not the inevitable result be, under the laws of trade, to compel the American manufacturers to move across the line, where they will not only have the Canadian market free, but will also have the market in the United States free—when they will have the markets of both these great agricultural countries free—if you pass this bill?

Will it be of benefit to the American farmer to drive this great industry, monopoly though it be, into Canadian territory? It will deprive us of the vast amount of labor now engaged in making farm machinery in the United States and transfer it to other hands across the line.

I do not know how many men are employed in this industry in the United States, but there are thousands upon thousands of them. As I see it, we should continue to give to these men the right to work and a chance to clothe and care for their families, and to the American farmer a chance to feed them.

Let us not forget our first duty is to the citizens of our own country. Observing this principle, it will be a true guide to the solution of many of these great economic problems. It shall be the rule of my official acts, the lodestar toward which my feet shall plod.

In deciding whether or not this will be of benefit to the American farmer, it is important to consider the probable competition that may come to him from other countries in those things which he produces. It is well to know something of the production of other agricultural countries and of the amount of grain and meats they produce, as compared with the amount that we produce, per capita. The United States, with 90,000,000 people, produces annually about 700,000,000 bushels of wheat, or about 7 bushels per capita. We produce 2,660,000,000 bushels of corn, or about 26 bushels per capita. We produce 1,007,000,000 bushels of oats, or 12 bushels per capita. We have in this country 64,000,000 cattle, which is a little more than two-thirds of a head per capita; 57,000,000 sheep, a little less than two-thirds of a head per capita; and 47,000,000 hogs, or about one-half head per capita.

Canada has a population of 8,000,000 people. It produced in 1909, 167,000,000 bushels of wheat, or 21 bushels per capita. That is three times as much per capita as is produced in the United States. Canada raised 375,000,000 bushels of oats, or 47 bushels per capita. That is four times as much to the person as we produced in this country. Canada has 20,000,000 sheep, or two and one-half head per capita, which is nearly four times as many to the person as we produce in this country.

Argentina has a population of 6,000,000. That country produced 162,000,000 bushels of wheat, or 27 bushels per capita, nearly four times as much as we produce to the person. That country produces 136,000,000 bushels of corn, about 23 bushels to the person, or almost as much as the United States produces. Argentina has 26,000,000 cattle, or four and one-third

head to the person, which is six and one-half times as many cattle per capita as we have in the United States. That country has 77,000,000 sheep, or 13 sheep to the person, nearly 20 times as many as we have in the United States. It has 3,000,000 hogs, the same per capita as we have. That country exported in 1909, 9,000,000 bushels of oats and 90,000,000 bushels of wheat.

Mexico has almost as many cattle per capita as has the United States, and it has more sheep and goats per capita. That country exported to the United States in 1909, 65,000 cattle and 100,000 the year before, in spite of the tariff duty of $3.75 per head.

The Republic of Brazil has a population of 20,000,000. Its cattle number 25,000,000, or one and one-fourth head per capita, and that is nearly twice as many to the person as has the United States.

Uruguay has a population of 1,000,000 people. In 1902 that Republic had 7,000,000 cattle, or 7 head per capita. That is 10 times as many per capita as we have in the United States. It had 18,000,000 sheep, which is 18 head per capita, and that is more than 30 times as many to the person as we have in this country.

Mr. Chairman, there is no reason why these countries can not produce sheep and cattle and meat stuffs and breadstuffs more cheaply than we can produce them in the United States. Canada has just as good access to our chief cattle and sheep markets as have many of our own farmers. They are raising cattle and sheep on land that is worth $10 per acre. Farmers in Ohio and Illinois and Indiana and all those great meat-producing States are raising sheep and cattle on land that is worth $150 and $250 per acre. I submit that our farmers can not compete under those conditions with the meat-producing people of Canada. They are raising wheat and oats and barley on cheap land. It is not sufficient to say that the only difference in the price between those grains in Canada and in the United States is due to the difference in transportation. Take it anywhere along the line where there is no difference in transportation, where the wheat and oats and barley and cattle on that side of the line are just as near to Duluth and Chicago and Minneapolis as on this side of the line, there is a difference in the price of these commodities, notwithstanding some statements to the contrary. It is wholly immaterial to the American farmer as to what the price of these things is at the shipping port or at the great city on the seacoast where they are loaded for the foreign markets. The question with him is, What are they worth on the farm? They are not worth as much on the farm in Canada as on the farm in the Dakotas and Minnesota and Iowa and Missouri and the other States where they are produced. Now, why this difference in price? It is because of a duty on these things, and just the instant that duty is removed those commodities will seek a common level. Wheat will go up a little in the town on the Canadian side of the line; it will go down a little in the town on this side of the line; and the American farmer is bound to suffer in the value of his products.

The gentleman from Alabama [Mr. UNDERWOOD] made a statement the other day that in his judgment neither reciprocity nor the free-list bill would affect the price of wheat. On last Wednesday I copied from a local paper in my city a dispatch which appeared in the market reports from Chicago. I will read it:

Wheat is bearish, due to proposed reciprocity with Canada. The prospect of the passage of the treaty has had a depressing effect and wheat is lower.

Mr. ALLEN. Will the gentleman yield for a question?

Mr. STERLING. I will.

Mr. ALLEN. Is it not a fact that last week, while we were debating the Canadian reciprocity bill, wheat went from 80 cents on Monday to 85 cents on Saturday?

Mr. STERLING. It did not. Here are the market reports from Chicago on last Wednesday, and so far as I have seen the market reports from Chicago they have been against wheat all the time, and have been going against wheat from the time the President sent his message on reciprocity to this House down to the present time.

Mr. ALLEN. Will the gentleman yield further?

Mr. STERLING. Is the gentleman from Ohio talking about cash wheat?

Mr. ALLEN. Yes.

Mr. STERLING. Then he is mistaken about it. It might be that some days wheat has sprung up a little, but the tendency has been downward all the time, until to-day the wheat in the bins of the American farmer is worth 28 cents a bushel less than it was a year ago at this time.

Mr. MADISON. Will the gentleman yield to me?

Mr. STERLING. Yes.

Mr. MADISON. It is true that wheat has been falling in price in recent months. Does the gentleman know when the decline began?

Mr. STERLING. It began very markedly, I am sure, about the time that Congress acted on the reciprocity measure at the last session.

Mr. MADISON. Will the gentleman yield for a further question?

Mr. STERLING. Yes.

Mr. MADISON. Is it not true that the decline began in October when there was not even a suggestion of Canadian reciprocity?

Mr. McGUIRE of Oklahoma. It is always lower in October.

Mr. DAVIS of Minnesota. Will the gentleman from Illinois yield?

Mr. STERLING. Yes.

Mr. DAVIS of Minnesota. On the 26th of January, the day the reciprocity bill was introduced in the House accompanied by the message of the President of the United States, the kind of wheat that the northwestern farmers raise was $1.06⅝ per bushel cash in Minneapolis, and in Winnipeg on that day it was 97 cents. Two days afterwards, on the 28th, in Winnipeg, wheat went up a cent and a half, and the Minneapolis market went down 5 cents, and prices have been going gradually downward for this grade of wheat ever since, until within the last two or three days it has gone up 2 or 3 cents. That is the kind of wheat that the farmers in the Northwest raise 250,000,000 bushels of. These farmers have already lost pretty nearly $5,000,000 on the crop they had in their bins.

Mr. MADISON. Will the gentleman from Illinois yield for a statement?

Mr. STERLING. If it is brief.

Mr. MADISON. I want to state that the fact is, and every man who has followed the market reports knows it, that the decline in wheat began last October or September, and has been continuous from that time until now. It began before there was a single suggestion of reciprocity, and there is no evidence that the President's message or the discussion on reciprocity—aside from the immediate day when the Canadian reciprocity matter was brought into this Congress—had anything on earth to do with the decline in wheat.

Mr. STERLING. I will say in reply that it makes no difference what we say here about these things, when it appears to be the fact that on the great wheat markets of the country the price of wheat is depressed, and buyers and sellers of wheat give that as the reason why it has gone down. That ought to settle the question as to what influence is at work destroying the value of the farmers' wheat.

Mr. McGUIRE of Oklahoma. Will the gentleman yield?

Mr. STERLING. I will.

Mr. McGUIRE of Oklahoma. If the gentleman from Kansas will look up the record for an indefinite number of years past, he will find that wheat invariably in the United States is reduced in price from about July or August and continues in reduction for some months, and begins to advance in price about December or January. He will find that that has always been the record in this country until they sprung this reciprocity proposition. This time it has gone down and remained down, and it can be due to no other cause than proposed reciprocity.

Mr. STERLING. The wheat markets of the country charge the decline to reciprocity. That ought to satisfy the gentleman from Kansas.

Mr. Chairman, I have spoken of the possibilities of competition with Canada. What may we expect from the rich agricultural lands to the south of us? It is true that this bill does not admit cattle and sheep free from Mexico, but it does admit beef and mutton and lamb and veal. It admits all meats, fresh and cured, free from Mexico, along with all other countries. Gentlemen talk about striking a blow at the monopolies. Have we not reached a point in this debate when it would be proper for some one to suggest the name of a monopoly that would be suppressed or injuriously affected by this bill?

I know it will not be the packers. They will build packing houses just across the line, buy cheaper cattle from the haciendas of Mexico, send it into the great marts of the United States free of duty, and sell it to the American consumer, still at monopoly prices. The same conditions will apply to other countries and to other industries. The inevitable laws of trade will simply compel a change of location of the industry to a cheaper field for raw material, without affecting the monopolistic power of the industry to sell its products to the ultimate consumer at any price it may fix. Your whole scheme is in the

interest of monopoly. You propose to give it a cheaper market in which to buy, and the certain and only result will be to increase the margin of monopoly's profits.

The packers in Argentina are already prepared for this pleasing advantage which you propose to give them. Even American packers are there to receive the benefits which you hold out to what you choose to call the Beef Trust. It will be a very easy matter for this powerful influence to dominate the price of beef at Buenos Aires as well as at Chicago.

Let me quote from a report on trade conditions in Argentina, issued last year by the International Bureau of American Republics:

Meat preparation: In 1902 there were three frigorificas (cold-storage plants). Since then they have increased so rapidly as to introduce injurious competition. A recent movement has been made toward consolidating the larger ones, so as to control the market, and it is said that American capital is interested.

Mr. GARRETT. Will the gentleman yield?

Mr. STERLING. Yes.

Mr. GARRETT. Did the gentleman support the amendment offered to the reciprocity bill by the gentleman from South Dakota [Mr. MARTIN]?

Mr. STERLING. I did not.

Mr. GARRETT. Really, what I meant was to call the attention of the gentleman to the fact that my friend from South Dakota [Mr. MARTIN] presented his amendment, and gave as a reason for it that it was striking a blow at the Beef Trust. The gentleman says that it is not.

Mr. STERLING. Mr. Chairman, let us look a little further at the situation in Mexico. It is a wonderfully fertile country. They have an immense territory, with the best beef and mutton producing grasses in all the world. The land is worth $3, $7, and $10 an acre. They can produce beef and mutton very cheaply. They have cheaper access to the great centers of population in the United States than have the farmers of the Mississippi Valley. They have water transportation to all the great markets on both our eastern and western seaboards. Mexico has water transportation to the very heart of the Mississippi Valley, and they can produce meat and grain and sell it in the American markets cheaper than can the American farmer.

For 40 years the farmers of the East and of the Middle West have been in competition with the great grass ranges of the West, where cattle and sheep have been grown cheaply on the public lands. That competition has about ended, but no sooner is he relieved of that unequal competition than you propose to burden him with another, more unequal and more enduring, by placing him in competition with all the cheap grass lands of both the North and South American Continents, of which there are countless millions of acres.

And that is not all—indeed that is but one-half of it—you propose to put him in competition with the lowest grade and lowest paid agricultural labor anywhere in the civilized world—with the greasers of Mexico and the mixed bloods of South America.

That, gentlemen, is the proposition you offer the American farmer to heal the wounds which you made by passing the reciprocity bill. Your farmers' free list is a humbug. If it becomes a law, it will, as the years go by, lay prostrate that greatest of all industries—American agriculture.

THE HIGH COST OF LIVING.

The friends of these two Democratic measures have had much trouble with their arguments. They assert that this legislation would not reduce the price received by the farmer for his products. They also assert that it will decrease the cost of these products to the consumer. I feel quite sure they have not succeeded in even satisfying themselves of the soundness of either statement. As a matter of fact, it must be apparent to all of us that neither statement is true. If one buys cheaper, then some one must sell cheaper. If the ultimate consumer gets his meat and breadstuffs cheaper, who in the line of trade will make this discount to him? There is at least one, and sometimes several, middlemen between the farmer at one end of the line and the ultimate consumer at the other. Next to the farmer is standing either the miller, the packer, or the cold-storage man. Next comes the jobber, the wholesaler, and the retailer, and, lastly, the ultimate consumer. Who in this line proposes to discount his selling price so that the ultimate consumer can live cheaper? If anyone does, it will be the farmer, because he is the only man in the line that does not control the price at which he sells. He is the only one who asks the buyer how much he will pay. All the rest of them tell the buyer how much he must pay. These trusts and monopolies of which we speak are doing business somewhere between the original producer and the ultimate consumer, and where monopolies do exist, they exist for the sole and only purpose of fixing the price at which they will sell to the consumer. They can do this with reference to these great necessities of life whether they come from the soil of the United States or from foreign soil. You need not expect them to make any gratuitous reductions to the consumer even though they do buy cheaper in the markets of the world.

The farmers' price is fixed largely by the supply and the demand. You propose by this legislation to so increase the supply in our great markets that the price to the American farmer will be the same as to the farmers in cheaper countries. This legislation is bound to reduce the price on the farm without affecting the price to the consumer. It simply widens the margin of profits for the middlemen, even though they may be monopolies, which stand between the original producer and the ultimate consumer.

HOW TO DEAL WITH MONOPOLIES.

You can not suppress and prevent monopolies by tariff legislation. Other countries are burdened with monopolies as well as this, and the people of this country under free trade pay tribute to foreign as well as domestic monopolies. But the people have the power to prevent all monopolies in this country, and it is within the province of the Congress to make that power effective. It is our plain duty to submit to the States of the Union an amendment to the Constitution giving to Congress the power to suppress and prevent monopolies by appropriate legislation. Permit me to say that I have introduced in this Congress a joint resolution for that purpose, and I ask of every Member his thoughtful consideration of that question.

The gentleman from Alabama [Mr. HOBSON] deplored the fact that the people were drifting from the country to the town. So do I. It shows that there is something wrong in our economic system. The purpose of humanity is to live, and it will seek the place where life is easiest. Men are attracted to the cities and the great industrial centers because they find there living to be a little more certain and their labor a little more remunerative. Even under present conditions the tendency is toward the town. Life is not quite so easy in the country as in the city, and the gentleman from Alabama proposes by this legislation to widen the difference between life in the country and in the city, and thus accelerate this movement which he so greatly regrets.

Mr. Chairman, I would be glad, indeed, if we could check this mad desire, this hot haste on the part of the Democratic Party to strike this blow at the agricultural interests of the country. It will hardly be possible to defeat the passage of this bill in the House. Some good may come, however, from this early determination of the Democracy to carry the country back to that ruinous free-trade policy which they inaugurated when last in power. I trust the country will discover the purpose and effect of this legislation before that party can gain supremacy in all the branches of government. I do not believe the people desire to go back to conditions that existed under that party. The legislation which you have urged so far tends in that direction, and the hope of the country rests in finding you out before you have achieved your purpose. [Applause.]

Mr. UNDERWOOD. Mr. Chairman, I will ask the gentleman from Pennsylvania if he desires to yield any more time this evening?

Mr. DALZELL. I can not use any more time this evening.

Mr. UNDERWOOD. 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. ALEXANDER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 4413, and had come to no resolution thereon.

LEAVE OF ABSENCE.

By unanimous consent, Mr. BOEHNE was granted leave of absence indefinitely, on account of sickness.

LEAVE TO PRINT.

Mr. UNDERWOOD. Mr. Speaker, I desire to ask unanimous consent that all gentlemen who have spoken on this bill or who speak on the bill may have leave to extend their remarks in the RECORD within five legislative days after the completion of the bill.

Mr. LANGLEY. May I ask the gentleman if that includes gentlemen who are merely yielded the floor for the purpose of asking leave to extend remarks?

Mr. UNDERWOOD. Any gentleman who addresses the House will be included in this request.

Mr. LANGLEY. The gentleman said those who spoke on this bill. Of course, that is not speaking on the bill.

The SPEAKER. It is always construed that way. The gentleman from Alabama asks unanimous consent that everybody who has spoken on this bill or who may hereafter speak on it shall have leave for five legislative days to extend their remarks in the RECORD. Is there objection?

Mr. JAMES. The gentleman's request was for five legislative days after the bill is completed.

The SPEAKER. For five legislative days after the bill is passed. Is there objection? [After a pause.] The Chair hears none, and it is so ordered.

ORDER OF BUSINESS.

Mr. AUSTIN. Mr. Speaker, I would like to ask the chairman of the Committee on Ways and Means if he proposes on to-morrow to give way to the Committee on the Census to bring in the reapportionment bill?

Mr. UNDERWOOD. I think that is the understanding.

Mr. AUSTIN. I desire the information so those of us who are interested in it will be here to-morrow.

ADJOURNMENT.

Mr. UNDERWOOD. I understand the apportionment bill will be called up in the morning and completed before this bill is again considered. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 2 minutes) the House adjourned until to-morrow, Thursday, April 27, 1911, at 12 o'clock meridian.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, a letter from the Secretary of Commerce and Labor, transmitting report of Special Agent W. A. Graham Clark on cotton goods in Latin America, was taken from the Speaker's table and referred to the Committee on Ways and Means (H. Doc. No. 37).

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. ASHBROOK, from the Committee on Expenditures in the Post Office Department, to which was referred the resolution of the House (H. Res. 109) to investigate the Post Office Department and service, reported the same with amendment, accompanied by a report (No. 13), which said bill and report were referred to the House Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. HAY: A bill (H. R. 7594) to consolidate certain branches of the War Department and the Army, and to decrease the expense thereof; to the Committee on Military Affairs.

By Mr. STONE: A bill (H. R. 7595) to increase the compensation of rural mail carriers; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 7596) to establish a fish hatchery at Peoria, in the State of Illinois; to the Committee on the Merchant Marine and Fisheries.

By Mr. OLDFIELD: A bill (H. R. 7597) to amend river and harbor act of March 3, 1899, making appropriation for improvement of upper White River; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 7598) to repeal section 1 of the act of March 3, 1875, entitled "An act granting to railroads the right of way through the public lands of the United States"; to the Committee on the Public Lands.

By Mr. FIELDS: A bill (H. R. 7599) to increase appropriation for site and erection of public building at Ashland, Ky.; to the Committee on Public Buildings and Grounds.

By Mr. CANDLER: A bill (H. R. 7600) to provide for the survey of the Tombigbee River in Alabama and Mississippi; to the Committee on Rivers and Harbors.

By Mr. SMALL: A bill (H. R. 7601) to prohibit the use of drinking cups and to prevent the communicating of infectious diseases; to the Committee on the District of Columbia.

Also, a bill (H. R. 7602) to authorize the Secretary of the Treasury to appoint a deputy collector of customs at Belhaven, N. C.; to the Committee on Ways and Means.

Also, a bill (H. R. 7603) authorizing the establishment of experimental parcel post limited to the delivery limits of rural routes; to the Committee on the Post Office and Post Roads.

By Mr. HOBSON: A bill (H. R. 7604) to authorize commissions to issue in the cases of officers retired or advanced on the retired list with increased rank; to the Committee on Naval Affairs.

By Mr. CARY: A bill (H. R. 7605) for the extension of Maryland Avenue east of Fifteenth Street to M Street NE.; to the Committee on the District of Columbia.

By Mr. BOWMAN: A bill (H. R. 7606) to provide for the incorporation, control, and government of associations organized to carry on business entering into or becoming a part of interstate commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. COOPER: A bill (H. R. 7607) to provide for the purchase of a site and the erection of a public building thereon at Lake Geneva, Walworth County, Wis.; to the Committee on Public Buildings and Grounds.

By Mr. BARTHOLDT: A bill (H. R. 7608) to amend section 233 of the Postal Laws and Regulations; to the Committee on the Post Office and Post Roads.

By Mr. OLDFIELD: A bill (H. R. 7609) to revise and amend the statutes relating to patents; to the Committee on Patents.

By Mr. LEE of Georgia: A bill (H. R. 7610) to add 31,000 acres of land, by purchase or condemnation, to the Chattanooga and Chickamauga National Military Park, and appropriating $761,000 for that purpose; to the Committee on Military Affairs.

By Mr. CLAYTON: A bill (H. R. 7611) to provide for holding the district court of the United States for Porto Rico during the absence from the island of the United States district judge; to the Committee on the Judiciary.

By Mr. FLOYD of Arkansas: A joint resolution (H. J. Res. 75) reducing the number of Capitol police; to the Committee on Accounts.

Also, a resolution (H. Res. 128) declaring vacant certain offices in the service of the House of Representatives, and for other purposes; to the Committee on Accounts.

By Mr. PRAY: A memorial of the Legislature of Montana, favoring legislation for the termination of the treaty with Russia of 1832; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS.

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

By Mr. ADAIR: A bill (H. R. 7612) granting an increase of pension to Ezra P. Gallion; to the Committee on Invalid Pensions.

By Mr. ANDREWS: A bill (H. R. 7613) granting a pension to Gabino Bernal; to the Committee on Invalid Pensions.

By Mr. ASHBROOK: A bill (H. R. 7614) granting a pension to Joseph Marshall; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7615) granting an increase of pension to George W. Medick; to the Committee on Invalid Pensions.

By Mr. BATES: A bill (H. R. 7616) granting an increase of pension to David W. Stafford; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7617) granting an increase of pension to Joseph Shreck; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7618) granting an increase of pension to Henry C. Twichell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7619) granting an increase of pension to Henry H. Rowley; to the Committee on Invalid Pensions.

By Mr. BURKE of Wisconsin: A bill (H. R. 7620) granting an increase of pension to Joseph Spehn; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7621) granting an increase of pension to J. J. Dillon; to the Committee on Invalid Pensions.

By Mr. CAMERON: A bill (H. R. 7622) granting a pension to James C. Shackleford; to the Committee on Pensions.

By Mr. CARY: A bill (H. R. 7623) granting an increase of pension to Stephen F. Oliver; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7624) granting an increase of pension to Selon H. Case; to the Committee on Invalid Pensions.

By Mr. COOPER (by request): A bill (H. R. 7625) retiring Thomas Harrison, a clerk in the Naval Observatory, and for other purposes; to the Committee on Naval Affairs.

By Mr. CULLOP: A bill (H. R. 7626) granting an increase of pension to John Mahoney; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7627) to correct the military record of Alfred A. Burris; to the Committee on Military Affairs.

Also, a bill (H. R. 7628) for the relief of Andrew B. Ritter; to the Committee on Military Affairs.

By Mr. DAVIS of West Virginia: A bill (H. R. 7629) granting an increase of pension to William R. Huffman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7630) to pension Army teamsters; to the Committee on Invalid Pensions.

Also (by request), a bill (H. R. 7631) for the relief of Asa S. Hugill; to the Committee on War Claims.

By Mr. DIFENDERFER: A bill (H. R. 7632) granting an increase of pension to Cyrus Harrison; to the Committee on Invalid Pensions.

By Mr. FARR: A bill (H. R. 7633) granting a pension to Catherine M. Wardell; to the Committee on Invalid Pensions.

By Mr. FIELDS: A bill (H. R. 7634) granting a pension to Frank Selmar; to the Committee on Invalid Pensions.

By Mr. GOODWIN of Arkansas: A bill (H. R. 7635) granting a pension to Sarah McIntosh McGill; to the Committee on Pensions.

Also, a bill (H. R. 7636) granting an increase of pension to Eliza S. Byram; to the Committee on Pensions.

By Mr. GOULD: A bill (H. R. 7637) granting an increase of pension to James F. Churchill; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7638) granting an increase of pension to Gardiner Roberts, jr.; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7639) granting an increase of pension to Henry Wheeler; to the Committee on Invalid Pensions.

By Mr. HARRIS: A bill (H. R. 7640) to correct the military record of Frederic E. Fiske; to the Committee on Military Affairs.

By Mr. LITTLEPAGE: A bill (H. R. 7641) granting a pension to Bryant T. Moore; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7642) granting a pension to Andrew J. Hall; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7643) granting a pension to William D. Medley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7644) granting an increase of pension to William H. Cyrus; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7645) granting an increase of pension to John Walton; to the Committee on Invalid Pensions.

By Mr. LITTLETON: A bill (H. R. 7646) granting a pension to Emma J. Crocker; to the Committee on Pensions.

Also, a bill (H. R. 7647) to remove the charge of desertion from the military record of Stephen I. Haff and to grant him an honorable discharge; to the Committee on Military Affairs.

By Mr. McHENRY: A bill (H. R. 7648) granting an increase of pension to J. P. Hayman; to the Committee on Invalid Pensions.

By Mr. McKINLEY: A bill (H. R. 7649) granting an increase of pension to James M. Wood; to the Committee on Invalid Pensions.

By Mr. MACON: A bill (H. R. 7650) for the relief of I. S. Rogers and J. L. Worthley; to the Committee on Claims.

By Mr. MARTIN of Colorado: A bill (H. R. 7651) granting an increase of pension to Mary L. Jarvis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7652) granting an increase of pension to Jose La Lerz Lovato; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7653) granting an increase of pension to Andrew W. Duggan; to the Committee on Invalid Pensions.

By Mr. OLDFIELD: A bill (H. R. 7654) granting an increase of pension to John P. Goshen; to the Committee on Invalid Pensions.

By Mr. O'SHAUNESSY: A bill (H. R. 7655) granting an increase of pension to William H. Case; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7656) to grant an honorable discharge to William H. Riddensdale; to the Committee on Military Affairs.

Also, a bill (H. R. 7657) to refund moneys paid into the Treasury of the United States through mistake; to the Committee on Claims.

By Mr. PEPPER: A bill (H. R. 7658) granting an increase of pension to William H. McCune; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7659) granting an increase of pension to Herman F. Bonorden; to the Committee on Invalid Pensions.

By Mr. RUCKER of Colorado: A bill (H. R. 7660) granting a pension to Eliza Lake Sprague; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7661) granting a pension to Nora Wayman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7662) granting an increase of pension to Benjamin F. Hardy; to the Committee on Invalid Pensions.

By Mr. RUSSELL: A bill (H. R. 7663) granting an increase of pension to Nathan Shipman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7664) granting an increase of pension to John Dryman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7665) granting an increase of pension to Francis M. Harris; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7666) granting a pension to James A. House; to the Committee on Invalid Pensions.

By Mr. SMALL: A bill (H. R. 7667) granting a pension to Cecil R. Berry; to the Committee on Pensions.

Also, a bill (H. R. 7668) granting a pension to Thomas M. Davis; to the Committee on Pensions.

Also, a bill (H. R. 7669) for the relief of the estate of the late Thomas C. Fuller; to the Committee on the Judiciary.

Also, a bill (H. R. 7670) for the relief of the estate of T. H. B. Myers, surviving partner of John Myers & Son; to the Committee on War Claims.

Also, a bill (H. R. 7671) for the relief of the estate of Samuel R. Fowle, deceased; to the Committee on War Claims.

Also, a bill (H. R. 7672) for the relief of Mary J. Manning; to the Committee on Claims.

Also, a bill (H. R. 7673) for the relief of the estate of B. F. Havens; to the Committee on Claims.

Also, a bill (H. R. 7674) for the relief of the estate of the late Jesse R. Stubbs; to the Committee on the Judiciary.

Also, a bill (H. R. 7675) to carry out the findings of the Court of Claims in the case of the Catholic Church in Washington, N. C.; to the Committee on War Claims.

Also, a bill (H. R. 7676) to carry out the findings of the Court of Claims in the case of the Methodist Episcopal Church South, in Washington, N. C.; to the Committee on War Claims.

Also, a bill (H. R. 7677) to carry out the findings of the Court of Claims in the case of the Presbyterian Church in Washington, N. C.; to the Committee on War Claims.

Also, a bill (H. R. 7678) to carry out the findings of the Court of Claims in the case of J. W. Howett, administrator of William Howett, deceased; to the Committee on War Claims.

Also, a bill (H. R. 7679) to carry into effect the provisions of the act of Congress approved March 4, 1909, relating to surveys of waters of North Carolina where fishing is prohibited by law; to the Committee on Appropriations.

By Mr. STONE: A bill (H. R. 7680) granting an increase of pension to George W. Corl; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7681) to correct the military record of John W. Conkling; to the Committee on Military Affairs.

By Mr. WHITACRE: A bill (H. R. 7682) granting an increase of pension to John W. Randels; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7683) granting an increase of pension to Joseph R. Junkin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7684) granting an increase of pension to Charles C. Stover; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7685) granting an increase of pension to David M. Kirkstetter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7686) granting an increase of pension to Lyman H. Milner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7687) granting a pension to James Vanfossan; to the Committee on Invalid Pensions.

By Mr. WOODS of Iowa: A bill (H. R. 7688) for the relief of Henry J. Bolander; to the Committee on Military Affairs.

Also, a bill (H. R. 7689) for the relief of John G. Riley; to the Committee on Military Affairs.

PETITIONS, ETC.

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

By Mr. ALLEN: Petition of citizens of Cincinnati, Ohio, favoring the withdrawal of troops along the Mexican border; to the Committee on Military Affairs.

By Mr. BULKLEY: Resolution of the Cleveland conference board of the International Molders' Union of North America, protesting against the 10-cent tax on oleomargarine as a hardship on the working classes; to the Committee on Agriculture.

By Mr. BURKE of Wisconsin: Papers accompanying H. R. 6160, granting an increase of pension to William Bennett; by Oscar Arnold, of Fond du Lac, Wis., requesting a pension; and to accompany a bill for the relief of Abner Hampton; to the Committee on Invalid Pensions.

By Mr. CALDER: Petition of Luke P. O'Toole, of Brooklyn, N. Y., protesting against any new arbitration treaty with Great Britain; to the Committee on Foreign Affairs.

By Mr. DALZELL: Resolutions of Chamber of Commerce of Pittsburg, Pa., protesting against the tax on oleomargarine; to the Committee on Agriculture.

By Mr. FOSTER of Vermont: Petition of 139 citizens of Vanwert, favoring the establishment of a national health depart-

ment; to the Committee on Expenditures in the Interior Department.

By Mr. FULLER: Petition of O. C. Barber, of Akron, Ohio, favoring physical valuation of railroads, etc.; to the Committee on Interstate and Foreign Commerce.

Also, petition of Carolina Bagging Co., of Henderson, N. C., against the free-list bill admitting jute free of duty; to the Committee on Ways and Means.

By Mr. KENDALL: Petition of citizens of Hedrick and Eldon, Iowa, against parcels post; to the Committee on the Post Office and Post Roads.

By Mr. LAMB: Resolutions of Subdivision 475, Brotherhood of Locomotive Engineers, Texas; Branch No. 95, Glass-Bottle Blowers' Association of the United States and Canada; Ohio Federation of Women's Clubs, and Hyperion Club, of Nelsonville, Ohio; American Federation of Labor, Lodge No. 12868, Bedford, Ind.; Trades and Labor Assembly of Massillon, Ohio; and Union 713, Painters, Decorators, and Paper Hangers of America, favoring repeal of tax on oleomargarine; to the Committee on Agriculture.

By Mr. LOBECK: Petition of Italian citizens of Omaha, Nebr., requesting that the tax on Italian lemons be repealed; to the Committee on Ways and Means.

By Mr. MARTIN of South Dakota: Petition of citizens of South Dakota, for general pension bill; to the Committee on Invalid Pensions.

By Mr. O'SHAUNESSY: Petition of the W. E. Barret Co., Providence, R. I., favoring the passage of the Esch phosphorus bill; to the Committee on Ways and Means.

By Mr. PETERS: Resolutions of Central Council Irish County Clubs, of Boston, Mass., opposing any new arbitration treaty with Great Britain; to the Committee on Foreign Affairs.

By Mr. PRAY: Petitions of Washington Council, Junior Order United American Mechanics, of Butte; Trades and Labor Council, Bozeman; and Local Union No. 12837, Great Falls, all in the State of Montana, in favor of legislation proposed by the Immigration Commission; to the Committee on Immigration and Naturalization.

Also, petition of 19 farmers of Chouteau County, Mont., in favor of parcels post; to the Committee on the Post Office and Post Roads.

Also, petition of Farmers' Alliance of Gallatin County, Mont., against Canadian reciprocity and in favor of protection; to the Committee on Ways and Means.

By Mr. SAMUEL W. SMITH: Petition of the citizens of Lansing, Mich., for the proper observance of the Sabbath; to the Committee on the Judiciary.

By Mr. WILSON of Pennsylvania: Petition of George Bubb & Sons and others, of Williamsport, Pa., against the parcels post; to the Committee on the Post Office and Post Roads.

SENATE.

THURSDAY, *April 27, 1911.*

The VICE PRESIDENT resumed the chair.

Prayer by the Chaplain, Rev. Ulysses G. B. Pierce, D. D.

The Journal of the proceedings of Monday last was read and approved.

RESIGNATION OF PRESIDENT PRO TEMPORE.

The VICE PRESIDENT. At the request of the senior Senator from Maine [Mr. FRYE], the Chair lays before the Senate a communication, which will be read by the Secretary.

The communication was read and ordered to lie on the table, as follows:

PRESIDENT PRO TEMPORE, UNITED STATES SENATE.

To Hon. JAMES S. SHERMAN,
President of the Senate.

DEAR SIR: Will you communicate to the Senate my resignation as President pro tempore of the Senate and convey to them my grateful thanks for the long service they have given me in this honorable office?

Sincerely, yours,

WM. P. FRYE,
President pro tempore.

WASHINGTON, *April 27, 1911.*

CHUGACH NATIONAL FOREST, ALASKA.

The VICE PRESIDENT. The Chair lays before the Senate a communication from the Secretary of the Interior, transmitting, in response to a resolution of the 20th instant, certain information relative to lands in the Chugach National Forest, Alaska. The communication will be referred to the Committee on Conservation of National Resources and printed.

Mr. NELSON. It should go to the Committee on Public Lands, I think.

The VICE PRESIDENT. Does the Senator make a motion to that effect?

Mr. CULBERSON. Let the title be read.

The VICE PRESIDENT. The Secretary will read the title of the communication. The Chair was requested by a Senator to refer it to the Committee on Conservation of National Resources, and, unless some motion was made to the contrary, the Chair felt constrained to make that reference.

The SECRETARY. A communication from the Secretary of the Interior transmitting information responsive to Senate resolution of April 20, 1911, relative to certain lands in the Chugach National Forest, Alaska.

The VICE PRESIDENT. If there be no objection, the communication and accompanying illustrations will be referred to the Committee on Conservation of National Resources and ordered to be printed (S. Doc. No. 12).

COTTON GOODS IN LATIN AMERICA.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of Commerce and Labor, transmitting, pursuant to law, a report by Commercial Agent W. A. Graham Clark on cotton goods in Latin America (H. Doc. No. 37), which, with the accompanying paper, was referred to the Committee on Commerce and ordered to be printed.

PUBLIC BUILDING AT ONEIDA, N. Y.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Treasury and the Postmaster General, transmitting, pursuant to law, a report of an investigation made as to the needs for a public building at Oneida, N. Y. (H. Doc. No. 30), which was referred to the Committee on Public Buildings and Grounds and ordered to be printed.

FRENCH SPOLIATION CLAIMS.

The VICE PRESIDENT laid before the Senate communications from the chief clerk of the Court of Claims, transmitting the findings of fact and conclusions of law filed under the act of January 20, 1885, in the French spoliation claims set out in the annexed findings by the court in the following causes:

The vessel schooner *Alciope*, Robert Rice, master (H. Doc. No. 32);

The vessel ship *Goddess of Plenty*, Thomas Chirnside, master (H. Doc. No. 36);

The vessel ship *Golden Age*, Caleb Earl, master (H. Doc. No. 33);

The vessel ship *Nancy*, Joseph Dill, master (H. Doc. No. 35);

The vessel schooner *Kitty and Maria*, John Logan, master (H. Doc. No. 31); and

The vessel brig *Eliza*, John Miller, master (H. Doc. No. 34).

The foregoing findings and conclusions were, with the accompanying papers, referred to the Committee on Claims and ordered to be printed.

PETITIONS AND MEMORIALS.

The VICE PRESIDENT presented petitions of the congregations of the Church of the Brethren of Mill Creek, Va., Overbrook, Kans., and Elk City, Okla., praying for the enactment of legislation to suppress the opium evil, which were referred to the Committee on Foreign Relations.

Mr. CULLOM presented a petition of the Chamber of Commerce of Chicago, Ill., praying for the ratification of the proposed reciprocal trade agreement between the United States and Canada, which was referred to the Committee on Finance.

He also presented a petition of Local Union No. 161, United Association of Journeymen Plumbers, Gas Fitters, Steam Fitters, and Steam Fitters' Helpers, of Quincy, Ill., praying for the repeal of the present oleomargarine law, which was referred to the Committee on Agriculture and Forestry.

He also presented a petition of Homer Post, No. 263, Department of Illinois, Grand Army of the Republic, of Homer, Ill., praying for the passage of the so-called Sulloway old-age pension bill, which was referred to the Committee on Pensions.

Mr. GALLINGER. I present resolutions adopted by the Legislature of the State of New Hampshire, which I ask may be printed in the RECORD and referred to the Committee on Pensions.

There being no objection, the resolutions were referred to the Committee on Pensions and ordered to be printed in the RECORD, as follows:

STATE OF NEW HAMPSHIRE,
HOUSE OF REPRESENTATIVES,
Concord, N. H., April 19, 1911.

Hon. JACOB H. GALLINGER,
Washington, D. C.

DEAR SIR: The following resolution was passed by both branches of our legislature during the closing week:

"*Resolved by the house of representatives (the senate concurring),* That whereas a bill known as the Sulloway bill, granting pensions to certain enlisted men, soldiers and officers, who served in the Civil War