

Carlton H. Topping, Sodus Point.
Isaiah S. Head, Sylvan Beach.
Jennie Mitchell, White Lake.

NORTH CAROLINA.

Malphus F. Hinshaw, Randleman.
Wade E. Vick, Robersonville.
Bertie L. Matthews, Vass.

OHIO.

Nellie E. Beam, Ansonia.
Jacob W. Simon, Bloomdale.
Vashti Wilson, Corning.
Louis A. Conklin, Forest.
William H. Pfau, Hamilton.
Edward W. Williams, New Carlisle.
Albert W. Davis, Norwalk.
Edwin M. Stover, Oakwood.
Fred J. Wolfe, Quaker City.
Millard H. Bell, West Mansfield.

TENNESSEE.

William D. Howser, Clarksville.
Albert F. Adair, Decaturville.
Robert H. Hurst, Grand Junction.

TEXAS.

John J. Allen, Alpine.
John F. Furlow, Alvord.
Ferman Wardell, Avery.
Emma L. McLaughlin, Blanket.
Mary A. Kent, Corrigan.
Bertie Freeman, Detroit.
Frank W. Dusek, Flatonia.
May S. Johnson, Follett.
Edna Sirman, Grayburg.
William D. McGown, Hemphill.
Leonard M. Kealy, Lewisville.
William J. Wade, Littlefield.
Homer Howard, Lockney.
Fred M. Carrington, Marquez.
Charlie N. Hooser, May Pearl.
Mary S. Ray, Midland.
William F. Neal, Overton.
Nathaniel C. Brown, Robert Lee.

WEST VIRGINIA.

Charles L. Pinckard, Berwind.
John O. Stone, Davy.
Ira Greathouse, Flemington.
John C. Smith, Tralee.
Belfrad H. Gray, Welch.

WITHDRAWALS.

*Executive nominations withdrawn from the Senate March 23
(legislative day of March 16) 1922.*

POSTMASTERS.

MONTANA.

Arie W. De Groot to be postmaster at Absarokee in the State of Montana.

OKLAHOMA.

John W. S. Opdyke to be postmaster at El Reno in the State of Oklahoma.

HOUSE OF REPRESENTATIVES.

THURSDAY, March 23, 1922.

The House met at 11 o'clock a. m. and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father in Heaven, be not far away, for we would speak to Thee. Thou hast not forgotten us; having loved us, Thou wilt surely love us to the end. How we thank Thee for this miracle of Thy mercy! Continue to create in us the noblest conceptions of life, character, and duty. Throughout our broad land give truth power and victory. Keep us in the serene faith of its progress and high destiny. In all things may we gain in knowledge, in wisdom, and in all those virtues that make good men and wise citizens of the Republic. Be gracious to all peoples and help them to come to their liberty by coming to righteousness and fidelity. In the name of Jesus. Amen.

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

SUSPENSION DAY.

Mr. CAMPBELL of Kansas. Mr. Speaker, I submit a privileged resolution from the Committee on Rules.

The SPEAKER. The gentleman from Kansas submits a privileged resolution from the Committee on Rules, which the Clerk will report.

The Clerk read as follows:

House Resolution 309.

Resolved, That it shall be in order on Thursday, March 23, 1922, after the adoption of this resolution, to move to suspend the rules under the provisions of Rule XXVII of the House of Representatives: *Provided, however*, Instead of 20 minutes' debate being allowed to each side for and against the motion, there shall be two hours for such debate to each side.

Mr. GARRETT of Tennessee. Mr. Speaker, I make the point of order that the resolution is not privileged.

The SPEAKER. The Chair will hear the gentleman.

Mr. GARRETT of Tennessee. In that it is violative of the latter part of Rule XI, I believe it is, which reads as follows:

The Committee on Rules shall not report any rule or order which shall provide that business under paragraph 7 of Rule XXIV shall be set aside by a vote of less than two-thirds of the Members present.

That is the Calendar Wednesday rule, which is not involved in my point of order. Then further:

Nor shall it report any rule or order which shall operate to prevent the motion to recommit being made as provided in paragraph 4 of Rule XVI.

Mr. Speaker, it has been openly and frankly avowed everywhere outside this Chamber by Members of this body, and it has been openly and frankly avowed by the responsible leaders of this body outside the Chamber, that the sole purpose of this rule was to have a suspension of the rules for the consideration of the soldiers' adjusted-compensation measure, and that the sole purpose of having a suspension of the rules in order to consider the measure was to prevent any motion to recommit. If that be the purpose—and the Speaker, of course, knows whether it is the purpose—then it does violate in all of its essentials the spirit of the language which I have just read from the rule.

I call the attention of the Chair respectfully to the exact wording of the rule:

Nor shall it report any rule or order which shall operate to prevent the motion to recommit being made.

I have before me the debate which was had in the House at the time that this provision which I have just read was adopted, on March 15, 1909. It will be remembered by the Chair, of course, and those who were present at the time that this particular resolution, along with others, was presented by the gentleman from New York, Mr. Fitzgerald, one of the ablest parliamentarians who ever sat in this House, and in the course of his argument he stressed with great vigor the importance of this particular section, to the end that the rights of the minority might be preserved to offer its motion to recommit.

"It is the spirit that keepeth alive." I am aware of the fact that two years ago this same subject matter came before the House and in the same way in a degree a ruling was then made by the present occupant of the Chair, overruling a similar point of order, except that there was then included in the point of order a proposition referring to Calendar Wednesday. I think the Speaker will recall that the principal arguments made by different gentlemen who discussed it revolved around Calendar Wednesday and not so much around the point I am making, although that was then directed to the attention of the Chair by myself. That probably will be referred to as a precedent.

Mr. MANN. Mr. Speaker, will the gentleman yield?

Mr. GARRETT of Tennessee. I yield to the gentleman.

Mr. MANN. Does the gentleman remember that I made a point of order against a rule reported from the Committee on Rules on the ground that it would set aside Calendar Wednesday in its effect, and Mr. Speaker Clark overruled the point of order?

Mr. GARRETT of Tennessee. I do not recall the occasion.

Mr. MANN. There was such an occasion.

Mr. GARRETT of Tennessee. At any rate, the Calendar Wednesday rule is not involved here. I took the view at the time we were debating that before, so far as Calendar Wednesday was concerned, that a point of order would not lie, because I thought probably the Committee on Rules had the right to report a rule where it takes two-thirds, because it takes two-thirds to set aside Calendar Wednesday; I mean a rule where it takes two-thirds to bring up a suspension on a Calendar Wednesday day. Calendar Wednesday is not involved here, and I do not want to get it confused with this proposition. This rule is designed—it is not only the effect of it, but it is designed—to take away the right to make a motion to recommit, which the rules adopted for the first time on March 15, 1909, and since adopted at the beginning of every Congress undertook to protect for all time the House.

Mr. TOWNER. Mr. Speaker, will the gentleman yield?

Mr. FESS. Will the gentleman yield?

Mr. GARRETT of Tennessee. I yield to the gentleman from Ohio first.

Mr. FESS. Is this the contention of the gentleman from Tennessee, that the Committee on Rules could not make any day a suspension day?

Mr. GARRETT of Tennessee. Yes; substantially that, where it would operate to prevent a motion to recommit.

Mr. FESS. Of course it would always operate that way. I wanted to know whether the gentleman means that the Rules Committee can not bring in a rule fixing any day that it chooses to fix as a suspension day?

Mr. GARRETT of Tennessee. I take that position, Mr. Speaker, that it would not be privileged. Of course the committee could bring in a rule to do so, and it could take its place on the calendar like other nonprivileged matters and be considered when reached in order.

Mr. TOWNER. Will the gentleman yield?

Mr. GARRETT of Tennessee. I yield now to the gentleman from Iowa.

Mr. TOWNER. Would it not have been subject to the same objection if, instead of having a rule for making a day other than the regular day suspension day, this bill had been brought up regularly on suspension day under suspension of the rules?

Mr. GARRETT of Tennessee. No; it would not. It could have been brought up regularly on suspension day under suspension of the rules.

Mr. TOWNER. Is not the gentleman facing this dilemma, then, in saying what he has said to the gentleman from Ohio [Mr. Fess], that a rule can not be brought in by the Committee on Rules making any day a suspension day except the regular suspension day?

Mr. GARRETT of Tennessee. No; I am not at all illogical, I think. I believe the gentleman asked me if I was not illogical.

Mr. TOWNER. No; I asked the gentleman if he was not facing that dilemma.

Mr. GARRETT of Tennessee. I am not at all illogical. The general rules of the House fix suspension day. There is a limitation placed upon the power of the Committee on Rules by the House.

Mr. TOWNER. Will the gentleman yield further to this question?

Mr. GARRETT of Tennessee. I do.

Mr. TOWNER. Of course there would be no necessity of having a Committee on Rules unless it was for the purpose of varying the general rules of the House—changing them. Is not that the object and purpose of the Committee on Rules?

Mr. GARRETT of Tennessee. Yes; but there are two limitations placed by the general rules upon the Committee on Rules. One is that they shall not bring in a rule that will destroy Calendar Wednesday, and the other is that they shall not bring in a special rule that will prevent the motion to recommit.

Mr. TOWNER. The gentleman's argument means that that ultimately would be the effect, but directly it occurs to me that you might say that there can not be any modification of a rule which makes the Committee on Rules have the right to determine a modification, for instance, of the day when bills shall be considered. Has it not been settled on almost every possible point of order that could be raised that it is the special duty of the Committee on Rules to modify the general rules of the House? That certainly has always been done in such cases.

Mr. GARRETT of Tennessee. I do not deny that, except where the Committee on Rules is limited by the general rules of the House, and where that limitation is placed, then when the Committee on Rules attempts to go beyond that limitation it presents a resolution which is not privileged.

I say there is the ruling made in May two years ago which may be called a precedent, but I think it would be a very great error to make the mistaken precedent of yesterday the law of to-day.

Mr. CAMPBELL of Kansas. Mr. Speaker, precisely this question arose two years ago. The gentleman from Tennessee [Mr. GARRETT] made the point of order then that he makes now. He argued the question then more forcefully than he has to-day. The language of the rule prohibiting the Committee on Rules from reporting a rule that would set aside Calendar Wednesday or deny the motion to recommit, of course, as the Speaker knew two years ago, and as the gentleman from Tennessee then knew and now knows, inhibits the Committee on Rules from reporting a rule for the consideration of a bill under the ordinary rules of the House that would deny the right of the motion to recommit. This resolution is an amendment to the rules of the House, providing an additional suspension day—to-day. And as

the Speaker well decided two years ago, the Committee on Rules is within its right in reporting such a resolution, as the Speaker then held, when in overruling a point of order on all fours with the point of order now made the Speaker said, referring to that point of order—

The Committee on Rules can not report a rule which is aimed indirectly or directly at overthrowing Calendar Wednesday or the motion to recommit, but this does not prevent the committee from reporting a resolution couched in general terms which may indirectly ban that ultimate result, such as a resolution providing for six days' suspension of the rule.

Then, we provided for six suspension days, which included Calendar Wednesday. To-day we provide for one suspension day.

Mr. GARNER. Will the gentleman yield?

Mr. CAMPBELL of Kansas. Yes.

Mr. GARNER. Will the gentleman say to the Speaker and to the House that the purpose of this rule is not indirectly to prevent the motion to recommit?

Mr. CAMPBELL of Kansas. I am not engaged in the sort of quibbling that the minority have been indulging in upon this bill in presenting their minority views. [Applause and laughter.]

Mr. GARNER. I should like the gentleman, instead of denying quibbling, to be honest enough with the House to tell them whether the committee intended to do that or not.

Mr. CAMPBELL of Kansas. We are making to-day suspension day, and this privilege of suspending the rules has been a privilege of the House throughout its history. It has been used less during recent years than formerly, but it has always been resorted to when it was thought necessary by those charged with the responsibility of conducting the business of the House.

The SPEAKER. The Chair is ready to rule. The Chair thinks, as intimated by the gentleman from Tennessee [Mr. GARRETT], and as quoted by the gentleman from Kansas [Mr. CAMPBELL], that his decision is determined by the ruling made two years ago, that the Committee on Rules has the right to bring in a rule providing that on certain days suspensions shall be in order. This practice, as the gentleman from Kansas suggested, has not been availed of much of late, but formerly it was a frequent practice. The Chair remembers one Congress when suspension was made in order for weeks, and he thinks for months, and where the vote need be only a majority instead of two-thirds. The Chair thinks that the provision in Rule XI, cited by the gentleman from Tennessee [Mr. GARRETT], applies to rules reported by the Committee on Rules for the consideration of bills and does not apply to a rule like this setting apart a day for suspensions, and the Chair overrules the point of order.

Mr. CAMPBELL of Kansas. Mr. Speaker, I will take one hour and yield one-half of it to the gentleman from North Carolina [Mr. POTTS]. First, I yield five minutes to the gentleman from Ohio [Mr. FESS].

Mr. FESS. Mr. Speaker, two years ago I voted against the bonus bill because it did not provide an equitable method by which it could be financed, and the Treasury Department was not in condition to handle it. I would not then nor would I now vote for a cash bonus that does not carry with it an equitable system of taxation to finance it. Our first concern is to our country, our whole country, including the service men. Our duty is not respected if we cripple the country's finances to prevent it to rehabilitate and relieve the industrial depression, the continuance of which is to the hurt of all our citizens, including our service men. In the two years we have witnessed a remarkable progress in Treasury financing. Our funded public debt has been reduced by two billions and our floating debt by \$700,000,000. Interest and discount rates are declining, Government securities are appreciating, and business generally is growing better. If I were convinced that the proposed legislation would interrupt this splendid achievement, I would not give my support to it.

Two years ago, failing either to eliminate the cash feature or providing a method for financing it, I had no other alternative than to vote against the bill.

But this proposed bill omits the cash feature, which obviates the necessity of new taxes for at least three years. At that time the amount that may arise out of the loan feature will not reach \$500,000,000; it is estimated that it will not go beyond \$275,000,000. No one will hold that this amount will seriously affect the Treasury.

Whether it is right or wrong, the country is committed to bonus legislation. We pay a bonus to our civil employees. We defended this practice upon the basis that it was to take care of the added cost of living due to the war. But the war closed

over three years ago. Notwithstanding this fact we are still paying the bonus to these people.

The soldier thinks, and we can not remove that conviction, that we are discriminating against him. He can not understand this attitude and has for some time asked the question, Why regard the bonus for civil employees to-day and deny it to the men who served under the colors? During the war times some of us believed, as we stated at the time when we were discussing the man-power bill to win the war, that if we entered on the policy of conscription of our men to organize the Army we ought to adopt conscription for all persons engaged in war work. Had we done this we would not to-day be called upon to pay either exorbitant war contracts or bonuses of any character. But that was thought impracticable and was not adopted, and as a result of the unwise policy of the cost-plus contract an orgy of profiteering was engaged in everywhere, high prices and extravagance became the rule at home while a dollar per day was the pay for the service of the men in the trenches. While I have never believed in a general way in the principle of bonus legislation, yet here is a discrimination that we are responsible for in having failed to place everybody doing war work under conscription during the period of the war. This omission which enabled this discrimination in pay is a basis of justice for what these men are requesting. [Applause.]

Mr. Speaker, there is an additional reason. We have by special legislation completed informal contracts made during the war. We have allowed an enormous sum to care for these war claims as so much loss due to war, but which nevertheless must be respected. We will be called upon to do more of this sort of legislation. Wherever the contract was made to build the war machine we must pay it. There will be demands on the Treasury growing out of contracts with numerous corporations called upon to aid the Government to win this war, and, in my judgment, to my way of thinking, we will be compelled to respect those contracts and to fulfill them because our Government will not repudiate its obligation when once the obligation is established.

While we are doing that we are told that we are always willing to pay what is due the contractor, but we hesitate when it comes to the man who offers his life and withhold our recognition of our obligation to the soldier who did the work, not under a contract, it is true, because it was one sided where the Government is the only party to the contract, by the employment of its necessary power and right of conscription, in which the wish of the soldier could not be consulted.

So, gentlemen of the House, this bill eliminating the cash feature and adopting the insurance feature in the interest of thrift and which will not place a burden immediately on the Treasury, since it gives us three years to take care of whatever charge may arise out of the loan provision of the bill. By that time we can make provision for an equitable system of taxation to care for it. I do not see the embarrassment on the Treasury such as some of our friends think there is. My opposition to the former bill is not applicable to this bill, and for that as one reason I am going to vote without hesitation for this measure, believing that it is not dangerous to the general welfare of the country and is a recognition of our appreciation due the soldier. In our attitude toward our treatment of war demands we can not provide bonuses and relief for one and refuse it for another. [Applause.] If bonuses are to be given, and we have committed ourselves to it, this bill gives such relief as is available. However, it does not commit the country to the demagogic view of the Democratic Party.

While it is not a party measure I can assert that I would not support the plan of our Democratic friends as set out in their minority report in which they demand a cash bonus to be financed by a revival of the excess-profits tax and an additional surtax placing the rate at 73 per cent. While this sounds well no one can close his eyes to the inevitable depression of industry, the increased unemployment, and general suffering such a policy if written into law would entail.

The Republican Party in its platform committed itself to the principle, but not to a business-wrecking policy that could not be practicable. No one will deny that the plank was inserted to be interpreted to mean what it says—coming one month after the bonus bill was passed by the House. The President in promise in the campaign in 1920 committed himself to the principle, but not to this democratic foible. We, in conference, committed ourselves. The people of many States, including my own State, are committed by special State action to the principle. Even the chambers of commerce throughout the country, in their referendum recently held on the original bonus proposal, did not show such opposition as is usually attributed to that organization. On the other hand, two of the four features voted on were favored by substantial majorities.

Reclamation feature was favored, 1,250 to 461.

The home feature was favored, 1,023 to 677.

Vocational education was favored, 1,379 to 325.

The certificate feature was defeated, 1,231 to 467.

In my own State the report stood as follows: First plan, 61½ to 43½; second, 46 to 55; third, 64 to 41; and fourth, 35 to 73. But the bonus by the people in the last election was favored by over a 3 to 1 vote.

Our service men are our best men, otherwise they could not have gotten into the service. They do not find that their service is appreciated by Congress as when they answered the call to the colors. We can not afford to invite this conviction. They are to-day the guardians of American liberty and American institutions. They are our safeguard against the antigovernment movements in our midst. They are our guaranty of true Americanism. Their good will is essential and any appearance of lack of appreciation through clear discrimination is unwise. I will vote for this bill.

Mr. POUL. Mr. Speaker, I yield to myself 10 minutes.

The SPEAKER. The gentleman from North Carolina is recognized for 10 minutes.

Mr. POUL. Mr. Speaker, in the first place, I submit that this question ought not to have been made a party question. [Applause.] It is beneath the dignity of a great political party to attempt to play politics in doing justice to the men who risked their lives to save civilization. [Applause.] Now, I deny that the monetary help the Government extends to ex-service men is a bonus. Bonus is a misnomer. I deny further that ex-service men are in any way responsible for initiating the movement that is to be brought to a climax to-day. [Applause.] Where did the proposal to pay these men additional compensation originate? Right here in this Chamber. And I am proud to admit that I am one of the men that helped to start the movement for additional compensation. [Applause.] There were probably 50 or 75 bills introduced providing additional compensation for ex-service men even before they had an opportunity to organize or pass resolutions. The movement was started while 2,000,000 men were still in France. So I insist that any help we provide for these men can not properly be called a bonus.

It is no more a bonus than the \$1.25 per diem the men got. If Congress decides that the debt of gratitude to the men who won the war is not fully discharged, any additional amount appropriated is not a gift. It is payment on a debt owing these men by every man, woman, and child in America.

In the next place, I regret exceedingly that this measure comes before the House in this way. It looks as if those who drafted this bill are not really at heart for it. It reads like a proposition framed by men who hoped the proposed legislation would fail. For that reason it may be viewed with some degree of suspicion. It certainly is brought in here in a way to invite opposition. By a brutal disregard of our rights you invite the minority to oppose your bill, but so far as I am concerned you are going to be disappointed. [Applause.] Even though you may desire it, you are not going to line up the minority against this bill, notwithstanding it has serious shortcomings. Almost unanimously we sincerely favor additional compensation for these men. I would be ashamed of myself if I voted against any additional help for the ex-service men. [Applause.] I am against this rule because it cuts off absolutely any amendment to improve the bill. I would like to vote for a bill drawn by men who favor a cash payment to our war veterans—a bill which also provides means for raising the money. That is the kind of bill every true friend of additional compensation in this Chamber would like to vote for. The bill soon to be considered is a makeshift, but it is better than no bill at all. I shall vote for it, as nearly all on this side will, but we would like to have the privilege of making the bill a better measure. The rule prevents this, so I am against the rule. I can not support the rule and remain true to my convictions.

Now, what are the facts? While men were being drafted and sent to Europe to fight to save civilization there was an era of money making and high prices of farm products such as the country had never seen. Every drafted man was cut off from all participation in this unprecedented opportunity for money making. They had no choice. They were selected by law for service in the war. Some farm products reached such a high point as to produce undreamed prosperity for the time being. Everybody was making money who would work, and these men, 2,000,000 of them across the water in a struggle to save civilization, and 2,000,000 more ready to go, were cut off entirely from the privilege of participating in this period of money making. What was the result? Wages were high. The daily wage of some equaled the monthly wage the same men received before the war. Wheat, cotton, beef cattle, hogs,

corn, all were bringing wonderful prices. Everybody bought what he desired. Salaries were raised. A bonus of \$240 annually was voted to Government employees, a bonus they are still enjoying. These employees suffered no hardships, were exposed to no dangers, had comfortable quarters, and they were paid not only the customary salary but they received a bonus of \$240 for each year of service in addition to such salary. When actual war ended we paid the men who were drafted, who won the war, who broke the Hindenburg line, the men who by their heroism turned the tide of war; to these men we paid the additional sum of \$60. Does anyone wonder at the protest which immediately was aroused?

The discrimination was too great to be tolerated. Does anyone wonder that twenty-odd States by vote of the people have provided additional compensation for the ex-service men of those States? It was wrong, wrong, my friends. No man can defend the difference in treatment. Now let us see what other nations have done since the Great War ended.

I quote some figures that were put into the Record on the 21st day of February by our colleague, Mr. FREAR, in a speech which gives evidence of careful investigation:

From the foregoing it will be noted the maximum payments made to the enlisted man by the several governments were as follows: Canada, \$631; France, \$249; Italy, \$64; Belgium, \$492; England, \$190; America, \$60.

Is there any man who is willing to stop right there? Is there any red-blooded American who is willing to have his country at the foot of such a list? Every drop of blood in my body cries out "No." I would very much prefer to see my country at the head of the list—not at the foot. [Applause.] I pay no attention to the cheap argument that if we give these men additional compensation it is going to ruin them, and yet this is what we hear from the enemies of this legislation: "Don't do this thing, because you will ruin the ex-service man." That is cheap, clap-trap argument.

This is a serious matter. There is much involved in this issue. There is dissatisfaction in the rank and file of these 4,000,000 men. For God's sake let us do what we can to remove it; let us all make them feel that the Government for which they suffered and for which they were ready to die is deeply grateful to them. Make these men feel that their Government is grateful and you win a moral victory which will have influence for good for a thousand years to come.

I hear other opponents of this bonus legislation, as they call it—additional compensation, I call it—who say, "Are we not taking care of the wounded, have we not provided hospitals for them?" Why, my God, you do that for the pauper, for the worst criminal. We do that for the pauper and the criminal, and yet that is used as an argument against additional compensation to the ex-service men.

I honestly believe that the greatest insurance policy—guaranteeing law and order—that America has is these 4,000,000 men whom Uncle Sam drafted to fight the World War. [Applause.] Is it wise policy to leave them in a position where they must apologize for what their country has done as compared with other nations?

A wiser policy I respectfully submit would be to err, if we err at all, in the other direction. It is better to settle the question now, for economic conditions will remain unsettled until the question is settled. Nothing in the future is more certain than that some sort of compensation bill will be passed. Let us act now and remove the issue from politics and from business.

This bill is not what we of the minority wanted to vote for. I regret that there was not nerve or statesmanship enough among those who had charge of this measure to bring in a bill that provided a cash bonus and a plan to raise the money now. [Applause.] March up to your responsibility; do not be afraid of it. Do not attempt to play politics. You are passing a bill here that your own President will never sign, unless he violates inspired statements that come from those who sit constantly at the feet of Gamaliel. So, with all its shortcomings, I can only say that the bill is better than no bill at all, and I shall vote for it. First having voted against this unfair and vicious rule which cuts off every amendment, I shall vote for the bill in the hope that somewhere along its legislative pathway there may be found statesmanship sufficient to frame a bill which we can all support and which will redound to the honor and glory of the greatest and richest of all the nations of the earth. [Applause.]

Mr. CAMPBELL of Kansas. Mr. Speaker, I yield five minutes to the gentleman from New York [Mr. SNELL].

Mr. SNELL. Mr. Speaker, there has been no proposition before Congress during my seven years of service that I have given such careful and thoughtful consideration as I have to the bonus. There is no man who has a higher regard for or appreciates the service rendered by our soldiers more than I do.

There is no Member of Congress that has labored more diligently than I have to prosecute the individual claims of the soldiers and their families in connection with insurance, vocational training, family allowances, and compensation, and I think I may say with a fair degree of success and to the satisfaction of the individual members of the Legion in my district.

I have voted for every appropriation for the care of the sick and wounded and for vocational training, and expect to continue doing so, but I deeply regret that the bonus question has been forced to an issue at this time when the finances of the Government are in no shape to meet it. There is no doubt in my mind that if we could wait for a few years until we partly recover from the effects of the war this perplexing question would receive much more careful and mature consideration—consideration that would be more satisfactory to both the soldiers and the people than it is possible to give it at the present time.

The President and Secretary of the Treasury have both stated that it is impossible to pay a cash bonus at the present time or to place any additional burdens on the Treasury without new and increased taxes to pay them with. If I know anything about the people of this country they are opposed to any additional taxes, and it is criminal cowardice to pass this legislation without any provision to raise the money. [Applause.] And, furthermore, let me tell you the same people who are today forcing this bonus on us will as soon as election is over force some new and obnoxious taxes down the throats of the American people to pay it with, but they do not dare to put them on now before election.

This whole proposition at this time is the cheapest kind of subterfuge to buy the soldiers' vote at the fall elections with Uncle Sam's money. Why, every man with an ounce of common sense well knows that if it were not for elections this fall there would not be 75 votes in this House for the bill now before us. [Applause.]

By passing this bill at this time you are not only buncoing all the American people but you are selling the soldiers a gold brick. Neither will be satisfied, and everyone as soon as he finds out what this legislation means will condemn the spineless, cowardly Congress that passed it. The only hope or reasons its supporters have for rushing it through now is that it will be defeated at the other end of the Capitol or vetoed by the President.

The business of the country is just beginning to feel a new thrill of life and there is slight improvement, but the least suggestion of unfavorable legislation will retard if not entirely overcome this improvement, and I believe I am doing a greater service to the people of this country by trying to keep down Federal expenditures by decreasing taxation and by encouraging legitimate business and thereby furnishing an opportunity to the strong, active, and able young men to gain a livelihood than I would be by making them wards of the Government and placing additional burdens on the laborer, the farmer, and business man. You can not take this money out of the Treasury unless you put it in, and remember that in the end it is the people who pay the bills.

I would be pleased to support an adjusted-compensation measure with a clean-cut insurance proposition, vocational training, or aid to buy a home or farm that you knew something about, but I will not at this time support a cash bonus or this haphazard makeshift for one that no one knows how much it will cost; no one knows when the needy soldier will get his money; and what is worse yet, no one cares, if this sop will only last until after we are reelected in November.

Mr. Speaker, the campaign slogan of the Republican Party last presidential election was, "Put more business in Government." I can not see how any man who honestly believes that and has read what the President and Secretary of the Treasury have said about this measure can vote for it at this time.

I shall support the President and vote against it. [Applause.]

Mr. CAMPBELL of Kansas. Mr. Speaker, I yield two minutes to the gentleman from Minnesota [Mr. SCHALL].

The SPEAKER. The gentleman from Minnesota is recognized.

Mr. SCHALL. Mr. Speaker, I vision a vast, surging current of khaki-clad youth; strong, sinewy, slender, young, physically perfect enough to pass the rigid tests to enter the Army. On, on, on they come, 4,000,000 of them, a seemingly endless concourse; the Nation's best and bravest, the cream of our youth. That is how they went away.

I see 2,000,000 on the bridge of boats, crossing the gray water, in danger of lurking submarines; I see them in training camps lying on cold, damp ground; in the trenches, in mud and dirt and rain; ill used and sick in prison camps; at Chateau Thierry, where 13,000 of them stopped five German divisions and shot

American courage up and down the whole allied line; under the hideous barrage; in the path of bombs and curtains of fire; at Brest, in mud up to their hips. Before St. Mihiel, where General Pershing said he would give four divisions, 125,000 men, to take it—a liberal cuss! I see our boys on the fields of battle in the Argonne wounded, lying drenched in their blood, on account of criminal neglect of general headquarters, with insufficient arrangements for stretcher bearers and doctors for long, torturing hours; a succession of horrors, of agony, of misery, and suffering—the awful tale of war that nobody who has not been in it and of it can even dimly imagine.

Then I see the war over and I hear the Allies all claiming that they would have won the war any way. Like hell they would! These are the boys that won the war. Think of that gallant band as they returned from the war, broken in spirit by the fearful disillusioning they received at the hands of Black-jack Pershing's inhuman, un-American, hard-boiled methods, their health undermined by unnecessary hardships, their lungs shot to pieces by poison gas, the ghastly total of physical wounds and nervous disorders of this most fearful nightmare of a war.

Was it only frothy sentimentalism that gripped our throats and misted our eyes as we sped them on their way?

What did all that talk mean about nothing too good for the boys—

When they come back,
And they will come back.

Did the war mean to us just a big show, a thriller, a penny dreadful? What was back of our ready promises? Are we to duplicate the English, and make Tommy Atkins of our boys?

It's Tommy this, and Tommy that, and Tommy, damn your soul,
But it's thin red line of heroes when the drums begin to roll.

How can we men who stayed safely behind, "Keeping the home fires burning," close our minds and eyes and hearts to these facts? It has been scandalously long delayed now; it has ceased to be a matter of gratitude. The fine flavor of it is gone. It should have been done long ago. Other nations having large proportionate debts, discharged their obligations to their soldiers first with money borrowed from us.

How we forget; how we forget. A terrible indictment against us as a Nation. Shall we show the petty minds of the burgo-masters of Hamelin town, speaking to the pied piper, after he had rid their town of rats—

A thousand guilders, come, take fifty!
A matter of money to put in your poke,
But as for the guilders, what we spoke
Of them, as you very well know, was in joke.

Shall we acquire the scrap-of-paper conscience that twists a promise into just what the present moment makes expedient? Uncle Sam used to be a homespun, horny-handed, uncouth figure, but when he stretched out that hand his heart was back of it, and when he gave his word, the whole country undertook to make it good. But since he straggled his long legs under the Versailles table he has absorbed the virus of European diplomacy and become secretive, petty, and little, exacting and quibbling over the money pots. He developed an international conscience, in the keeping of Morgan & Co., who have \$5,000,000,000 worth of foreign bonds to dispose of in this country, and who have got the old gentleman to seesawing and veering about, and straddling the fence now on this side and now on that; he will give a bonus, he will not give a bonus; it must be on sales tax or nothing; it must be later; it will bankrupt the country; till you feel there is not a true thing about him, and even his whiskers might come away with a good pull.

There is no justification in refusing the soldiers a bonus. A promise is a promise. The soldiers were promised a bonus during the war. The Republican Party reiterated that promise. There is no other position to take, in honor, but to fulfil our pledge.

Labor drew a bonus during the war. Government employees were given a bonus and are still drawing it. Some of our Senators who are most bitter against this legislation are drawing pensions monthly for as much as the whole of a soldier's cash bonus could amount to under this bill. The war over, the soldier was given a ragged little \$60, which, at the prices then prevailing, would not buy him a new suit of clothes. It is always a question of whose ox is gored. We passed legislation to take care of money lost by war contracts so that these great interests should not be injured by the stopping of the war, and to fulfil the Government's obligation in mining and other projects where the stopping of the war caused them to suffer loss.

And in all cases where capital was interested, we have seen to it that it was properly reimbursed for its war losses. We gave the railroads, under the Esch-Cummins bill, a liberal bonus in guaranteeing the 6 per cent net, which, if figured on the inflated and watered stock value, would amount to better than 9 per cent, and a cash outright bonus of a billion six hundred mil-

lion dollars, and we later, under the pretext of the war, granted their request for a loan of five hundred million. They are about to ask for new freight cars, claiming the failure of the United States to buy them new ones is justly chargeable.

Under the guise of helping the farmer, we passed the Kellogg amendment, which struck out the enacting clause of the Norris bill and substituted for a real farmers' aid bill a pure bankers' proposition of a billion dollars.

After much haggling on the part of those who have been opposed to the bonus, we succeeded in getting the Government to loan \$1,500,000 for seed for the drouth-stricken farmers of this country. But these same fellows joined us very willingly for the \$20,000,000 to be given starving Russia, because it would have a tendency to depreciate confidence in their present form of government, and incidentally give the bankers of the country holding large stores of grain an opportunity to that extent to unload. We also gave Europe \$100,000,000 after the war.

The present bonus bill, with no provision allowed for amendment, is another bankers' drag proposition. But I must be for this pawnbrokers' bonus bill, because I am bound the boys shall have a bonus, even if they do have to contribute the bankers' toll in order to get it. The dollar must have been shot up, gassed, mangled, wounded, and put in awful condition during the war, for under all kinds of disguises it has been bonused magnificently ever since. It is time we show a little concern about 4,000,000 human beings.

Supposing, as the opposition declare, the money will be spent. It will go back into the streams of trade, and in that way business will benefit. But as compared with the few who can afford to squander, there are numbers and numbers in actual want, out of jobs, in need, after this unusually severe winter and long stretch of hard times and unemployment. While the soldier was working for a dollar a day, labor was not drafted and got large wages. When the boys came back they did not find their jobs waiting for them. They lost out. This will not even partially reimburse them. Had the war lasted even another week, it would have cost more than the sum needed for the cash end of the bonus. The cash amount involved is inconsiderable when reckoned against the huge sums we have been accustomed under the new dispensation to reckon with. Time was a billion-dollar Congress was meat for scandal. Now, billions heap on billions, and we look in vain for any relief among it all for the plain man, the ordinary folks. It seems that the men and interests who have most benefited should be the last to object to share with the boys who bared their breasts to protect all that material interest.

I am opposed to a sales tax, or any such subterfuge to make the soldier and his family pay his own bonus. Two just sources are plainly available. One, the interest owed us by the Allies on the money they borrowed from us in good faith. The other, the funds that grew by feeding on the war these men carried on. The war profits, that have never felt any but the tender hand of a gentle nurse. Put back the excess-profits tax into the revenue bill and you will have more than enough to take care of the soldiers' bonus. Under the Budget plan now in vogue, the administration will have saved enough even under the present revenue bill to more than take care of the bonus. Then, too, short-time bonds secured upon the foreign debt could easily be issued. But the fat boys are strenuously opposed to any bonds being put upon the market, for it, they fear, would immediately depreciate the loaning power of the tax-exempt bonds which have been bought up at far below par from the poor devil who could not afford to hold them and which are now better than par. This bill is not to my liking, and the rule under which it is to be submitted to the House with no opportunity for amendment is far from satisfactory, but it is the only method left to the House under the powers that be by which we can get consideration and force the matter into the open for the understanding of the people of the country.

I am for the bonus for the soldiers, body and breeches, and if I can not get what I want, I am not going to use it as a pretext to avoid taking a less or more imperfect thing.

It is all bosh to say that we are not financially able to take care of the defenders of our country. [Applause.]

The SPEAKER. The time of the gentleman has expired.

Mr. CAMPBELL of Kansas. I yield to the gentleman from Pennsylvania [Mr. KREIDER].

Mr. KREIDER. Mr. Speaker, on yesterday it was my privilege, as a member of the Committee on Rules, to vote for the rule which is now under consideration, and which provides for the consideration of H. R. 10874, commonly known as the bonus bill or adjusted compensation bill.

I voted for this rule in committee. I shall vote for the adoption of the rule by the House, and I shall vote for the bill. This is exactly what I did two years ago.

On the 29th day of May, 1920, I voted for a similar rule in the committee making in order, under the suspension of the rules, consideration of H. R. 14157, which provided for adjusted compensation for the veterans of the World War. I voted then for the adoption of the rule by the House and for the bill.

Then, as now, serious opposition, determined opposition was encountered by the friends of the bill.

Then, as now, those opposed to paying the soldiers a bonus pretended they were in favor of the bonus, but they were not satisfied with the provisions of the bill as drawn.

The same objection is raised to-day. One of the objections to-day is that the bill does not provide a cash bonus payable at once.

The bill under consideration two years ago did provide a cash bonus, and was opposed because it so provided.

Another objection to this bill is that it does not provide the revenue with which to pay the bonus. The bill two years ago did so provide, and yet it was equally objectionable.

The truth is that those in favor of adjusted compensation for the soldiers will vote for the bill, just as they did two years ago.

It is true that many of us are not in full accord with all the provisions of the bill. Were I to write this bill I would include in the provisions the Spanish-American War veterans.

I would provide for a cash bonus to be paid at once and would borrow the money necessary to pay it. I would do away with certain provisions and would include the insurance feature. But because this bill is not drawn exactly as I would draw it is no reason why I should not vote for it, although it might serve as an excuse if I did not want to vote for it.

The question is, Do we want to pass a bonus bill or do we not?

If we are not going to pass one until a bill is presented which meets the individual views of every Member of this House in all its provisions, it will never be passed.

I am not unmindful of the fact that when this bill becomes a law that it will involve a certain expenditure of money, and that this money must be raised by taxation in some form or another.

I am fully aware of the financial, industrial, and economic condition of the country and of the cry that is raised by the opposition to the measure, both in and out of Congress.

To me this abuse by certain newspapers and magazines means nothing. The question and only question is, Should the bill be passed?

When I remember the responsibility we assumed on the 6th day of April, 1917, when by resolution we declared that "war existed between the United States of America and the German Imperial Government," and a few months later passed the selective service act by which we drafted the young men from their homes and firesides, from their schools and colleges, from their positions in business, manufacturing, and their chosen professional and commercial pursuits to serve the Nation, to preserve its institutions and uphold its honor, my duty is plain.

As I said two years ago, it makes no difference to me whether it was in the recent World War, the Spanish War, the Civil War, or any other war in which my country was engaged, I always have and always will honor and revere those who for love of country have laid their all upon the altar, a willing sacrifice that this country shall live.

Let us recall our willingness and eagerness to supply the funds necessary to prosecute the war—how we appropriated millions and billions of dollars without any thought as to how the money should be raised—and then let us also remember that it was because of the sacrifices made by the boys who are the beneficiaries of this bill that the war ended a year or a

year and a half earlier than we had expected, and because of this fact saved the expenditure of billions of dollars—in fact, an amount so enormous that it would have increased our national debt possibly 100 per cent.

It has been asserted that a vote for this bill is an attempt to buy the soldier vote at the coming election. Up to and until a week or 10 days ago I had not decided whether I should be a candidate to succeed myself, but my mind was fully made up to vote for this bill, as I have always consistently supported all legislation favorable to our soldiers. I regard the charge against any Member voting for this bill as being desirous of catching the soldier vote as the most damnable charge that could be made against the soldier; not against those who vote for the bill but against the boys who bared their breasts against shot and shell on Flanders field; against the men whose honesty, integrity, and patriotism is unquestionable; against the men whose votes are not for sale and can not be bought. It is a most cowardly charge, made for the express purpose of defeating this bill and depriving the very boys we drafted from their homes from the benefits of this legislation.

They are the same boys we followed to the station in our home towns and communities, carrying a small bundle or, perhaps, an old, discarded suitcase tagged and ticketed for a cantonment. These are the boys that we bid Godspeed as they took leave of their dear and loved ones, perhaps never to see them again. They are the same boys who later on went over the top, defeated the flower of the German Army, and shed imperishable glow on the history of our Republic.

The only argument against this bill worthy of consideration is that it carries no revenue provision; and it is true that the country is not now in as prosperous a condition as we would like to see it to properly finance and carry out an adequate plan of adjusted compensation at this time, but this same objection was made two years ago; and the question naturally arises, When will the country be ready if it is not ready now? In my judgment—in fact, we all know—there is no question as to the ability of this country to meet the requirements of this bill without injuriously affecting the business conditions or retarding general prosperity in any way.

This country is by far the richest and the best situated financially of all the nations on the globe, yet we have been hesitating and delaying in this matter of adjusted compensation while other countries that are comparatively poor and whose debt is enormous have all promptly given suitable recognition to their soldiers.

Canada, with a debt of 23 per cent on her estimated wealth, has given \$634.40 to each of her enlisted men; Belgium, with a debt of 39 per cent on its estimated wealth, has given \$493; France, with a debt of 55 per cent on its estimated wealth, has given \$233.50; England, with a debt of 32 per cent on its estimated wealth, has given \$189.54; Italy, with a debt of 52 per cent on its estimated wealth, has given \$73.34; while the United States, with a debt of but 7 per cent on its estimated wealth, has given \$60.

These countries, notwithstanding their enormous indebtedness, do not hesitate to recognize the services of their soldiers. The fact that they are owing us over \$10,000,000,000 does not enter into it. They make us wait for the money we loaned to them—they do not even pay the interest—and I hear no insistent demand that we collect our debt forthwith, regardless of consequences, because they have misapplied their money in paying it to the soldiers instead of applying it to the liquidation of their indebtedness to us.

The estimated requirements to carry out the provisions of this bill, as given in the report of the committee, is as follows:

Cost of bonus on basis of (1) paying all adjusted compensation that amounts to \$50 or less per veteran (approximately 10 per cent of the men will come under this provision); (2) issue adjusted service certificates to 70 per cent of the remaining veterans; (3) 2½ per cent to receive vocational training aid; (4) 10 per cent to receive farm and home aid; (5) 7½ per cent to receive land-settlement aid.

Fiscal year.	Cash (10 per cent).	Certificates (70 per cent) (no borrowing).		Vocational training (2½ per cent).	Farm and home aid (10 per cent).	Land-settlement aid (7½ per cent).	Total.
		Deaths.	Maturity.				
1923.....	\$16,000,000	\$26,604,000	.....	\$31,675,000	.....	.....	\$74,279,000
1924.....	26,440,000	.....	20,000,000	.....	.....	124,440,000
1925.....	26,720,000	.....	650,000	64,000,000	30,000,000	121,370,000
1926.....	26,825,000	.....	.....	50,000,000	60,000,000	136,825,000
1927.....	26,936,000	.....	.....	.....	16,000,000	42,936,000
1928.....	27,046,000	.....	.....	.....	.....	27,046,000
1929.....	27,233,000	.....	.....	.....	.....	27,233,000
1930.....	27,415,000	.....	.....	.....	.....	27,415,000
1931.....	27,674,000	.....	.....	.....	.....	27,674,000
1932.....	27,932,000	.....	.....	.....	.....	27,932,000
1933.....	28,265,000	.....	.....	.....	.....	28,265,000
1934.....	28,600,000	.....	.....	.....	.....	28,600,000
1935.....	29,004,000	.....	.....	.....	.....	29,004,000

Cost of bonus on basis of (1) paying all adjusted compensation that amounts to \$50 or less per veteran (approximately 10 per cent of the men will come under this provision); (2) issue adjusted service certificates to 70 per cent of the remaining veterans; (3) 2½ per cent to receive vocational training aid; (4) 10 per cent to receive farm and home aid; (5) 7½ per cent to receive land-settlement aid—Continued.

Fiscal year.	Cash (10 per cent).	Certificates (70 per cent) (no borrowing).		Vocational training (2½ per cent).	Farm and home aid (10 per cent).	Land-settlement aid (7½ per cent).	Total.
		Deaths.	Maturity.				
1936.....		\$29,448,000					\$29,448,000
1937.....		30,003,000					30,003,000
1938.....		30,593,000					30,593,000
1939.....		31,333,000					31,333,000
1940.....		32,144,000					32,144,000
1941.....		33,105,000					33,105,000
1942.....		34,251,000					34,251,000
1943.....			\$3,154,823,350				
Total.....	\$16,000,000	577,571,000	3,154,823,350	\$52,325,000	\$186,000,000	\$112,000,000	4,098,719,350

If these estimates are approximately correct, and it is believed they are, it will be noticed that the heaviest demands on the Treasury in any one year will be in 1926, when the total reaches \$136,825,000. Until 1943, when the major portion of this compensation will mature, it certainly can not be said that the amount required, as shown in this statement, is going to cause any financial embarrassment to this country.

Mr. Speaker, let me say in closing, lest I might be misunderstood, that I consider the adjusted compensation provided for in this bill in no way a payment for services rendered, but rather an expression of appreciation. Patriotism can not be bought or sold, but it can be cultivated, or you can trample the life out of it. What we need now in this country is to cultivate Americanism; we need to emphasize the respect for law and order, and a high regard for our Constitution. If we spend a little money to cultivate patriotism we will have to spend less to stamp out Bolshevism. If we emphasize loyalty to our flag, it will be easier to suppress the red flag, and we can not shut our eyes to the prevailing conditions of unrest in our country, which evidence is excellent opportunity for the unlawful element to spread its seditious propaganda, aiming at the destruction of the very foundation of our Government, and, after all, should trouble come again, it is these same boys, in whose behalf I am now speaking, that we shall look to for assistance.

To those of you who are so fearful that we are spending a few dollars in behalf of our soldiers, I want to say and remind you that in addition to this bill we can not for one moment neglect those of the boys who have come back broken in body and mind; they must be taken care of regardless of cost. Only last week the Committee on Public Buildings and Grounds reported a bill carrying \$17,000,000 for the building of additional hospitals, and I sincerely hope that early next week the House will pass this bill. It was my privilege as a member of this committee to support the bill in the committee, and I shall do all I can to secure early consideration in the House, and am perfectly willing, as a member of the Committee on Rules, to vote for a rule making that bill in order. It is perhaps needless to state, but it is a fact, that we are woefully unprepared and our facilities are wholly inadequate to properly care for our sick and wounded soldiers.

Why should we hesitate and quibble about this bill? The United States has always acknowledged and discharged its debts. To pass this bill is simply to acknowledge a debt, which, though it can never be compensated, can be recognized. It is a debt of honor, and we should meet and discharge its obligation promptly.

To continue to hesitate, to haggle and to postpone, is cowardly and extremely unworthy of this or any other Congress, as the administrator of a grateful Nation. [Applause.]

Mr. SNELL. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. FESS. Mr. Speaker, I make the same request.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. CAMPBELL of Kansas. Will the gentleman from Tennessee use some time?

Mr. GARRETT of Tennessee. Mr. Speaker [applause], I suppose this is the day which will scatter the political bones of many statesmen over the Republic to bleach in the sunlight or rot in the rain. [Laughter and applause.] And we can not tell just who will be numbered among the slain. [Laughter.] The previous question on this rule ought to be voted down. There is no disposition, so far as I know, on the part of anyone to prevent this bill being considered in a proper way and under a

proper rule. But what have we here? We have a bill instituting a new principle, or at least a new practice, in Government, a bill that will ultimately impose upon the taxpayers of the United States a burden heavier than has been imposed by any Government in the history of the world in times of peace. We have a fivefold proposition, each proposition differing from the other. We are dealing with 4,000,000 patriotic men, their direct interests, and it is proposed to consider this bill with all its magnitude for four hours of talk without the opportunity even to offer an amendment for so much as the crossing of an "i" or the dotting of a "t." [Laughter and applause.] Well, that was a slip of the tongue, but even an amendment like that might improve this bill. [Laughter and applause.] If the previous question be voted down, then we will have an opportunity to amend the rule and bring the bill before the body for consideration under circumstances which in common decency are required. The consideration proposed is a farce. The dignity of the subject merits more honorable treatment. [Applause.] Of course I have no time to analyze the bill. No one else will have. Only 10 minutes allowed one to discuss a bill of this magnitude involving millions of men and billions of dollars in taxes—what a travesty! From the standpoint of the taxpayer, which, of course, includes the soldier himself, this bill carries all the burdens that the adjusted compensation bills which have been proposed in the past carried and more. From the standpoint of the soldier it does not carry what the soldier who is demanding the cash bonus has always requested. This bill discriminates among the soldiers themselves. The man who went overseas and served long enough to draw \$625 under it receives a certificate upon which he may borrow, if he can find a bank that will lend, roughly speaking, 50 per cent.

The man who did not get in until late and who served just long enough to get \$50 gets the cash. It is pointed out in the report filed by the gentleman from Massachusetts [Mr. TREADWAX] and the gentleman from Connecticut [Mr. TILSON] that the man who is not needy who obtains one of these certificates can hold it through the years, drawing 4½ per cent up until 1942. The man who is needy now and has got to have the cash now, if he can get it from a bank, has to put up his certificate and pay at least 2 per cent more interest on it than it draws. I want to venture the prediction now that if this bill shall pass it is going to prove the gravest disappointment to these service men throughout the country who are interested in the cash bonus. Why, I know the situation of the banks in my country, a typical agricultural country. They are probably in as good condition as the banks in agricultural communities elsewhere, but I am sure that they are not going to be able to take from their funds and lend any appreciable amount of money to service men throughout that section; and although the banks are permitted to rediscount the paper, they are not going to be able to find the banks in which they can rediscount it and secure funds to be tied up for a possible three years with which to make any appreciable amount of loans.

What, then, will be the result? The ex-service men will receive their adjusted service certificates. They will go to the banks—those who need or desire cash—and seek to obtain loans in the amounts permitted by the bill, 50 per cent of the adjusted service pay plus a little interest. The banks will not have the money to lend them and at the same time take care of their current business. Even when the banks may have some money that they might lend they will be unwilling to violate all the principles of sound banking and tie up their assets for three years.

Bear in mind only banks are permitted to make loans upon these certificates. No individual, however much he might desire to accommodate an ex-service man, is permitted to make a loan

upon the certificate as security. It is expressly provided by the bill that a loan by other than a bank or trust company shall be void.

How will the ex-service man feel when he finds that the credit which he has been led to believe he would obtain is refused him? Unnumbered thousands of them who know nothing about banking will fail to understand. They will be embittered at the banks and they will be more embittered at their Government for which they fought and which they will then feel has deceived them.

Oh, gentlemen of the House, however one may feel about the so-called cash bonus, surely all ought to agree that the soldier is entitled to candid treatment by the Congress. They ought to know just what they are getting. I for one am unwilling to deceive them, and I will not support the bill, whatever the consequences may be to me personally. It comes desperately near being a fraud upon them.

Let it be ever remembered that you are not saving the Treasury anything by this hocus-pocus. You are mortgaging the future without benefiting the present. At the end of three years, or in 1925, you have got to be prepared with assets in the Treasury to pay off such loans as the banks shall have made and which have not been repaid, together with the additional amounts that may be then due under the terms of the bill to the soldier who borrowed and defaulted in payment. And the Treasury is required to begin to loan direct in 1925, and you must by that time arrange to get the millions that will be necessary for that.

The political purposes of this bill are so manifest as to be almost an insult to the soldiers whom it is supposed to benefit.

It is provided that the adjusted service certificates shall bear date of October, 1922. It will be a physical impossibility for the departments to prepare the records and issue the certificates by that date, even if the bill shall pass the Senate and become the law within the next few weeks. The elections will be in November. The soldier may therefore be laboring under the delusion that something has been done for him and will not learn the full measure of the deception until after the election.

The period for the Treasury to begin loans direct and to pay those due the banks is postponed until 1925. The next presidential election will be in 1924. Therefore it is designed to postpone the bringing of the tremendous tax which will be essential to meet the obligations growing out of the measure until after the next presidential election, but the obligation will be fixed; it will have to be met then.

This procedure is cowardly, and I shall not be a party to it. Why are the bonus proponents unwilling to do the brave thing now and make the provisions that must be made?

It would be embarrassing politically perchance, but it would at least have the merit of some courage upon the part of supposedly responsible statesmen.

The land-settlement proposition which is involved in this bill will probably eventually prove to be the very worst feature of the legislation. It proposes to set up a tremendous organization which will not be established until after the soldiers are settled with. The fact is that before that organization can scarcely be set up, certainly before it can acquire a foot of land in any State, under the terms of this bill a soldier will have had to make his election as to what he is going to take, which one of the fivefold plans, and by processes of legislation a few years from now Congress will proceed to carry on all this vast, gigantic scheme of going into every State in the Union and buying cut-over land and swamp land and redeem it at public expense. That is not a soldier proposition. It was never asked for by the soldiers in the beginning. It was imposed upon the soldiers by influences desiring to put the Federal Government into the business of buying or condemning land in all the States, transplant the European village life system into the United States, build roads, moving-picture houses, schools, churches, and so forth, at the expense of the Federal Government. That feature of this bill will continue long after every soldier has been settled with, and gradually it will grow until the cost lies beyond any power of our present calculation.

I have tried to discuss this bill from the standpoint of the soldiers interested. I have not touched upon the merits of the adjusted-compensation principle itself, but I can not forbear to say this in conclusion: The soldiers of other wars have not had cash bonuses. The soldiers of the Spanish-American War did not have it and did not demand it. The soldiers of the Federal Army who preserved the Union received no adjusted compensation and demanded none. The soldiers of the Confederate Army not only received no adjusted compensation but for the last two years of their service they received no compensation at all, and they received no pensions after the war until they were old and helpless. They went home from the

battle fields, crossing over the graves that billowed their land, in tatters and in rags. They took their places in the field, the factory, and the shop. They laid their hands to the plow. They built up again a land whose whole social structure had been destroyed and whose very civilization was threatened by the political environment and reconstruction conditions which surrounded them and made that section to blossom again as the rose, an achievement which stands to-day the pride and the glory of history. [Applause.]

Mr. GALLIVAN. Will the gentleman yield for just a question?

Mr. GARRETT of Tennessee. I yield.

Mr. GALLIVAN. The gentleman is perfectly willing to have it go into the Record that in all that he has said, despite the fact that he is the acting Democratic leader, he is speaking solely for himself?

Mr. GARRETT of Tennessee. Absolutely.

Mr. GALLIVAN. That is all.

Mr. GARRETT of Tennessee. Mr. Speaker, I reserve the remainder of my time.

The SPEAKER. The gentleman has five minutes remaining.

Mr. CAMPBELL of Kansas. Mr. Speaker, I yield five minutes to the gentleman from Wyoming [Mr. MONDELL]. [Applause.]

Mr. MONDELL. Mr. Speaker, I think the minority is under great obligations to the gentleman from Massachusetts [Mr. GALLIVAN], who brought out the fact that the gentleman from Tennessee [Mr. GARRETT], the minority leader, was speaking only for himself in what he said. I am sure that much that he said will not find a responsive echo on the minority side, and I doubt if any part of it will meet with approval on the majority side.

Mr. Speaker, I propose to be very frank in regard to this rule; and in my frankness, lest there should be any here who might disagree with me, let me say that I am uttering my own personal views. [Laughter.] I favor the consideration of this bill under the suspension of the rules, without opportunity for amendment, because I am convinced—and if I had had any doubt on the subject, the minority views signed by Mr. KIRCHIN are all persuasive—because I am convinced that, so far as the minority is concerned, all of the amendments that would be offered if an opportunity were afforded, or the major portion of them, would be offered solely for political purposes, with the hope of embarrassing, with the view of embarrassing, without thought of improving the bill, and amendments which in the main would be of a character that those offering them, if they were adopted, would not themselves support.

Mr. GARRETT of Tennessee. Will the gentleman yield?

Mr. MONDELL. I will.

Mr. GARRETT of Tennessee. Would it embarrass the gentleman from Wyoming, who says he speaks only for himself, if the minority—

Mr. MONDELL. I have not said anything about anybody on our side being embarrassed. I said your amendment, if an opportunity to amend were offered, would be offered with the view and the hope and the expectation that they would embarrass those that desired to support the bill, whether they are on the minority or the majority side.

Mr. GARRETT of Tennessee. Would it embarrass the gentleman and his party if an amendment should be offered adopting the suggestion of the President of the United States that the bill be financed as it is enacted into law? [Applause.]

Mr. MONDELL. In the first place, the gentleman's statement is incorrect. The President of the United States has made no suggestion with regard to the financing of the bill now before the House. [Applause.] The President's suggestion was that if a bill providing for a cash bonus—which few on your side are favorable to, no matter what they may say in public—and making a heavy drain upon the Treasury was to be enacted, it should provide its taxation burden bearer. Since the President made that suggestion the bill has been amended so that the drain on the Treasury for the next three years will be but little more than that caused by the road program which will be presented here in a few days, and not half the immediate burden on the Treasury of the transportation act.

Mr. CHANDLER of New York. Will the gentleman yield?

Mr. MONDELL. I can not yield. I have only five minutes. It would be contrary to all the practice of the House to carry a taxation provision on a bill that lays no more burden on the Treasury in the near future than this measure does. [Applause.]

The SPEAKER. The time of the gentleman has expired.

Mr. GARRETT of Tennessee. Mr. Speaker, I yield the remainder of my time, five minutes I believe it is, to the gentleman from Texas [Mr. HARDY]. [Applause.]

Mr. HARDY of Texas. Mr. Speaker, if I had a political life to sacrifice I would gladly sacrifice it, if necessary, at the present moment on the altar of my country's welfare. Unfortunately I have no political life, I am not a candidate for reelection, but I voted two years ago when I was a candidate the same way I intend to vote to-day.

Gentlemen, in my judgment this bill is more dangerous to the welfare of our country than were the roving companies of disbanded soldiers in Europe in the Middle Ages, for the reason that those soldiers were unorganized. They became freebooters and took what they could lay hands on, without shame, and claimed the right to a living from the public. The American Legion is organized, an organized political power. It is an organization spreading its propaganda and producing in the minds of public officials a change of honest convictions between one term of Congress and another. I said a change of honest conviction, and I mean it, but the menace of thousands of hostile votes is a powerful persuader, and a bound-together organization foists to-day upon our people and upon the backs of the toiling taxpayers, according to Senator Lodge, a \$4,000,000,000 burden, and may add in the coming years another \$4,000,000,000 or more. I do not believe, I can not believe, that the Legion is conscious of the burden they are placing on their country. It has not been sufficiently presented to them.

Gentlemen, for the welfare of my country let me plead against the increasing of the burdens of national taxation by increasing the volume of national indebtedness.

Mr. GALLIVAN. Will the gentleman yield?

Mr. HARDY of Texas. I have only five minutes.

Mr. GALLIVAN. One question.

Mr. HARDY of Texas. Excuse me. I do not want to yield.

Mr. Speaker, there is no surer way of enslaving the toiling masses of the people than by piling high the bonded indebtedness of a nation. And we know it. More than \$20,000,000,000 of indebtedness now hang over this country, and this bill will add at least \$4,000,000,000 in the coming years to the present indebtedness.

Your children and your children's children will not see the end of the payment of this obligation. And not only so, but the industrious, the intelligent, the sober soldier himself and his children will bear the burden of paying back far more than any of them receive. I know the claim is that these men need the money now, but there will never come a time when a vast number of men well organized will not need the money if it is dangled before their eyes. Let us grant that some of the soldiers who are given this small gratuity, as it is called by the gentleman from Ohio [Mr. Fess], will save it and invest it and make it grow. We know that hundreds will not save it, and when some do not save it those that do will have to bear the burden of repayment to the Government by taxes of every dollar taken from the thrift of the country and bestowed upon those who are not thrifty.

The slavery of a people is not always evidenced by chains. Burdens imposed by government or tribute paid to the strong under forms of law may constitute slavery. Do we take pride in piling up \$4,000,000,000 of debt? Why, England has not paid the debts of the Napoleonic wars yet. One hundred years have passed, and still the interest is bearing down upon the shoulders of the toilers of England. I speak for the toilers.

You say, "We must give adjusted compensation." Why, if you are going to compensate these soldier boys, if you give them pay in proportion to the pay of profiteers that stayed at home, you have got to increase it far beyond the terms of this bill, and it may be that in the not distant future that fact will be the basis of another bill for another four billions of readjusted compensation. I know a negro boy, 14 years old, who received during the year 1919 \$3.50 per day. From that to \$5 a day was the rate paid to boys. This bill does not give to the soldier boys pay equal to that received by the 14-year-old negro boy.

And many skilled laborers, no more skilled than many of our soldiers, received \$10 per day. What are you going to do about it?

Let us conceive the boys as saying, "While we were fed and received only small compensation while soldiers, we willingly tear out of our financial life two pages, representing the years 1917 and 1918 and cast them on the altar of American liberty and American rights." Are they big enough to do it? I firmly believe they were and are if agitators and propagandists will let them alone. I know they would scorn the idea of laying a heavy burden on their whole country for the sake of the individual pittance they will receive under this bill. The gentleman from North Carolina, an ardent and honest advocate of the bill, says the soldier boys did not initiate this proposition. No;

but there are men who honestly believe that they can ride into office by the agitation of soldier-bonus legislation, and the organization is here day after day. We find men who in their conscience and convictions knew that this was evil to the country and to the Government, yet yielded to the pressure of a stupendous organization, and the danger is that the manhood of Congress will never be able to stand up against the menace of the organization. [Applause.]

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. HARDY of Texas. Mr. Speaker, I ask unanimous consent to extend my remarks.

The SPEAKER. The gentleman from Texas asks unanimous consent to revise and extend his remarks. Is there objection? [After a pause.] The Chair hears none.

Mr. HARDY of Texas. Mr. Speaker, of course no adequate discussion of this bill could be made in the few minutes allowed to each Member who asked to be heard. And yet no subject deserves more study by Congress and by the public. I have always abhorred war and all its evils. Abhorrence of war is to-day universal, but the means of its prevention has not yet been found; or, if it was found in the League of Nations, it was not accepted by our Senate. Before discussing this bill further I wish to make one suggestion to our country and to all countries: In the Great War we made a long step toward peace when we adopted universal conscription, or the selective draft, as it was called. We will make a longer step when another great war comes if we then conscript all labor and all capital as well as soldier boys. This was too unheard of in 1917 to make it possible then. But it is being seriously thought of now, and I believe it will be done if ever we enter another great war like the last. It will end all profiteering during war if it does not end war. But let me discuss the bill. I spoke of the tax burdens. Many advocates of the bill talk of making the rich and war profiteers pay it, but these same advocates are not ready with any plan to accomplish that result.

Instead of that, the chief proponents of the bill, like Mr. FORBNEY, are foremost in every proposal to lessen the taxes on great wealth and great incomes. They took off the war excess-profits tax and lowered the war rate of taxation on the higher incomes. Our public debt, represented by tax-exempt securities, is so vast that many of the idle rich can practically escape all taxation. And the power of monopoly and combination is so marvelous that it is easy for them to pass the burden of heavy taxation on to the small producer and the individual consumer. Banks and money lenders increase their rates as times grow harder and taxes higher; manufacturers count their costs, including taxes, and fix prices to yield such profits over all as they see proper, restrained only by the limit that is fixed by the public's ability to pay. Finally all tax must be paid out of production, and it is safe to say 90 per cent of it comes from the pockets of the "little man" we see so often caricatured as the public. Let not the small farmers and the wage earners, the kinsmen of the soldier boy, delude themselves into believing they can make the Morgans, the Rockefellers, the Mellons, the Steel Trust, and that class pay this bonus or any of the rest of these war debts. Ninety per cent at least of it will be paid by you farmers, you wage earners, and you soldier boys, if you ever get above the rank of pauper. There is not a soldier boy in America, if he is intelligent, sober, and industrious, who will not pay back to the Government in taxes twice or three times all he will receive if this bill passes. I do not discuss the question of frozen credits or possibility of the boys sacrificing the pittance they are to get. I am afraid if I commanded an army I would not make flank movements. All my attacks would be front attacks. And so I say that my opposition to the bill comes from my belief that it will be an injury and burden to my country and in the end to the boys themselves. I have one boy only. He will be entitled to receive something under the bill. I earnestly hope he is made of such stuff that he will pay back more than he will receive; that is, that he will be a fair producer somehow in the industrial life of the Nation. In the progress of this debate it has been suggested that the time of the soldier boy while he was in the Army was not altogether lost. I heard one man dwell at length on the physical improvement wrought by the 12 months' military training of his boy. In the cloakroom another told of a boy who, in discussing his experience in Europe during 18 months, declared that he would not take \$10,000 for that experience, and that it was the equivalent of a liberal education. I know that in after years the experiences of the boys over there will be a source of great pride and of great pleasure in the many memories they will recall and recount to those less fortunate—or less unfortunate, if you count it that way—who

never got across the water. To their dying day the emblem of their service, whether over here or over there, will be a badge of honor and a recommendation to them in public or private life and a priceless heritage to their children after them.

Provision has been made, running close to half a billion dollars per year, for the care and training of those who were injured or broken in health by the war. We are speaking now of the young man who has returned to his home sound in body and mind. Would he commercialize, if not tarnish, the glory of his service to his country for the pittance of \$50, of \$200, of \$500, or of \$1,000 wrung from the labor of the young and old who are to-day no better off in this world's goods than he? I have addressed many meetings of old Confederate soldiers who spent from two to four years in the hardest and most hazardous service ever borne by soldiers; I have recounted to them the undying glories crowning forever their names and deeds; but I have often said to them that the crowning glory of their lives consisted in the fact that when they came back to their devastated or wasted homes they asked for no aid and looked for no aid from the States that sent them out to service, but they laid by the trappings of war and took up the harness of industry and started to work to build up the waste places, to rebuild and restore their homes, and to lead their communities in every righteous path of life. They became a shining example to their children and to all the countries of the world of the highest type of manhood, and their labors were crowned with such success that in the after years the old Confederate soldier was on the average far better off than were the soldiers who wore the blue and began to receive pensions in 1865. It is that kind of halo I would like to see gathered upon the heads of our boy heroes who came unscathed from the Marne and Belleau Woods. There is another angle from which to view this question. It is expressed in the Tulsa World of December 9 under the heading, "The soldier bonus again." I do not know the politics of this paper, nor does that matter. It says:

It is deeply significant of many things, none of which are creditable, that Members of Congress returning to their duties after a brief sojourn among their constituents express their determination to take up the soldier bonus legislation at an early date and make a law of it before the session ends. In this apparent consensus of congressional opinion one is permitted to see at close quarters the compelling force of American statesmanship and it is a grizzly, grotesque, dangerous thing—not what is right, not what should be done for the country, but what will make votes and what the apparent articulate factions may desire. Next year is election year. * * * The World has always opposed the bonus for able-bodied ex-soldiers. It has opposed it because * * * it puts a price upon patriotism and sets up a precedent that must be eventually tremendously embarrassing to the Republic, because it cheapens the sacrifices of every mother's son who sleeps over there.

I do not despair of the Republic. The menace of socialism, communism, and sovietism threatens from afar to-day. The burdens of taxation and of tribute levied by monopoly and combination and the increasing power of organization and propaganda are driving us in the wrong direction, driving us away from the ideals of independence and self-respecting manhood so dear to our fathers; but those ideals are not dead, and in many ways the moral training of the people of to-day is elevating and ennobling them, and I trust that the moral courage is growing which will cause our men of the future, both in public and in private life, to dare more than ever heretofore to do right.

Mr. MANN. Mr. Speaker, reserving the right to object to the request of the gentleman to extend his remarks—and I shall not object—I would like to suggest that if one man shall have the right to extend remarks in the Record on the bonus bill, perhaps it would be just as well to give everybody in the House that right. [Applause.] I ask unanimous consent, to bring it before the House, that the Members shall have the right to extend remarks in the Record on the rule and also on the so-called bonus bill, if that comes up to-day, for 10 days.

The SPEAKER. The gentleman from Illinois asks unanimous consent that all Members shall have the right to extend their remarks for 10 days. Is there objection?

There was no objection.

The SPEAKER. The gentleman from Kansas [Mr. CAMPBELL] is recognized. The gentleman has 12 minutes.

Mr. CAMPBELL of Kansas. Mr. Speaker, the rule before the House makes it in order to move to suspend the rules to-day. The usual debate of 20 minutes on a side is extended to 2 hours on a side. This is the most liberal provision for debate on a motion to suspend the rules within my memory in 20 years of service in the House. Much important legislation in the history of our Republic has been passed under suspension of the rules. It is not, therefore, an affront to the House of Representatives to pass a great measure under suspension of its rules.

Now, Mr. Speaker, I want to address myself briefly to the remarks of the gentleman from Texas [Mr. HARDY], who has

just taken his seat, and to the opposition generally enunciated by the Democratic minority in their report upon this bill. [Applause.] The gentleman from Texas likened our soldiers in the Great War, who are organized into the American Legion and Veterans of Foreign Wars, to the bands of marauding soldiers who traveled through Europe in the Middle Ages and lived off the country. That is only a greater insult to the soldiers than the assumption generally entertained and expressed by those opposed to this bill that the veterans of the war can be purchased by adjusted compensation legislation. [Applause.]

Any man who thinks, any newspaper that thinks, any man who charges, or any newspaper that charges, that you can purchase the votes of the veteran soldiers of our Republic in the Great War by the passage of this bill does not know the men who made up that great army. He does not know the men who lay in the trenches, who went over the top, and through no man's land. They were not purchasable men. They are and will be for more than half a century the strongest men in the body politic of this Republic. They are above price. [Applause.]

The adjusted compensation proposed in this bill is small. I wish it could be greater. I wish we could do as much for the veterans now as we did for the soldiers of the Revolution, for the soldiers of 1812, for the soldiers of the Mexican War, and for the soldiers of the Civil War. We offered to all of these lands from the public domain. We bade them go upon it and make their homes there, and they did! Our public domain is gone.

This bill does what the country now feels it can do.

We have gone through a great war under the management of a Democratic administration that engaged in an orgy of expenditure. You, gentlemen, here on my right, you Democrats who criticize this bill because it would raise and disburse a few hundred millions of dollars, raised and disbursed \$40,000,000,000 in a period of three years. You did not spend one dollar of that to adjust the compensation of the returned soldiers. In the year 1919, after the war was over, while in full control of the Government, you raised and disbursed over \$19,000,000,000 and you did not give a dollar to the returned soldier as additional or adjusted compensation. To-day you indulge in demagogic claptrap in your minority report on this bill to a degree that would put any self-respecting body of men to shame. [Prolonged applause.] You talk about raising money from multimillionaires made during the war and giving cash bonuses to the soldiers. Why did you not pay some of that \$40,000,000,000 that you took from the American people to the soldiers when you had the chance? Why did you not give some of the \$19,000,000,000 that you raised in 1919, after the war, to the soldiers when you had the chance? The boys can not be fooled with your demagoguery and claptrap. During a period of three years you took from the American people \$40,000,000,000, more money than it cost to run the expenses of the Republic from the day of the adoption of the Constitution up to 1912. You were in full charge of the war. You permitted soldiers to freeze and die in barracks and in hospitals. [Cries of "No!" "No!" on the Democratic side.] You did! You permitted them to go into battle without the support of airplanes and artillery. You permitted them to walk knee-deep in mud while waiting for boats upon which to come home.

Mr. UPSHAW. Will the gentleman yield?

Mr. CAMPBELL of Kansas. No. And yet you indulge in all this tommyrot as to what should be done now, printed in your minority on this bill. Yours is signed by Mr. KITCHEN, the minority leader, and four of his colleagues. I understand it is so putrid that the gentleman from Texas [Mr. GARNER] refused to sign it. You have not so far grown out of memory of the boys as to be able to impress them with your interest in them. When you were raising money by the billions by taxation and by the sale of bonds, you were giving it to the contractors to whom you now refer as having made millions and billions out of the war. They were your contractors, your profiteers. You made the contracts with them and adjusted the payment of their canceled contracts after the war was over.

The SPEAKER. The time of the gentleman from Kansas has expired.

Mr. CAMPBELL of Kansas. In discussing this question in this House on May 26, 1920, I said:

Mr. Chairman, the people of the United States are able to and are willing to pay every obligation growing out of the war, legal, equitable, and moral.

When a state of war was declared with Germany a wave of patriotic fervor, accompanied by a disposition on the part of all our people to make every sacrifice, spread over the country. The man power, the financial strength, and the industrial resources of the Republic were mobilized for war. The country changed from a peace to a war basis. All were willing to adapt themselves to the changed conditions and to make the same sacrifices that the young men who went to the front to

fight the battles were called upon to make. Four millions of the boys were mustered in. Two millions of them reached the battle front. War contractors, such as are provided against loss under the provisions of the bill now under consideration, produced but little material that reached the front before the armistice was signed. Let us say they did their best as the boys did their best. The boys offered their lives; the contractors the product of their industries.

But immediately following the armistice and ever since every specie, every variety, and every character of contractor came to Congress with as many varieties of contracts and asked for money to secure them against loss. Some had contracts that were partly completed, some upon which little had been done, some upon which nothing had been done, and many had no contracts at all. These contractors and would-be contractors appealed to Congress to indemnify them not only against loss but some of them asked for the profits they had expected to make out of the war contracts they had or thought they had.

Let no one lose sight of the fact that the industries of the country, as well as the man power of the country, were all commandeered for war purposes. War contractors and those who controlled the industries of the country were under the same obligation to render patriotic service to the Nation as the young men who offered their lives upon the battle fields. But the men whose property instead of their lives was commandeered have received from the country since the armistice was signed \$2,179,272,966 to indemnify them against loss.

When the men who were to furnish their property or the products of their industry for war purposes appealed to Congress, those who to-day protest against legislation to in a small way indemnify the boys who offered their lives in battle against financial loss were the earnest advocates of the war contractors. As to the contractors, they do not complain that it would bankrupt the Treasury; that it would increase the cost of living; that the country could stand no additional taxation. But when it is proposed to indemnify the young men, every one of whom offered his life for his country, in an amount that about equals the amount the Government deducted from their pay during the war, a propaganda is spread over the country protesting against legislation readjusting the pay of these heroic boys.

During the war half of their pay was kept from them and sent to dependent relatives. A quarter of it was retained by the Government for insurance. They had in the neighborhood of seven dollars and a half a month for their personal use during the war. Out of this pittance they could save nothing. When they were discharged they received \$60, which was not enough to buy citizens' clothing, that during their absence had more than doubled in price. They had a year and a half of war—of hell—whether in cantonments, on the sea, or on the battle fields. Their lives were made over. Their nerves were strained to the breaking point. And yet some Members here protest against legislation that will help these boys get on their feet and make their way with those who have made rapid progress in every profession, trade, and industry during their absence in the war.

Mr. Chairman, I serve notice now that until Congress is ready to do something for the men who fought the battles of the war I shall oppose appropriations, or authorizations for appropriations, or authorizations for contractors, or would-be contractors, to establish their claims against the Government of the United States. You have been told that the boys who fought the battles of the war should not commercialize their patriotism. I say that the contractors of the war should not commercialize their patriotism. [Applause.]

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

Mr. CAMPBELL of Kansas. Yes.

Mr. BANKHEAD. To what legislation does the gentleman refer which should be enacted before we take up legislation of the character now under consideration?

Mr. CAMPBELL of Kansas. I refer to the bill that has been under consideration, readjusting the pay of the soldiers—indemnifying them to small degree for loss sustained during the war.

Mr. BLANTON. Commonly known as the bonus proposition.

Mr. CAMPBELL of Kansas. Yes; against which a solid Democratic vote is pledged.

Let it not be said that the country has for the soldiers only cheers for the living, tears for the dead, but indemnity for contractors.

Let me remind you that the boys for whom a readjustment of pay is asked are the same boys that you followed to the station when they were embarking for the cantonments. They are the boys for whom the sweaters were knit and the bandages were made. They are the boys who lay sick in hospitals beside the frozen bodies of dead comrades; the same boys who braved the perils of the sea to reach the enemy on the battle fields of France and Flanders, they are the same boys who lay in the trenches, who went over the top amid the shot and shell and deadly gases of the enemy. They are boys who added glory to the Republic by their patience in the cantonments, by their courage on the sea, by their endurance in the trenches, by their bravery and heroism in going over the top into "no man's land." They are the boys who stirred the heart of the Republic, who cheered England, and France, and Italy, and Belgium; who put new life and courage and new soul into the war. They are the same boys who drove terror into the heart of the Hun, who forced the Kaiser from his throne and drove the German Army back across the Rhine. They are the boys whose comrades sleep beneath the poppies in France and Flanders, and in every State of the Union.

Their silent tents are spread
Where glory guards with sacred round
The bivouac of the dead.

A bill for their relief should pass ungrudgingly. It is said that it is intended to buy the votes of these brave boys. Their votes can not be bought. It is said that this legislation is commercializing the patriotism of the boys. It is not said that legislation for contractors is commercializing the patriotism of the contractors.

I appeal to the opposition to the soldiers' pay legislation everywhere to support it with the same patriotic support they gave to the legislation mobilizing the boys for war.

Again, on May 27, 1920, I said:

Mr. Chairman, a great many special rules have been brought out of the Committee on Rules that have cut off debate and prohibited amendment, but no rule from that committee within my recollection has met such united opposition from the Democratic side of the House as has the rule for the consideration of the bill providing indemnity for the soldiers of the Great War. [Applause on the Republican side.] The political minority of the House is opposed to that legislation.

Mr. RUBEX. Will the gentleman yield?

Mr. CAMPBELL of Kansas. The political minority on the Democratic side is united with 49 Members on the majority side of the House.

Mr. RUBEX. Will the gentleman yield?

Mr. CAMPBELL of Kansas. No; I can not. This makes a majority of the membership of the House against the previous question on the rule and against the rule.

No man interested in this legislation would bring in a rule here, move the previous question, and have a united Democratic minority, supported by half a hundred on this side of the House, vote down the previous question and throw the whole question into the hands of the enemies of the legislation. [Applause on the Republican side.] And that is exactly what the enemies of this legislation are prepared to do.

Mr. PELL. Will the gentleman yield?

Mr. CAMPBELL of Kansas. No.

Mr. GALLIVAN. Will the gentleman yield to me for a moment? Here is one Democrat who is with you.

Mr. CAMPBELL of Kansas. That is one thing I do not propose to do. I shall not turn this legislation over to its enemies, to those who propose at any cost to defeat it. I propose on Saturday morning to bring in a rule providing for six days of suspension. Under that rule it will be in order to move to suspend the rules and pass the bill, and you gentlemen then can not go behind a barrage of previous questions and alleged drastic rules and vote against this legislation. The gentleman from Massachusetts [Mr. GALLIVAN] says he will be for it. I am glad to say he has been for it from the beginning; but other gentlemen on that side of the House will have to come from behind the barrage. You will have to "go over the top" and into "no man's land" and vote for or against the main proposition. [Applause on the Republican side.]

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

Mr. CAMPBELL of Kansas. No.

This proposition does not differ from other important legislation brought here under special rule under which the previous question is ordered, under which amendment is denied. I have brought in such rules. The gentleman from Tennessee [Mr. GARRETT] has brought in such rules during the time that he and his party were in the majority. The same thing has been done throughout the history of legislation. Everybody knows that if the legislation that is proposed to indemnify the soldiers for some of the losses that they sustained during the war were thrown open for all sorts of amendment and debate such action would mutilate it and defeat its purpose as sought by the men who are attempting to get consideration for it under conditions that would enable them to do that. [Applause on the Republican side.]

And again, on May 29, 1920:

Mr. Speaker, gentlemen who oppose legislation that will in a small degree compensate the soldiers of the Great War for the losses they sustained are opposed to this resolution. [Applause.]

Every gentleman who is opposed to legislation compensating the soldiers in any degree for losses they sustained are opposed to this resolution. [Applause.]

Mr. CLARK of Missouri. Will the gentleman yield?

Mr. CAMPBELL of Kansas. No; I can not yield now.

Mr. CLARK of Missouri. Yes; you can. [Laughter.]

Mr. CAMPBELL of Kansas. Every gentleman on this side of the House who voted against laying the appeal from the decision of the Chair on the table is opposed to compensating the soldiers of the Republic who bared their breasts to shot and shell on the fields of France and Flanders. [Applause.]

No gentleman who has so far discussed this question can refrain from announcing his opposition to some feature in this bill. The gentleman from Missouri [Mr. CLARK] says he is in favor of compensating the soldiers. The soldiers in the country will take his vote upon this resolution rather than what he says about it. [Applause.]

"By their fruits ye shall know them." The time has come to unmask on this question. It is time to raise the barrage. It is time now to compel gentlemen to go over the top, to go out where they will face the foe, vote aye or no, and you who vote no against this resolution will be known to the country and known everywhere as opposed to soldiers' indemnity legislation.

Who are the boys for whom this legislation is intended? They are the boys who shed imperishable glory on the history of the Republic. [Applause.] They terminated the war a year or a year and a half earlier than it had been expected it would terminate. And I call the attention of you gentlemen over here to this fact: That if it had not been for the bravery and the indomitable courage and endurance of these boys the Kaiser would be levying tribute on you to-day. [Applause.] You made this statement in the opera houses and in the churches to the people you addressed in support of the bond issues during the war.

Now, I want to unmask a little further. Some of you on the Democratic side who are opposed to this legislation are opposed to it because 350,000 to 375,000 colored boys would come within its provisions. I deny now in their behalf and in behalf of every man who wore the uniform of his country and followed its colors that they will waste this money and become profligate by reason of receiving it.

Mr. STEVENSON. Will the gentleman yield?

Mr. CAMPBELL of Kansas. No. The young men who enlisted in this Great War or who were drafted for the war came out of it mature and great men, and they will save this country from all enemies in the years to come. [Applause.] They are entitled to some compensation for the losses they sustained during two awful years.

Mr. UPshaw. Give us a chance for a straight vote.

Mr. CAMPBELL of Kansas. You will have a chance in five minutes. [Applause.] If you vote it down, you must square yourselves with your consciences.

You say this is to buy the vote of the soldiers?

Mr. PELL. Yes.

Mr. CAMPBELL of Kansas. That is the most infamous charge that could be made against these brave boys, and no man who has regard for their integrity and for their place in history would make that statement. Their votes can not be bought. No men in the history of wars suffered more from the time they entered the cantonments until the armistice was signed than these boys, and many of them suffered every agony after the armistice was signed. These boys went through a literal hell in the cantonments, and in the camps, in the trenches, in the field, and whether they were in the air, on the land, on the sea, or under the sea, they rendered great service and terminated, in glorious victory, the greatest war in history. [Applause.]

It is proposed to raise a billion and a quarter dollars in their behalf. We have already paid two and a quarter billion dollars to the contractors since the armistice was signed, and you gentlemen voted it. You never uttered a word against that legislation. You did not say that it was infamous. To-day you attempt to cover yourselves behind a barrage of an alleged drastic rule and say you can not vote for this thing. If it were not for this soldier legislation there would scarcely

be a single vote in this House against this resolution. The opposition to this resolution grows out of the fact that immediately upon its adoption the gentleman from Michigan [Mr. FORDNEY] will be recognized by the Speaker to move to suspend the rules and pass the bill that will provide some compensation for these splendid boys. Are you in favor of it?

SEVERAL MEMBERS (on the Democratic side). Yes.

Mr. CAMPBELL of Kansas. Then vote for the resolution so you can vote for the bill. If you are against this legislation you will go on record against this resolution.

Mr. SABATH. Mr. Speaker—

Mr. CAMPBELL of Kansas. No; I can not yield. You will vote against this resolution if you are against this legislation. You can not play fast and loose, blow hot and cold on this question.

The SPEAKER. Does the gentleman yield?

Mr. CAMPBELL of Kansas. No. I do not yield. You can not say in one breath that you are for the soldiers, for compensation for them, and then as soon as you have an opportunity vote against a resolution that makes it possible to consider the bill that would give them the compensation that has been agreed upon. This bill provides everything the soldiers ask for and one thing more, viz, the insurance feature. It provides for raising the revenue by taxing stock and grain gamblers, by taxing large incomes, by taxing transfers of real estate, by taxing tobacco, and by taxing stock dividends. [Applause.]

What I said then is pertinent to-day. Mr. Speaker, I move the previous question on the resolution.

The SPEAKER. The gentleman from Kansas moves the previous question.

Mr. GARRETT of Tennessee. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were yeas 274, nays 127, answered "present" 1, not voting 27, as follows:

YEAS—274.

Ackerman	Dyer	Kraus	Roach
Anderson	Echols	Kreider	Robertson
Andrew, Mass.	Edmonds	Langley	Robison
Andrews, Nebr.	Ellis	Larson, Minn.	Rogers
Ansorge	Evans	Lawrence	Rose
Anthony	Fairchild	Lazaro	Rosenbloom
Appleby	Fairfield	Leatherwood	Rossdale
Arentz	Faust	Lehlbach	Ryan
Atkeson	Favrot	Lineberger	Sanders, Ind.
Bacharach	Fenn	Little	Schall
Barbour	Fess	Longworth	Scott, Mich.
Beck	Fish	Luce	Scott, Tenn.
Beedy	Fitzgerald	Luhning	Shaw
Begg	Focht	McArthur	Shelton
Benham	Fordney	McCormick	Shreve
Bird	Foster	McKenzie	Siegel
Bixler	Frear	McLaughlin, Mich.	Sinclair
Blakeney	Free	McLaughlin, Nebr.	Sinnott
Bland, Ind.	French	McLaughlin, Pa.	Slemp
Boles	Frothingham	McPherson	Smith, Idaho
Bond	Fuller	MacGregor	Smith, Mich.
Bowers	Funk	Madden	Snell
Brennan	Gahn	Magee	Snyder
Britten	Gensman	Maloney	Sproul
Brooks, Ill.	Gerner	Mann	Steenerson
Brooks, Pa.	Glynn	Mapes	Stephens
Brown, Tenn.	Goodykoontz	Martin	Strong, Kans.
Browne, Wis.	Gorman	Mead	Strong, Pa.
Burdick	Gould	Merritt	Summers, Wash.
Burke	Graham, Ill.	Michaelson	Swank
Burroughs	Graham, Pa.	Michener	Sweet
Burtress	Green, Iowa	Miller	Swing
Butler	Greene, Mass.	Millsbaugh	Taylor, N. J.
Cable	Greene, Vt.	Mondell	Taylor, Tenn.
Campbell, Kans.	Griest	Montoya	Temple
Campbell, Pa.	Hadley	Moore, Ill.	Ten Eyck
Cannon	Hardy, Colo.	Moore, Ohio	Thompson
Chalmers	Haugen	Morgan	Tilson
Chandler, Okla.	Hawley	Morin	Timberlake
Chindblom	Hays	Mott	Tincher
Christopherson	Hersey	Mudd	Towner
Clague	Hickey	Murphy	Treadway
Clarke, N. Y.	Hill	Nelson, A. P.	Underhill
Classon	Hoch	Nelson, J. M.	Valle
Clouse	Hogan	Newton, Mo.	Vare
Codd	Hukriede	Nolan	Vestal
Cole, Iowa	Hull	Norton	Voigt
Cole, Ohio	Husted	Olpp	Volk
Colton	Hutchinson	Osborne	Volstead
Connell	Ireland	Paige	Walters
Connolly, Pa.	James	Parker, N. Y.	Ward, N. Y.
Cooper, Ohio	Jeffers, Nebr.	Patterson, N. J.	Wason
Cooper, Wis.	Johnson, S. Dak.	Perkins	Watson
Copley	Johnson, Wash.	Perlman	Webster
Coughlin	Jones, Pa.	Petersen	Wheeler
Crago	Kearns	Porter	White, Kans.
Cramton	Keller	Pringey	White, Me.
Crowther	Kelley, Mich.	Purnell	Williams
Curry	Kelly, Pa.	Quin	Williamson
Dale	Kendall	Radcliffe	Winslow
Dallinger	Kennedy	Ramsayer	Woodruff
Darrow	Ketcham	Ransley	Woodyard
Davis, Minn.	King	Reavis	Wurzbach
Dempsey	Kinkaid	Reece	Wyant
Denison	Kirkpatrick	Reed, N. Y.	Yates
Dickinson	Kissel	Reed, W. Va.	Young
Dowell	Kline, Pa.	Rhodes	Zihlman
Dunbar	Knutson	Ricketts	
Dunn	Kopp	Riddick	

NAYS—127.

Almon	Bell	Box	Bulwinkle
Aswell	Black	Brand	Burton
Bankhead	Bland, Va.	Briggs	Byrnes, S. C.
Barkley	Bowling	Buchanan	Byrns, Tenn.

Cantrill	Hardy, Tex.	Lowrey	Sanders, Tex.
Carew	Harrison	Lyon	Sandlin
Carter	Hawes	McClintic	Sears
Chandler, N. Y.	Hayden	McFadden	Sisson
Cockran	Hooker	McSwain	Smithwick
Collier	Huddleston	Mills	Stafford
Collins	Hudspeth	Montague	Steagall
Connally, Tex.	Humphreys	Moore, Va.	Stedman
Crisp	Jeffers, Ala.	Moore, Ind.	Stevenson
Cullen	Johnson, Ky.	Newton, Minn.	Stoll
Davis, Tenn.	Johnson, Miss.	O'Brien	Sullivan
Dominick	Jones, Tex.	O'Connor	Summers, Tex.
Doughton	Kiess	Oldfield	Tague
Drane	Kincheloe	Oliver	Thomas
Drewry	Kindred	Overstreet	Tillman
Driver	Kline, N. Y.	Padgett	Tinkham
Dupré	Knight	Park, Ga.	Tyson
Fisher	Kunz	Parker, N. J.	Upshaw
Freeman	Lanham	Parks, Ark.	Vinson
Fulmer	Lankford	Pou	Walsh
Gallivan	Larsen, Ga.	Rainey, Ill.	Weaver
Garner	Layton	Raker	Wilson
Garrett, Tenn.	Lee, Calif.	Rankin	Wingo
Garrett, Tex.	Lee, Ga.	Rayburn	Wise
Gilbert	Lee, N. Y.	Riordan	Wood, Ind.
Goldborough	Linthicum	Rouse	Woods, Va.
Griffin	Logan	Rucker	Wright
Hammer	London	Sabath	

ANSWERED "PRESENT"—1.

Herrick

NOT VOTING—27.

Blanton	Himes	Mansfield	Sanders, N. Y.
Brinson	Jacoway	Ogden	Speaks
Clark, Fla.	Kahn	Parrish	Stiness
Deal	Kitchin	Patterson, Mo.	Taylor, Ark.
Elliot	Klecza	Rainey, Ala.	Taylor, Colo.
Fields	Lampert	Reber	Ward, N. C.
Hicks	McDuffie	Rodenberg	

So the previous question was ordered.

The Clerk announced the following pairs:

Until further notice:

Mr. Patterson of Missouri with Mr. Deal.

Mr. Lampert with Mr. McDuffie.

Mr. Rodenberg with Mr. Mansfield.

Mr. Elliott with Mr. Blanton.

Mr. Hicks with Mr. Ward of North Carolina.

Mr. Reber with Mr. Taylor of Arkansas.

Mr. Kahn with Mr. Clark of Florida.

Mr. Himes with Mr. Brinson.

Mr. Kleczka with Mr. Fields.

Mr. Ogden with Mr. Jacoway.

Mr. Speaks with Mr. Rainey of Alabama.

Mr. Sanders of New York with Mr. Kitchin.

Mr. Stiness with Mr. Taylor of Colorado.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on agreeing to the resolution.

The question being taken, on a division (demanded by Mr. McARTHUR) there were—ayes 221, noes 121.

Accordingly the resolution was agreed to.

Mr. FORDNEY. Mr. Speaker, I move to suspend the rules and pass the bill H. R. 10874, including the amendments reported by the committee.

The SPEAKER. The gentleman from Michigan moves to suspend the rules and pass a bill which the Clerk will report.

The Clerk read the title of the bill (H. R. 10874) to provide adjusted compensation for veterans of the World War, and for other purposes.

Mr. MONDELL. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MONDELL. My understanding is that the gentleman from Michigan moves to suspend the rules and pass the bill as amended by the committee.

The SPEAKER. He moved to suspend the rules and pass the bill which he sends to the Clerk's desk, with the amendments as they appear in the bill.

Mr. TREADWAY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. TREADWAY. Is it proper at this point to demand a second?

The SPEAKER. Not until after the bill is reported.

The Clerk read the bill, as follows:

Be it enacted, etc.,—

TITLE I.—DEFINITIONS.

SECTION 1. This act may be cited as the "World War adjusted compensation act."

SEC. 2. As used in this act—

(a) The term "veteran" includes any individual, a member of the military or naval forces of the United States at any time after April 5, 1917, and before November 12, 1918; but does not include (1) any individual at any time during such period or thereafter separated from such forces under other than honorable conditions, (2) any conscientious objector who performed no military duty whatever or refused to wear the uniform, or (3) any alien at any time during such period or thereafter discharged from the military or naval forces on account of his alienage;

(b) The term "oversea service" means service on shore in Europe or Asia, exclusive of China, Japan, and the Philippine Islands; and service afloat, not on receiving ships; including in either case the period from the date of embarkation for such service to the date of disembarkation on return from such service, both dates inclusive;

(c) The term "home service" means all service not oversea service;

(d) The term "adjusted service credit" means the amount of the credit computed under the provisions of Title II; and

(e) The term "person" includes a partnership, corporation, or association, as well as an individual.

TITLE II.—ADJUSTED SERVICE CREDIT.

SEC. 201. The amount of adjusted service credit shall be computed by allowing the following sums for each day of active service, in excess of 60 days, in the military or naval forces of the United States after April 5, 1917, and before July 1, 1919, as shown by the service or other record of the veteran: \$1.25 for each day of oversea service, and \$1 for each day of home service; but the amount of the credit of a veteran who performed no oversea service shall not exceed \$500, and the amount of the credit of a veteran who performed any oversea service shall not exceed \$625.

SEC. 202. In computing the adjusted service credit no allowance shall be made to—

(a) Any commissioned officer above the grade of captain in the Army or Marine Corps, lieutenant in the Navy, first lieutenant or first lieutenant of engineers in the Coast Guard, or passed assistant surgeon in the Public Health Service, or having the pay and allowances, if not the rank, of any officer superior in rank to any of such grades—in each case for the period of service as such;

(b) Any individual holding a permanent or provisional commission or permanent or acting warrant in any branch of the military or naval forces or (while holding such commission or warrant) serving under a temporary commission in a higher grade—in each case for the period of service under such commission or warrant or in such higher grade after the accrual of the right to pay thereunder. This subdivision shall not apply to any noncommissioned officer;

(c) Any civilian officer or employee of any branch of the military or naval forces, contract surgeon, cadet of the United States Military Academy, midshipman, cadet of the Coast Guard, member of the Reserve Officers' Training Corps, member of the Students' Army Training Corps (except an enlisted man detailed thereto), Philippine Scout, member of the Philippine Guard, member of the Philippine Constabulary, member of the Porto Rico Regiment of Infantry, member of the National Guard of Hawaii, member of the insular force of the Navy, member of the Samoan native guard and band of the Navy, or Indian Scout—in each case for the period of service as such;

(d) Any individual entering the military or naval forces after November 11, 1918—for any period after such entrance;

(e) Any commissioned or warrant officer performing home service not with troops and receiving commutation of quarters or of subsistence—for the period of such service;

(f) Any member of the Public Health Service—for any period during which he was not detailed for duty with the Army or the Navy;

(g) Any individual granted a farm or industrial furlough—for the period of such furlough; or

(h) Any individual detailed for work on roads or other highway construction or repair work—for the period during which his pay was equalized to conform to the compensation paid to civilian employees in the same or like employment, pursuant to the provisions of section 9 of the act entitled "An act making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1920, and for other purposes," approved February 28, 1919.

SEC. 203. (a) The periods referred to in subdivision (e) of section 202 may be included in the case of any individual if and to the extent that the Secretary of War and the Secretary of the Navy jointly find that such service subjected such individual to exceptional hazard. A full statement of all action under this subdivision shall be included in the reports of the Secretary of War and the Secretary of the Navy required by section 307.

(b) In computing the credit to any veteran under this title effect shall be given to all subdivisions of section 202 which are applicable.

(c) If part of the service is oversea service and part is home service, the home service shall first be used in computing the 60 days' period referred to in section 201.

(d) For the purpose of computing the 60 days' period referred to in section 201, any period of service after April 5, 1917, and before July 1, 1919, in the military or naval forces in any capacity may be included, notwithstanding allowance of credit for such period, or a part thereof, is prohibited under the provisions of section 202, except that the periods referred to in subdivisions (b), (c), and (d) of that section shall not be included.

(e) For the purposes of section 201, in the case of members of the National Guard or of the National Guard Reserve called into service by the proclamation of the President dated July 3, 1917, the time of service between the date of call into the service as specified in such proclamation and August 5, 1917, both dates inclusive, shall be deemed to be active service in the military or naval forces of the United States.

TITLE III.—GENERAL PROVISIONS.

OPTIONAL PLANS.

SEC. 301. Each veteran shall have the right to avail himself of any one, but only one, of the following plans:

(1) To receive "adjusted-service pay," as provided in Title IV; but the veteran can not choose this plan if the amount of his adjusted-service credit is more than \$50;

(2) To receive an "adjusted-service certificate," as provided in Title V;

(3) To receive "vocational training aid," as provided in Title VI;

(4) To receive "farm or home aid," as provided in Title VII; or

(5) To receive "land-settlement aid," as provided in Title VIII.

APPLICATION BY VETERAN.

SEC. 302. (a) The veteran's choice among the plans enumerated in section 301 shall be made by application filed with the Secretary of War, if he is serving in, or his last service was with, the military forces; or with the Secretary of the Navy, if he is serving in, or his last service was with, the naval forces.

(b) Such application shall be made on or before July 1, 1923, and if not made on or before such date shall be held void; but if application for land-settlement aid is made on or before such date, the time for receiving the credits and exercising the preferences provided for in title 8 shall be as specified in such title.

(c) An application shall be made (1) personally by the veteran, or (2) in case physical or mental incapacity prevents the making of a per-

sonal application, then by such representative of the veteran and in such manner as the Secretary of War and the Secretary of the Navy shall jointly by regulation prescribe. An application made by a representative other than one authorized by any such regulation shall be held void.

(d) The Secretary of War and the Secretary of the Navy shall jointly make any regulations necessary to the efficient administration of the provisions of this section.

PROOF OF VETERAN'S CHOICE OF PLAN.

SEC. 303. (a) As soon as practicable after the receipt of a valid application the Secretary of War or the Secretary of the Navy, as the case may be, shall transmit to the Secretary of the Treasury, if the veteran has chosen an adjusted service certificate, or to the Director of the United States Veterans' Bureau if the veteran has chosen vocational training aid, or to the National Veterans' Settlement Board if the veteran has chosen farm or home aid or land-settlement aid, a certificate setting forth—

(1) That the applicant is a veteran;

(2) His name and address;

(3) The plan chosen; and

(4) The amount of his adjusted service credit.

(b) Upon receipt of such certificate the officer or board to which it is transmitted shall proceed to extend to the veteran the benefits conferred by the plan chosen, as provided for in this act.

PUBLICITY.

SEC. 304. (a) The Secretary of War and the Secretary of the Navy shall, as soon as practicable after the passage of this act, jointly prepare and publish a pamphlet or pamphlets containing a digest and explanation of the provisions of this act, accompanied by such statements as to the comparative advantages of each of the plans enumerated in section 301 as may be of assistance to veterans in making their choice among such plans; and shall from time to time thereafter jointly prepare and publish such additional or supplementary information as may be found necessary.

(b) The officer or board having charge of the administration of any plan or part thereof enumerated in section 301 shall transmit to the Secretary of War and the Secretary of the Navy as soon as practicable after the passage of this act full information and explanations as to the matters of which such officer or board has charge, which shall be considered by the Secretary of War and the Secretary of the Navy in preparing the publications referred to in subdivision (a).

(c) The publications provided for in subdivision (a) shall be distributed in such manner as the Secretary of War and the Secretary of the Navy may determine to be most effective to inform veterans of their rights under this act.

STATISTICS.

SEC. 305. Immediately upon the passage of this act the Secretary of War and the Secretary of the Navy shall ascertain the individuals who are veterans as defined in section 2, and, as to each veteran, the number of days of oversea service and of home service, as defined in section 2, for which he is entitled to receive adjusted service credit; and their decisions shall not be subject to review by the General Accounting Office.

ADMINISTRATIVE REGULATIONS.

SEC. 306. Any officer or board charged with any function under this act shall make such regulations, not inconsistent with this act, as may be necessary to the efficient administration of such function.

REPORTS.

SEC. 307. Any officer or board charged with the administration of any plan under this act, or of any part thereof, shall make a full report to Congress on the first Monday of December of each year.

EXEMPTION FROM ATTACHMENT AND TAXATION.

SEC. 308. No sum payable under this act to a veteran, or to his estate, or to any beneficiary named under Title V, no adjusted service certificate, and no proceeds of any loan made on such certificate shall be subject to attachment, levy, or seizure under any legal or equitable process, or to National or State taxation.

UNLAWFUL FEES.

SEC. 309. Any person who charges or collects, or attempts to charge or collect, either directly or indirectly, any fee or other compensation for assisting in any manner a veteran in obtaining any of the benefits, privileges, or loans to which he is entitled under the provisions of this act shall, upon conviction thereof, be subject to a fine of not more than \$500 or imprisonment for not more than one year, or both.

TITLE IV.—ADJUSTED SERVICE PAY.

SEC. 401. There shall be paid to any veteran, as soon as practicable after receipt of an application in accordance with the provisions of section 302, and in addition to any other amounts due him in pursuance of law, the amount of his adjusted service credit, if, and only if, such credit is not more than \$50.

SEC. 402. Payment shall be made by the Secretary of War if the veteran is serving in, or his last service was with, the military forces; and by the Secretary of the Navy if he is serving in, or his last service was with, the naval forces.

SEC. 403. If the veteran dies after making application in accordance with the provisions of section 302 for adjusted service pay and before receiving payment, payment shall be made to his estate.

SEC. 404. No right to adjusted service pay under the provisions of this title shall be assignable or serve as security for any loan. Any assignment or loan made in violation of the provisions of this section shall be held void. The Secretary of War and the Secretary of the Navy shall not pay the amount of adjusted service pay to any person other than the veteran or his estate or such representative of the veteran as the Secretary of War and the Secretary of the Navy shall jointly by regulation prescribe.

TITLE.—ADJUSTED SERVICE CERTIFICATES.

SEC. 501. The Secretary of the Treasury, upon certification from the Secretary of War or the Secretary of the Navy, as provided in section 303, is hereby directed to issue without cost to the veteran designated therein an adjusted service certificate (hereinafter in this title referred to as a "certificate") of a face value equal to the sum of (1) the adjusted service credit of the veteran increased by 25 per cent plus (2) interest thereon for 20 years at the rate of 4½ per cent per annum compounded annually (such amount being approximately equal to 3.015 times the adjusted service credit of the veteran). The certificate shall be dated, and all rights conferred under the provisions of this title shall take effect as of October 1, 1922. The veteran shall name the beneficiary of the certificate and may from time to time, with the

approval of the Secretary of the Treasury, alter such beneficiary. The amount of the face value of the certificate (unless the certificate has been canceled as hereinafter in this title provided) shall be payable (1) to the veteran on September 30, 1942, or (2) upon the death of the veteran prior thereto, to the beneficiary named; except that if such beneficiary dies before the veteran and no new beneficiary is named, or if the beneficiary in the first instance has not yet been named, the amount of the face value of the certificate shall be paid to the estate of the veteran.

LOAN PRIVILEGES BEFORE OCTOBER 1, 1925.

SEC. 502. (a) A loan may be made to any veteran prior to September 30, 1925, upon his adjusted service certificate only in accordance with the provisions of this section.

(b) Any national bank, or any bank or trust company incorporated under the laws of any State, Territory, possession, or the District of Columbia (hereinafter in this section called "bank"), is authorized to loan to any veteran upon his promissory note secured by his adjusted service certificate (with or without the consent of the beneficiary thereof) any amount not in excess of 50 per cent of the loan basis (as defined in subdivision (f) of this section) of the certificate, such loan to mature on or before September 30, 1925. The rate of interest charged upon the loan by the bank shall not exceed by more than 2 per cent per annum the rate charged at the date of the loan for the discount of commercial paper under section 13 of the Federal reserve act by the Federal reserve bank for the Federal reserve district in which the bank is located. Any bank holding a note for a loan under this section secured by a certificate (whether the bank originally making the loan or a bank to which the note and certificate have been transferred) may sell the note to, or discount or rediscount it with, any bank authorized to make a loan to a veteran under this section, and transfer the certificate to such bank. In case the note is sold the bank making the sale shall promptly notify the veteran.

(c) If the veteran does not pay the principal and interest of the loan within six months after its maturity (or on or before September 30, 1925, if the loan matures on or after March 30, 1925), the bank holding the note and certificate shall present them to the Secretary of the Treasury not earlier than May 30, 1925, and not later than October 15, 1925. The Secretary shall thereupon cancel the note and the certificate and pay to the bank the amount of the unpaid principal due it, and the unpaid interest accrued, at the rate fixed in the note, up to the date of the check issued to the bank. The difference between 80 per cent of the loan basis of the certificate at the time of its receipt by the Secretary and the amount so paid to the bank, shall be immediately paid by the Secretary to the veteran, if living. If the veteran dies before such difference can be paid to him, it shall be paid to the beneficiary under the certificate; except that if such beneficiary dies before the veteran and no new beneficiary is named, or if the beneficiary in the first instance has not yet been named, then the payment shall be made to the estate of the veteran.

(d) If the veteran dies before the maturity of the loan, the amount of the unpaid principal and the unpaid interest accrued up to the date of his death shall be immediately due and payable. In such case, or if the veteran dies on the day the loan matures or within six months thereafter, or, in case the loan matures on or after March 30, 1925, if he dies on or after the day the loan matures but before October 1, 1925, the bank holding the note and certificate shall, upon notice of the death, present them to the Secretary who shall thereupon cancel the note (but not the certificate) and pay to the bank, in full satisfaction of its claim, the amount of the unpaid principal and unpaid interest, at the rate fixed in the note, accrued up to the date of the check issued to the bank; except that if, prior to the payment, the bank is notified of the death by the Secretary of the Treasury and fails to present the certificate and note to the Secretary within 15 days after the notice, such interest shall be only up to the fifteenth day after such notice. The Secretary shall deduct the amount so paid from the face value (as determined under section 501) of the certificate and pay the remainder in accordance with the provisions of section 501.

(e) When any loan becomes in default, the bank holding the note shall within 30 days thereafter notify the Secretary of the Treasury of the facts relative to the note, the name of the veteran, and the number of his certificate.

(f) The loan basis of any certificate at any time, shall, for the purposes of this section, be the amount of the adjusted service credit, plus interest thereon, from October 1, 1922, to such time, at the rate of $4\frac{1}{2}$ per cent per annum, compounded annually.

(g) No payment upon any note shall be made under this section by the Secretary of the Treasury to any bank, unless the note when presented to him is accompanied by an affidavit made by an officer of the bank which made the loan, before a notary public or other officer designated for the purpose by regulation of the Secretary, and stating that such bank has not charged or collected, or attempted to charge or collect, directly or indirectly, any fee or other compensation (except interest as authorized by this section) in respect to or because of any loan made under this section by the bank to a veteran. Any bank which, or director, officer, or employee thereof who, does so charge, collect, or attempt to charge or collect any such fee or compensation, shall be liable to the veteran for a penalty of \$100, to be recovered in a civil suit brought by the veteran.

LOAN PRIVILEGES AFTER SEPTEMBER 30, 1925.

SEC. 503. The Postmaster General is hereby authorized and directed to instruct postmasters of the first, second, and third classes to take applications of veterans for Government loans and collect payments thereon.

SEC. 504. (a) Application for Government loans may be made at any post office of a first, second, or third class. Such loans, secured by the adjusted service certificate, shall be made by the Secretary of the Treasury, with or without the consent of the beneficiary, and payments thereon collected, in accordance with the provisions of this title, under rules and regulations to be prescribed by him. He shall supply postmasters of the first, second, and third classes with blanks upon which veterans may make applications for Government loans. Such applications shall be in the form prescribed by the Secretary of the Treasury, and have attached thereto a form of promissory note to be executed by the veteran, and a receipt, to be delivered to the veteran, which shall be signed by the postmaster receiving the application, and which shall acknowledge the receipt of the note and the certificate, and contain a description of each. The postmaster shall thereupon transmit to the Secretary of the Treasury the application, note, and certificate. Upon the approval of the loan by the Secretary of the Treasury he shall transmit to the veteran a check for the amount of the loan. He shall also issue in triplicate a statement showing the name and service of the

veteran, the number of his certificate, and a schedule of the amounts of the several payments, and the dates when due. The original of the statement shall be retained with the application, the duplicate shall be transmitted to the postmaster receiving the application and the triplicate to the veteran. The postmaster holding such statement shall receive and indorse thereon the payments made by the veteran; shall give a receipt to the veteran; and shall promptly transmit payments to the Secretary of the Treasury. Such payments shall be covered into the Treasury as miscellaneous receipts. The veteran shall make repayment of the loan upon an amortization plan by means of a fixed number of annual installments sufficient to cover (1) interest on the unpaid principal at the rate of $4\frac{1}{2}$ per cent per annum and (2) such amount of the principal as will extinguish the debt within an agreed period not exceeding the life of the certificate.

(b) If the veteran fails to make any payment when due, and such default continues for the period of one year, thereupon the Secretary of the Treasury shall declare the certificate of the veteran to be forfeited and cancel and surrender the note to the veteran; but if the Secretary of the Treasury subsequently finds any such certificate was forfeited by mistake, or under any misapprehension of fact, he shall reinstate the same upon payment of the amount then due the Government on the loan, and upon the receipt of a new note from the veteran on the same terms as the original note for the remaining amount due.

(c) If the veteran is in default and his certificate is forfeited, when he has borrowed an amount less than the maximum authorized under either subdivision (a) or (b) of section 505, the Secretary of the Treasury shall pay to him 80 per cent of the difference between what he has borrowed and the maximum which he was authorized to borrow under either subdivision (a) or (b) of section 505. If the veteran dies before such 80 per cent can be paid to him, it shall be paid to the beneficiary under the certificate; except that if such beneficiary dies before the veteran and no new beneficiary is named, or if the beneficiary in the first instance has not yet been named, then the payment shall be made to the estate of the veteran.

SEC. 505. No Government loan shall be made upon any certificate prior to October 1, 1925. The amount of such loans to any one veteran outstanding at any time shall not exceed:

(a) If the loan is made on or after October 1, 1925, and before October 1, 1928, 85 per cent of the sum of (1) the adjusted service credit of the veteran plus (2) interest thereon from October 1, 1922, to the date of the making of the loan, at the rate of $4\frac{1}{2}$ per cent per annum, compounded annually, or

(b) If the loan is made on or after October 1, 1928, and before October 1, 1942, 70 per cent of the sum of (1) the adjusted service credit of the veteran increased by 25 per cent, plus (2) interest thereon from October 1, 1922, to the date of the making of the loan, at the rate of $4\frac{1}{2}$ per cent per annum, compounded annually.

SEC. 506. No certificate issued or right conferred under the provisions of this title shall, except as provided in section 502 or 504, be negotiable or assignable or serve as security for a loan. Any negotiation, assignment, or loan made in violation of any provision of this section shall be held void.

SEC. 507. In the case of the death of the veteran or the forfeiture of his certificate, any Government loan made upon the certificate, and the note in respect thereto, shall be canceled; and in case such loan has been canceled as a result of the death of the veteran, the Secretary of the Treasury shall deduct the amount of the unpaid principal and interest of the loan from the amount of the face value of the certificate in respect to which the loan is made.

SEC. 508. Any certificate issued under the provisions of this title shall have printed upon its face the conditions and terms upon which it is issued and to which it is subject, including loan values under sections 502 and 505.

SEC. 509. If the veteran dies after making application in accordance with the provisions of section 302 and before October 1, 1922, the amount of the adjusted service credit of the veteran shall be paid by the Secretary of the Treasury to his estate.

TITLE VI.—VOCATIONAL TRAINING AID.

SEC. 601. The Director of the United States Veterans' Bureau (hereinafter in this title referred to as the "director"), upon certification from the Secretary of War or the Secretary of the Navy, as provided in section 303, is hereby directed to pay to the veteran designated therein (if he is not receiving the benefits of the vocational rehabilitation act, as amended) the sum of \$1.75 for each day of his attendance (on or after January 1, 1923), on a course of vocational training previously approved by the director as suitable for such veteran. Such payments shall be made without deduction for Sundays, holidays, or vacations not exceeding two weeks in duration, or for absence for other cause which the director deems justifiable; but the total payment shall not exceed 140 per cent of the amount of the adjusted service credit of the veteran.

Payments under this section shall be made monthly, or at more frequent intervals, as the director may determine generally or in special cases.

SEC. 602. The director shall establish such regulations as will insure the regular attendance of the veteran on his course of training, and no sum or sums shall be payable under this title unless the director has been furnished proof of such regular attendance. For each day of unjustifiable absence the veteran shall forfeit the sum payable for that day and shall receive no reimbursement for it in any other form.

SEC. 603. If the payment under section 601 plus the amounts forfeited under section 602 is less than 140 per cent of the adjusted service credit, either by reason of the duration of the course approved or by reason of the veteran's discontinuing, with the approval of the director, his attendance on his course of training, he shall be entitled to receive an amount equal to the difference between (1) his adjusted service credit and (2) that proportion thereof which the payments made or accrued under section 601 plus the amounts forfeited under section 602 bear to 140 per cent of his adjusted service credit: *Provided*, That from the amount thus computed there shall be deducted an amount equal to the sums forfeited under section 602.

SEC. 604. If before the completion of the payments under this title the veteran is separated from the military or naval forces under other than honorable conditions, or is discharged therefrom on account of his alienage, no further payments shall be made under this title.

SEC. 605. (a) If the veteran dies after making application in accordance with the provisions of section 302 and before any payments have been made or have accrued under this title, the amount of the adjusted service credit of the veteran shall be paid by the director to his estate.

(b) If the veteran dies after the course of training has begun, his estate shall be paid by the director the same amount as would have been paid to the veteran under section 603, treating for such purposes

the date of his death as the date of discontinuance of attendance on his course of training.

SEC. 606. (a) The director is hereby authorized to cooperate with State boards for vocational education in such manner as will secure their assistance in the approval of courses of training for veterans, and other assistance in carrying out the provisions of this title.

(b) Whenever any State provides funds for assistance to veterans in attendance upon approved courses or provides for free tuition in approved educational institutions, the director is authorized and directed to cooperate with the State board for vocational education of such State in securing the maximum educational opportunities to veterans entitled to the benefits of this title.

TITLE VII.—FARM OR HOME AID.

SEC. 701. (a) The national veterans' settlement board created by Title VIII (hereinafter in this title referred to as the "board") upon certification from the Secretary of War or the Secretary of the Navy, as provided in section 303, is hereby directed, on or after July 1, 1923, to pay to the veteran designated therein, in one payment or in installments, an amount equal to his adjusted-service credit increased by 25 per cent.

(b) Such payment shall be made for the purpose, and only for the purpose, of enabling the veteran to make improvements on a city or suburban home, or a farm not selected under Title VIII, or to purchase or make payments on such a home or farm.

SEC. 702. No such payment shall be made unless and until the board has approved the purpose for which it is desired by the veteran, and has suitable assurance that the money will be expended for such purpose. The board may, at the option of the veteran, or on its own motion, make the payment directly to the vendor or other person to whom such payment is due from the veteran.

SEC. 703. For the purpose of enabling it to pass upon the desirability of the investment, the board may make use of the services of land-bank appraisers of the Federal Farm Loan Board, to be designated by the latter board.

SEC. 704. (a) If the veteran dies after making application in accordance with the provisions of section 302 for farm or home aid and before a contract has been entered into with the approval of the board, the amount of his adjusted-service credit shall be paid by the board to his estate; but no such payment shall be made if the veteran has been separated from the military or naval forces under other than honorable conditions or discharged therefrom on account of his alienage.

(b) If before the veteran's death a contract has been entered into with the approval of the board, and payments under this title on such contract are still due, such payments shall be made by the board to the vendor or other person to whom such payments are due from the veteran.

TITLE VIII.—LAND SETTLEMENT.

NATIONAL VETERANS' SETTLEMENT BOARD.

SEC. 801. (a) There is hereby established a board to be known as the "national veterans' settlement board" (hereinafter in this title called the "board") and to be composed of five members as follows:

(1) The Secretary of the Interior (hereinafter in this title called the "Secretary"), and

(2) Four members to be appointed by the President, by and with the advice and consent of the Senate.

(b) No veteran retired for age or longevity of service from active service in the military or naval forces shall be eligible for appointment to, or remain eligible for membership upon, the board. Any vacancy in the office of an appointed member shall be filled in the same manner and under the same limitations as in the case of the original appointment.

(c) The Secretary shall be the executive and administrative officer to carry out the plans and purposes adopted by the board under the provisions of Title VII and of this title. The members of the board, except the Secretary, shall receive an annual salary of \$7,500. Of the members appointed to the board in the first instance, one shall be appointed for a term of two years, one for three years, one for four years, and one for five years. Their successors shall hold office for terms of five years; except that any member appointed to fill a vacancy shall be appointed only for the unexpired term of the member whom he succeeds.

ESTABLISHMENT OF PROJECTS.

SEC. 802. The board is hereby authorized to establish veteran settlement projects (hereinafter in this title called "projects") for the reclamation and settlement of lands by means of irrigation, drainage, or other manner or method of development and improvement thereof, including the building of necessary public roads within the projects. Projects shall be selected by the board with a view to the development of one or more projects in each of the several States where the establishment of a project is feasible.

SEC. 803. (a) The board may by gift, purchase, deed in trust, or otherwise acquire lands suitable for any project; but no project shall be finally selected, and no lands shall be acquired by purchase, unless the price and other conditions of acquisition have been submitted to and approved by (1) the governor of the State in which the lands are located, (2) as to price only, a land bank appraiser to be designated by the Federal Farm Loan Board, and (3) the board. If the governor of the State fails to signify his approval or disapproval within such time as the board by regulation shall determine, the land commissioner, or if there is in the State no official of such title, then the agency which under the laws of the State is authorized to perform the functions ordinarily exercised by a land commissioner may act in lieu of the governor.

(b) In case any project includes privately owned land, no construction work shall be commenced upon the project until the owners of all such land in the project have each conveyed or agreed to convey to the United States title to all land owned by him in excess of a farm unit as established for the project under the provisions of section 806.

(c) The Secretary (1) may withdraw from location, sale, settlement, entry, or other disposition and place under the control of the board such unappropriated public lands as he deems necessary for any project, and (2) shall restore to public entry lands so withdrawn if subsequently the board finds that such lands are not so required.

(d) The board may in its discretion contract with any irrigation or drainage district or other public corporation organized under the laws of the State in which the project is located to establish, develop, improve, and otherwise cooperate (in accordance with the provisions of this title) in the execution of and the administration of the affairs of any project comprising only the lands of such district or corporation.

COOPERATION WITH FEDERAL AND STATE AGENCIES.

SEC. 804. The board may, in executing the provisions of this title—

(a) Make use of, cooperate with, and allot moneys appropriated for its use to any existing agency of the Federal Government which agrees to act as the agent of the board. Such agency is hereby authorized, within the limits of the moneys allotted it and under the direction of the board, to perform work in connection with any project.

(b) Whenever a State provides funds to be expended by the board in the establishment, development, and improvement of any project within the State, the board may contract with the State, or any agency thereof designated by the governor, to cooperate with the board, to such extent as the board deems advisable, in the work in connection with the project. The board may further establish a branch office in the State to administer matters arising in connection with projects in the State.

(c) Whenever a State provides not less than 25 per cent of the amount of the funds which are, in the opinion of the board, necessary to be expended by it in the establishment, development, and improvement of any project within the State, the board shall authorize the State, or any agency thereof designated by the governor, to undertake, subject to the general supervision of the board, (1) the selection, acquisition, and subdivision of lands for, and the improvement of farms within, any project, and (2) the development thereof after the project is open to settlement.

SEC. 805. So far as practicable, veterans shall be employed and their services utilized in the administrative and field work necessary to the establishment and development of any project by the board and all Federal agencies cooperating therewith. All contracts or other agreements of the board with any cooperating State or agency thereof shall contain a like stipulation. At the earliest practicable date each veteran so employed upon a project shall be allowed to select and shall be allotted, as hereinafter in this title provided, a farm unit upon which he may construct a dwelling and make other improvements.

ALLOTMENT AND SALE OF LANDS.

SEC. 806. (a) The board shall establish for each project or portion thereof (1) farm units of an acreage sufficient, in the opinion of the board, for cultivation by and the support of a family, and (2) farm worker's units of a small acreage sufficient, in the opinion of the board, for part-time cultivation by a farm worker's family.

(b) The board may set apart and reserve tracts within any project for use free from all charge for community and other public purposes, but the title to such lands shall remain in the United States. Whenever any such tract fails to be used for the purpose for which it was set apart and reserved, the board shall, after due notice and hearing, declare the tract forfeited to the United States. Such tract shall thereupon resume its original status.

(c) The board may establish town sites within any project and develop and sell lots therein, to veterans and repatriates only, under such regulations and upon such terms as it shall prescribe.

SEC. 807. (a) When used in this title, the term "repatriate" includes (1) any citizen of the United States who has served with the military or naval forces of any nation allied against the German Government or its allies without loss of citizenship, and (2) any former citizen of the United States who has so served with loss of such citizenship but has since been repatriated; except that such term shall not include a veteran or any individual who was separated from such forces under other than honorable conditions.

(b) Whenever in the opinion of the board farm units or farm workers' units, within any project, are available for settlement, the board shall give public notice and description thereof, together with a statement of the construction charges and other conditions incident thereto, and shall mail individual notices to any veteran whose name has been certified to the board under the provisions of section 303. The board shall allot a farm unit or a farm workers' unit to any such veteran or repatriate who applies therefor in such manner as the board shall by regulation prescribe. As between applicants, preference in making allotments shall be given, first, to a veteran who has been employed upon and who has rendered substantial service in the development of any project; and, second, to a veteran or repatriate, who, in the opinion of the board, is least likely to fail in his enterprise or to cause the United States loss.

(c) The board shall allot farm units, farm workers' units, and town lots to veterans and repatriates only.

SEC. 808. (a) The cost of construction, including the purchase price of any lands acquired for the project, but excluding administrative expenses and the expenses of maintaining general offices and exercising general supervision over projects, shall be apportioned equitably among the farm units, farm workers' units, town lots, and other tracts within the project in proportion to the selling value of each unit, lot, or tract; and the total sale price of all lands within the project shall be fixed with a view of repaying the total of such construction cost of the project.

(b) Each allottee of a farm unit or farm worker's unit shall pay to the board such price as the board shall fix for the unit in pursuance of the provisions of subdivision (a) of this section; except that in case the allottee is a veteran there shall be deducted from such price the amount of his adjusted service credit.

(c) A veteran or repatriate may at his option, in lieu of payment in full at the time of entry, pay all balances due upon the purchase price for his unit upon an amortization plan by means of a fixed number of annual installments sufficient to cover (1) interest on the unpaid principal at the rate of 5 per cent per annum, and (2) such amount of the principal as will extinguish the debt within an agreed period not exceeding 25 years from the making of the contract of purchase. In the case of a veteran, the installments shall be so arranged that he will not be required to pay any installment until two years after the making of the contract of purchase. The board may in its discretion, whenever it is of the opinion that any emergency has caused default in the payment of any installment of the veteran or repatriate, postpone the payment of such installment until such date as it deems expedient. Such postponed payments shall continue to bear interest on the unpaid principal at the rate of 5 per cent per annum from the date of the contract of purchase. The board shall make such regulations as to residence upon, and use or cultivation of, units by a veteran or repatriate, as in the opinion of the board, will carry out the purpose of making the unit his permanent home.

SEC. 809. A patent or deed, as the case demands, shall immediately be issued to a purchaser who has paid the full price for his unit, and may be issued at any time more than five years after the date of purchase to any purchaser under the amortization plan who has met all payments then due from him to the board and has observed all condi-

tions prescribed by regulations issued under the provisions of subdivision (c) of section 808. Each such patent or deed shall expressly reserve to the United States a prior lien on the land patented or deeded, superior to all other liens, claims, or demands whatsoever, for the repayment of all sums due or to become due to the board.

SEC. 810. (a) If the veteran dies after making application in accordance with the provisions of section 302 for land settlement aid and before having entered into a contract of purchase under section 808, the amount of his adjusted service credit shall be paid by the board to his estate, but no such payment shall be made if the veteran has been separated from the military or naval forces under other than honorable conditions or discharged therefrom on account of his alienage.

(b) If the veteran or repatriate dies previous to the completion of his contract of purchase, the successor by law to his interest in the land, if a widow or heir at law, may assume the contract of purchase. If the successor is other than a widow or heir at law the balance due the board under the contract of purchase shall be due immediately and shall be paid the board within such time after the death of the veteran as the board shall by regulation prescribe.

SEC. 811. No lands within any project shall in any event become liable to the satisfaction of any debt contracted prior to the issue of the deed or patent therefor. No transfer, assignment, mortgage, or lease of the interest of any purchaser of a unit shall, unless approved by the board, be valid previous to the issue of the deed or patent for the land, or within five years after the date of purchase.

SEC. 812. Prior to the issue of a deed or patent, as the case may be, for any unit, lot, or tract within a project, such unit, lot, or tract shall be subject to taxation by any State, or political subdivision thereof, but only upon the appraised value of the owner's interest in the land and improvements thereon. If the owner fails to pay any such tax or assessment the board is authorized to pay such tax or assessment and to include the amount of the payment, together with interest and penalties at the rate provided by law for delinquent taxes in the State in which the land is located, in the installments payable under the contract of purchase.

SEC. 813. Upon the default of any payment due to the board under, or upon the violation of, the provisions of subdivision (c) of section 808, or of section 810, 811, or 812, the interest of the purchaser in the unit shall revert to the United States free of all encumbrances, but subject to the right of the defaulting debtor, or any mortgagee, lien holder, judgment creditor, or subsequent purchaser, to redeem the land, within one year after the board gives notice of such default, by payment of all moneys due with interest at 8 per cent per annum from the date of default, and costs. The board, at its option, may cause the land to be sold at any time after such failure to redeem. From the proceeds of the sale the board shall retain all moneys due, with interest as provided, and costs. The balance of the proceeds, if any, shall be the property of the defaulting debtor or his assignee. In the case of sale after failure to redeem under this section, the board is authorized to bid in such land at not more than the amount in default, including interest and costs.

SEC. 814. In case a veteran has entered upon land reclaimed under the reclamation law, the board shall, upon application of the veteran, pay to the reclamation fund the amount of the adjusted service credit of the veteran, and the Secretary of the Interior shall thereupon credit such sum to the amount payable to the fund by the veteran.

RECEIPTS FROM PROJECTS.

SEC. 815. All moneys received by the board as payments in respect to lands within any project shall be covered into the Treasury of the United States as miscellaneous receipts; except that from such receipts shall be deducted the amounts required to make such repayment or reimbursement to any State or designated agency thereof, or to any district or other public corporation, as is necessary to carry into effect the provisions of subdivision (d) of section 803 and of subdivisions (b) and (c) of section 804.

APPLICABILITY OF RECLAMATION LAW.

SEC. 816. The board shall, so far as possible, in executing the provisions of this title, make use of existing agencies in the Department of the Interior and comply with the reclamation law in so far as such law is applicable and not inconsistent with the provisions of this title. Such reclamation law shall, for the purposes of this title, be deemed applicable to the reclamation of lands by drainage or by any other manner or method, as well as to reclamation by irrigation. This section shall not be construed to give the board any control over the disposition of moneys in the reclamation fund.

EFFECTIVE DATE.

SEC. 817. Sections 802 to 816, both inclusive, shall take effect on January 1, 1923.

TITLE IX.—MISCELLANEOUS PROVISIONS.

SEC. 901. The officers and boards having charge of the administration of any of the provisions of this act are authorized to appoint such officers, employees, and agents in the District of Columbia and elsewhere, and to make such expenditures for rent, furniture, office equipment, printing, binding, telegrams, telephone, law books, books of reference, stationery, motor-propelled vehicles or trucks used for official purposes, traveling expenses and per diem in lieu of subsistence at not exceeding \$4 for officers, agents, and other employees, for the purchase of reports and materials for publications, and for other contingent and miscellaneous expenses, as may be necessary efficiently to execute the purposes of this act and as may be provided for by the Congress from time to time. With the exception of such special experts as may be found necessary for the conduct of the work, all such appointments shall be made subject to the civil service laws; but for the purposes of carrying out the provisions of section 305 such appointments may be made without regard to such laws until the services of persons duly qualified under such laws are available. In all appointments under this section preference shall, so far as practicable, be given to veterans.

SEC. 902. If any provision of this act or the application thereof to any person or circumstances is held invalid, the validity of the remainder of the act and of the application of such provision to other persons and circumstances shall not be affected thereby.

SEC. 903. Whoever knowingly makes any false or fraudulent statement of a material fact in any application, certificate, or document made under the provisions of Title III, IV, V, VI, VII, or VIII, or of any regulation made under any such title, shall, upon conviction thereof, be fined not more than \$1,000 or imprisoned not more than five years, or both.

SEC. 904. The Secretary of the Treasury, the Secretary of War, the Secretary of the Navy, the Director of the United States Veterans' Bureau, and the National Veterans' Settlement Board shall severally submit to Congress in the manner provided by law estimates of the amounts necessary to be expended in carrying out such provisions of this act as

each is charged with administering, and there is hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, amounts sufficient to defray such expenditures.

The SPEAKER. Is a second demanded?

Mr. GARNER. Mr. Speaker, I demand a second.

Mr. FORDNEY. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. The gentleman from Michigan asks unanimous consent that a second be considered as ordered. Is there objection?

There was no objection.

Mr. GARNER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GARNER. Under the rule providing for two hours' debate on a side, having demanded a second, what would be the division of time under that rule?

The SPEAKER. Normally under a motion to suspend the rules, when there is only 20 minutes on a side, the gentleman making the motion has 20 minutes and the gentleman demanding a second has 20 minutes. Under the general rules of the House no one is recognized for more than an hour. The Chair thinks that the gentleman from Michigan [Mr. FORDNEY] should be recognized for one hour in favor of the motion and the gentleman from Texas [Mr. GARNER] one hour against the motion. Then there would be two hours remaining, which the Chair thinks would be within the recognition of the Chair.

Mr. GARNER. May I ask if the Speaker expects to recognize anyone in favor of the bill on the Democratic side?

The SPEAKER. The Chair will state frankly what his purpose is. The Chair thinks he should recognize the gentleman from Michigan for one hour in favor of the motion and the gentleman from Texas [Mr. GARNER] for one hour against the motion, and then normally he would recognize the gentleman from Arkansas [Mr. OLDFIELD] in favor and the gentleman from Massachusetts [Mr. TREADWAY] against. But under the present circumstances the Chair is placed in this dilemma: The rule provides that one-half of the time given to debate be in favor and one-half in opposition to the proposition. It seems to the Chair that anyone who has read the report signed by the gentleman from Arkansas [Mr. OLDFIELD] would not expect the time he consumed would be in favor of the proposition. Therefore, the Chair has come to this conclusion, that he will recognize the gentleman from Michigan for one hour, the gentleman from Texas for one hour, and the next ranking member of the Committee on Ways and Means, the gentleman from Iowa [Mr. GREEN] for one hour, he having assured the Chair that he will yield one-half of that hour to the gentleman from Arkansas [Mr. OLDFIELD], and then will recognize the gentleman from Massachusetts [Mr. TREADWAY], as opposed to the bill, for one hour.

Mr. OLDFIELD. Mr. Speaker, I do not want the Speaker to put me in a wrong attitude in regard to the bill. The Speaker states that from the minority report, signed by myself and others, he would take it that I was opposed to the bill.

The SPEAKER. Oh, no; the Chair was unfortunate if he gave that impression. The Chair understands that the gentleman is in favor of the bill, and the Chair thinks that the report which the gentleman signed so states. But, of course, the report attacks the bill—

Mr. OLDFIELD. It does attack the bill in one section.

Mr. MONDELL. The gentleman is for the bill but against the provisions. [Laughter.]

Mr. WALSH. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. WALSH. Is not the effect of the rule that the House adopted this morning to provide that instead of the gentleman who moved the suspension of the rules and the gentleman who demands a second having 20 minutes on a side they shall have 2 hours?

The SPEAKER. The Chair does not think that the rule means that the gentleman from Michigan shall have two hours and the gentleman from Texas two hours. The Chair does not think that is a proper interpretation of the rule.

Mr. WALSH. The language of the rule is "that there shall be two hours on a side." The general rules of the House on the limitation of debate certainly does not apply to the motion to suspend the rules.

The SPEAKER. The Chair thinks it does; that the general rule of the House of one hour applies; and the Chair does not think there is any way under this rule by which a gentleman can have more than one hour except by unanimous consent.

Mr. WALSH. Then that rule is not suspended?

The SPEAKER. The Chair thinks not.

Mr. GARNER. Mr. Speaker, what does the Chair conclude is the meaning of two hours on a side? I assume that these two hours are in favor and two hours opposed to the proposed

bill. That being the case, I have this suggestion to make in the interest of fairness. I am opposed to the bill. On this side the gentleman from Louisiana [Mr. MARTIN] is in favor of the bill. He voted in committee to report the bill out and declined to sign the minority report, and said that he would not sign any report that criticized a bill that he proposed to vote for. [Applause.] I am glad to get that applause, because I want to suggest to the Speaker in the interest of fairness that he ought not to force a Democrat to go to the Republicans to get time in favor of this bill. The Speaker is proposing to recognize three Republicans, or two hours in favor of the bill and one Democrat opposed to it, and force every Democrat to go to a Republican to get time to advocate the measure. I suggest to the Speaker, I plead with him, that he ought to be fair to this side of the House, and when a man can come within the rule that is laid down against the gentleman from Arkansas [Mr. OLDFIELD], as does Mr. MARTIN, who voted for the bill and desires recognition that he may yield to his colleagues on this side who are in favor of the bill.

The SPEAKER. The Chair wishes to assure the gentleman, and he hopes it will be credited, that his desire is to be entirely fair to the Democratic side of the House. He would normally and naturally recognize the gentleman from Arkansas [Mr. OLDFIELD], but it seemed to the Chair that doing that would really give to the opponents of the measure three hours, or that at least most of three hours of the time for debate would be occupied with attacks on the bill, leaving only one hour in its favor. Therefore the Chair made the arrangement which he suggested. It will not be necessary for gentlemen on the Democratic side of the House to go to the Republican side for time, because the gentleman from Arkansas [Mr. OLDFIELD] will have 30 minutes to dispose of as he pleases.

Mr. GARNER. Then, if I understand it, the position of the Chair is this, that while he wants to deal fairly with the Democratic side of the House he is only willing that those in favor of the bill on the Democratic side may have 20 minutes in which to discuss the bill, while he will give to the Republican side an hour and 30 minutes in favor of it. That does not seem to me like fairness.

The SPEAKER. The Chair thinks that he is justified in that by the attitude taken by those on the Democratic side of the House as evidenced in the minority report, showing that while they are going to vote for the bill they desire to use their time in criticism of it.

Mr. MARTIN. But, Mr. Speaker, I did not sign that minority report.

The SPEAKER. The Chair was unaware of that until within a few moments, and that might have made a difference.

Mr. MARTIN. Why should it not make a difference now?

The SPEAKER. At the same time the Chair doubts if the gentleman would find many to whom he could yield time who take the same position that he does.

Mr. GALLIVAN. Oh, Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GALLIVAN. Having lived to see this day when I could vote for a soldiers' bonus bill, I will state now that I can not get any time on the Democratic side of the House to speak in favor of the bill or any bill which will treat our boys fairly, nor can I get any time on the Republican side of the House.

Mr. FORDNEY. Oh, the gentleman's name has been down for time on this side for some time.

Mr. GALLIVAN. Splendid. I thank the gentleman from Michigan.

The SPEAKER. The gentleman from Michigan is recognized.

Mr. GARNER. Mr. Speaker, may I make a suggestion?

The SPEAKER. Certainly.

Mr. GARNER. In order that the matter may be arranged so that the time may be allotted from two gentlemen to one gentleman out of their time, would it not be well now to recognize the four gentlemen the Chair intends to recognize, so that they may yield their time? For instance, out of my particular time I desire to yield to the gentleman from Georgia [Mr. CRISP], and I understand that the gentleman from Arkansas [Mr. OLDFIELD] also desires to yield time to the gentleman from Georgia. In that way I think the Chair would accommodate gentlemen.

The SPEAKER. That is a good suggestion. Without objection, then, the Chair will recognize at this time the gentleman from Michigan [Mr. FORDNEY] for one hour, the gentleman from Texas [Mr. GARNER] for one hour, the gentleman from Iowa [Mr. GREEN] for one hour, and the gentleman from Massachusetts [Mr. TREADWAY] for one hour.

Mr. OLDFIELD. Mr. Speaker, I want the understanding with the gentleman from Iowa that I get 30 minutes.

Mr. GREEN of Iowa. The gentleman will have 30 minutes. Mr. JOHNSON of South Dakota. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. JOHNSON of South Dakota. I have been trying to get recognition to make this inquiry for some time. Would the Speaker take into consideration before he makes that sort of ruling, which would prohibit gentlemen on the Democratic side in favor of the bill from getting recognition, the fact that many members of the Rules Committee had a tacit understanding before the rule was reported that the time was going to be equally divided between the two sides of the House? I think that statement would be certified to by the gentleman from Tennessee [Mr. GARRETT] and by the gentleman from Kansas [Mr. CAMPBELL].

The SPEAKER. The Chair thinks that he will abide by his ruling. The gentleman from Michigan is recognized for one hour.

Mr. FORDNEY. Mr. Speaker and gentlemen of the House, I am reminded of a few lines that I read during the war that made a lasting impression upon me. They are from the pen of Mr. Kenneth Graham Duffield, and run as follows:

Somebody's boy has crossed the sea,
I do the fightin' for you and me.
Let's call him "Bill"—he's any man's son
That carries a pack and shoulders a gun.

The question of a soldiers' bonus has been before this body for the past two years. By resolution of the House in the last Congress all bills relating to this subject—and there are over 50—have been referred to the Committee on Ways and Means. During the Sixty-sixth Congress the committee presented a bill for a soldiers' bonus, which successfully passed the House but failed of passage in the Senate.

In connection with the bill now under consideration, permit me to state that the committee has given most careful consideration to all the suggestions presented to it, working in season and out of season in an effort to prepare and bring back to the House an acceptable bill—a most difficult task.

Many forms of taxation have been presented and considered, but none of them could be agreed to. Because of the condition of the finances of the Government the committee, believing that the enactment of legislation providing for a cash bonus would result in embarrassment to the Treasury, finally eliminated the cash feature, except in cases where the amount due is less than \$50, and agreed to the bill now before the House.

In explaining some of the important features of the bill let me say:

1. The benefits of this bill are not subject to attachment.
2. The soldier entitled to an amount not in excess of \$50 will receive cash for the full amount due him.
3. The most important provision of the bill is the one which provides for the issuance to the soldier by the Government of an insurance certificate dated October 1, 1922, covering the amount due him. The maximum number of days for which adjusted service credit will be given is 500 over and above the 60 days for which he has already received additional compensation under the provisions of the revenue act of 1918. This credit is established on the basis of \$1 per day for each day of service rendered on this side and \$1.25 per day for each day of service rendered on the other side, across the sea, between April 5, 1917, and July 1, 1919, provided he was "in the service" prior to the signing of the armistice. The face value of the insurance policy is payable 20 years from the 1st of October next and the policy bears interest at the rate of 4½ per cent per annum, compounded annually. At the end of 20 years the insurance certificate will yield a return to the soldier of a fraction over \$3 for every dollar's worth of credit to which he is entitled under the certificate. For instance, if the certificate is based on a credit of \$500, at the end of 20 years the soldier will receive a fraction over \$1,500. If the credit is \$600, then at the end of 20 years he will receive a fraction over \$1,800. In case of the soldier's death before the expiration of the 20 years, his family or other beneficiary will receive at the time of his death the full amount of the insurance that would otherwise be due in 20 years.

The question is raised as to how much immediate relief a soldier will be able to secure under the provisions of this bill. The bill contains a provision which will enable the soldier who holds an insurance certificate to take the certificate to a national bank, trust company, or bank organized under the laws of any of our States and there borrow 50 per cent of his adjusted service credit by giving his note, running for such time as may be agreed upon, and putting up his insurance certificate as collateral to his note.

The Comptroller of the Currency states this would result in what he terms "frozen securities" for three years. The Secretary of the Treasury, the Comptroller of the Treasury, and the Director of the Federal Reserve Board appeared before the committee and pointed out certain objections to this provision of the bill. The committee then amended the bill to provide that the bank making the loan to the soldier may transfer, rediscount, or sell the note, accompanied by the collateral security—the insurance certificate. If the soldier defaults in the payment of the note, the bank can then at the end of three years present to the Secretary of the Treasury the note and certificate, accompanied by an affidavit as to the exact amount of money loaned, the rate of interest charged, and so forth, when the Treasury Department will pay to the bank the soldier's obligation and will also pay to the soldier the difference between the bank's claim and 80 per cent of the veteran's service credit. At the expiration of three years the soldier may borrow from the Government 85 per cent of his service credit, and after 1928 he may borrow 70 per cent of the amount of that credit, plus 25 per cent and plus $4\frac{1}{2}$ per cent accrued interest.

The Government will charge the soldier $4\frac{1}{2}$ per cent interest on the money loaned him, which will offset the $4\frac{1}{2}$ per cent interest due on the certificate to the extent of the amount borrowed.

This provision enables the soldier to secure a cash loan of 50 per cent of his service credit from any bank in the country, for his collateral security is the best in the world. There is no bank that will refuse the soldier the privilege of borrowing that money.

Mr. COCKRAN. Will the gentleman allow me to ask him a question?

Mr. FORDNEY. I have only eight minutes of my time remaining, and I would rather not yield. If the gentleman will be kind enough, I would like to make this statement.

Mr. COCKRAN. It is in reference to the point the gentleman has just been discussing.

Mr. FORDNEY. What is it?

Mr. COCKRAN. Is there any way you can guarantee the insured that the bank will loan the money?

Mr. FORDNEY. There is no assurance except this: The certificate is as good as a Government bond, because it is a Government bond, and there is not a bank in the country to-day that will not lend money and is not lending money on Government bonds—not one. [Applause.]

Mr. FLEAR. And Governor Harding so stated to the committee.

Mr. FORDNEY. He stated that it would be the very best collateral security that could be offered. The insurance certificates are not assignable except as collateral security to a note given by a soldier in negotiating a loan with a bank or trust company.

Gentlemen, another provision of the bill enables the soldier to purchase a home in the city, or a farm, in which event he will receive the amount of his service credit and 25 per cent thereof in addition to apply on the purchase of that home. If you want to make a good citizen of a man, have him own his home. If there is anything in this world a man will fight for, it is his home.

The bill also contains a provision for vocational training. The soldier who accepts this feature will receive 40 per cent in addition to the service credit, or an amount equal to \$1.75 per day for the period to which he is entitled to adjusted compensation.

Then there is the home-settlement provision, reserved absolutely for the soldier boy. This is one of the best provisions of the bill, and it has safeguards thrown around it to prevent any waste of money. The bill provides for the creation of a commission, men to be appointed by the President of the United States, to control the expenditure of the money under this home-settlement provision.

Excluded from the benefits of the bill are—

1. Officers above the rank of captain; and
2. Men in the service employed on this side in war industries who received more than service pay or who were given farm furloughs during the period of such employment or furlough.

The Secretary of War and the Secretary of the Navy, under the terms of this bill, must publish pamphlets explaining the various advantages of each option named in the bill.

The Republican Party in its platform adopted at Chicago at the national convention in 1920 pledged the party to a reduction of taxation. That pledge has been fulfilled. The revenue act of November 23, 1921, reduced internal-revenue taxes for the year 1922 nearly \$1,000,000,000. The amount collected this year, caused by the business depression of the country, will be more

than \$1,000,000,000 below the amount collected from the same sources last year.

It might be said in this connection that the demands upon the Treasury to meet the payment of the soldiers' bonus for the three years next following October 1, 1922, will be so small that the committee considered it unnecessary at this time to impose any tax for the purpose. Three years hence will be ample time to consider the question of how to meet the obligations that will then be due. It has been suggested, wisely, I believe, that when we receive the bonds in settlement of the amounts owing to us by foreign Governments, the same be indorsed by our Government and sold at not less than par, to raise the funds necessary to meet these bonus payments three years hence.

The object of the provision that the soldier can at no time borrow quite the full amount of the certificate is to induce him, if possible, to hold the certificate as an insurance for his family in case of his death, or as a good, practical business proposition, one which will bring him \$3 for every \$1 named in the certificate if he carries the certificate for the 20 years.

It has been said by those opposed to the bill that while opposed to a bonus they would be perfectly willing to see a tax upon the people for the purpose of caring for the sick and disabled soldier. To this I can only reply that existing law amply provides for these unfortunate sick and disabled veterans. If some of them fail to receive these benefits it is not the fault of the law, but is due to inefficient administration of the law.

The benefits of the bill are but a small recognition of the great obligation the American people owe to the soldiers who took part in the late war, who rendered such invaluable service at such dreadful cost to themselves. In speaking of the soldiers of the late war I am not unmindful of the debt we owe to the soldiers of former wars, particularly those of the Rebellion; a debt we can never pay. I do not understand how any public-spirited, patriotic, loyal citizen can possibly object to this small recognition on the part of our Government of the services rendered by our boys.

It is now two and a half years since the signing of the armistice, and on every hand and from every side we hear that veterans generally are still adrift.

It seems to me imperative in the national interest that effective means should be promptly found for the reestablishment of the soldier and his assimilation into civil life.

It is essential that such reestablishment should be accomplished in such a manner as to place the veteran as nearly as possible on equal footing with those whose business or professional career or other earning power was not interrupted by military service, so that he may be adequately rehabilitated in civil life and the better enabled to bear his share of the immense burden of taxation which the war has placed upon the country.

It is most desirable that such reestablishment should be accomplished with a minimum of administrative cost, so that the soldier may receive the maximum of benefit from the money expended and the burden to the country may not be unduly increased.

The homely little poem that I will now repeat expresses pretty well how we all felt and spoke about the boys during the war:

Over in France, in th' dirt an' mud,
There's a boy of ours;
He said he'd fight till th' war was through,
An' leave the rest t' me an' you.
We promised to help in every way;
If we couldn't fight we said we'd pay.
It's up to us, we can if we will;
Let's stop our fussing an' pull for Bill.

What does it matter, when all is done,
T' you an' me,
T' keep our money, but lose th' fight,
An' bend our necks to th' German's might?
Let's learn t' save an' go without:
Our money is talkin'—let's make it shout.
It's up to us, we can if we will;
Let's pull together, and pull for Bill.

It's easy to stand a wheatless day,
If it's helpin' Bill.
We'd rather be cold than have it said
We used the coal when he needed bread.
It isn't much, and it's rather small,
T' give so little when he gives all.
It's up to us, we can if we will;
Let's stand together and stand by Bill.

How would you like t' take his place
Out on the front?
How would you like t' be young an' strong,
A-doin' your part to right the wrong?
Your part's at home—it's hard, I know,
To stand aside when the others go.
It's up to us, we can if we will;
We'll pull together—we're all for Bill.

Yes, we were all for "Bill" when he was giving his all for us. We promised him everything in return. Now, however, when Bill is in need of help in his effort to reestablish himself in civil life are we trying to help him? Are we standing by "Bill"?

Practically all of the principal countries that participated with the Allies in the late war have already given a bonus to their soldiers. Canada, just across the border, has paid the largest sum per soldier of all, a maximum of \$634.40, paid by monthly installments in 12 months' time. I will here quote from a table showing the amounts paid in bonus by the various Governments, the total debt of each Government, its estimated wealth, and the percentage of its debt compared with its wealth:

Country.	Maximum bonus.	Debt of nation.	Estimated wealth.	Debt (per cent).
Canada.....	\$634.40	\$2,345,000,000	\$10,000,000,000	23
Belgium.....	492.00	4,670,000,000	12,000,000,000	39
France.....	233.53	50,960,000,000	92,500,000,000	55
England.....	189.54	37,910,000,000	120,000,000,000	32
Italy.....	73.34	18,650,000,000	35,500,000,000	52

Australia, too, has paid her soldiers a bonus. I do not have the figures before me, but I am informed that the amount is quite in keeping with that paid by Canada.

Against the above table I wish to state that the total debt of our Federal Government is but 7 per cent of its wealth, and if we deduct from the debt the amount owing to us by foreign Governments the debt is but 4½ per cent of our wealth, or the lowest percentage of debt in proportion to its wealth of any principal country in the world. This being true, how senseless to say that we can not afford to pay this bonus; to do as much for our soldiers as Canada has for hers.

My friends on the Democratic side, I am going to be a little bit severe in my remarks about you who are opposing this bill. You had control of both Houses of Congress and of the Executive when you passed the act of 1918 that carried \$60 additional pay to the soldiers. Why, in the name of God, did you not then do for the soldiers what you say we should do for them now? [Applause.] Twenty-one States in this Union have taken action in favor of aid for the soldiers. Ten of them have already paid bonuses. Of the 21 States referred to not one is south of the Mason and Dixon line. In all these States the vote was from 3 to 5 in favor of the bonus to every 1 against it. Yet many people from these very States are now protesting against Government aid to the soldiers. [Applause.]

I have frequently made the statement that we were very patriotic during the war when our boys were marching to the front. We cheered them to the echo and with tears in our eyes marched with them down the street on their way to the front. When we arrived at the depot or the wharf where the boys took the train or the boat for overseas the boys went forward and we turned back. Many of those who accompanied the boys to the depot, who shouted the loudest and waved flags the wildest, are the very people who now begrudge this slight recognition; who snivelingly protest against a possible small tax for the present aid of the boys. Of course, many of these objectors contributed their share to the support of the soldier boy during the war, but that required no patriotism, no great sacrifice. It was money to be used by our Government for its own protection; for ourselves and future generations.

When the boys returned, how soon we seemed to forget their sacrifices. Some even say that this bonus is but a sale of patriotism. How unreasonable! How unjust! These boys are our neighbors. They were of the flower of the Nation when called to arms. Over 50 per cent of them were less than 20 years of age; schoolboys, full of life and full of patriotism; full of determination to do or to die.

I should feel guilty and conscience stricken to look one of these dear boys in the face and say to him "I owe you nothing; my Government owes you nothing."

A PRAYER FOR BILL.

I ain't been much on prayin', God,
Er goin' to church;
I've tried to do what I thought was right,
A-helpin' my friend an' treatin' 'em white.
I'm kinda sharp on a business deal,
I haven't lied an' I wouldn't steal.
An' so I'm askin' you, God, to-night:
Watch over Bill when we start t' fight.
I know you've a lot of work t' do
Way over there.
A-watchin' the Hun at his hellish play,
An' countin' the souls as they fly away.
Bill's only a boy, but he had t' go,
With mother an' me a-lovin' him so,
An' so we pray, dear God, to-night:
Watch over Bill when we start t' fight.

We're lonely, God, and want our boy,
Across th' sea.
All we can do is wait an' pray;
It's hard to bear with him away.
Oh, keep him clean an' brave an' true,
He's fightin' for mother and me an' you.
So hear me, God, as I pray to-night:
Watch over Bill when we start t' fight.

We know it will end somehow, some day,
Er all things do.
The dead will sleep in the madman's track.
An' only the strong come marchin' back.
We'll count it lost if the fight is won,
The price of success our only son.
An' so I pray, dear God, to-night:
Watch over Bill when we start t' fight.

Mr. GARNER. Mr. Speaker, I yield myself five minutes.

I would not have, no one else would have, time during the four hours to analyze this bill to the satisfaction of the Members of the House. It would be impossible to analyze it in that length of time, if one man had the entire four hours. But, Mr. Speaker, I do want to call attention to the methods pursued by the majority in the consideration of this bill. They have been so unfair, so indefensible, that I could not possibly imagine that they would lead the Speaker himself. In the beginning of the consideration of this bill the Democratic membership was allowed to attend the public hearings. After the public hearings were through, we were no longer allowed to participate in the consideration of the bill. And, by the way, there were eight of them. I know you Republicans are fair as a body; you want to do what is right, unless the question gets to the point where it is going to pinch you, and then you grab the under hold, as you have done in this instance. We had hearings over there the other day, and to show you the strong-arm methods pursued by the committee, or at least by its chairman, unanimous consent was granted to put into the record a certain letter from an ex-Assistant Secretary of the Treasury, but when the hearings were printed, lo and behold, that letter did not appear. I made inquiry, and the clerk told me that the chairman of the committee directed that it be left out, although the record itself shows that by unanimous consent the committee ordered it put into the hearings for the information of this House. You have not got it and you can not get it, because, forsooth, of the strong-arm methods of the chairman of the Ways and Means Committee.

Mr. Speaker, I feel, sir, that I have as great a respect for you as has any man who stands on the floor of this House. I have served with you many years, and I say now that in all of your experience in the chair, sir, no one can mention an instance that approximates this, and so far as I know this is the only instance in which there has been shown gross unfairness to the minority by virtue of your office. There exists gross unfairness, because it is shown by the various members of the Rules Committee, Republicans themselves, protesting against it, that the Rules Committee, when they made up this rule, understood that the time would be equally divided between the Republican and Democratic sides of the House. But what do we find? We find three Republicans recognized and one Democrat, although more than two to one of the Democrats in this House who will cast their ballots this afternoon will vote for this measure. You do not give a single one of them recognition from the chair for the purpose of presenting his views. That is not fair play, but that is characteristic of the consideration of this bill from its infancy. And I can only express the hope that will not follow to the young man who keeps the time, and that, at least, he will be fair in watching the clock.

Mr. Speaker, I have not said anything about this bill. I have not criticized or questioned the methods of the men who are going to vote for it, but I think I would be justified, Mr. Speaker—

The SPEAKER. The time of the gentleman has expired.

Mr. GARNER. I yield myself one minute more.

I think I would be justified, Mr. Speaker, in saying that we had a right to question not only the methods but the motives of the men who drew this legislation. I say it without fear of contradiction in the hearts of men who will advocate it—that it is not the legislation that you want to place upon the statute book. I see the gentleman from Iowa [Mr. GREEN], who has an hour in this, smile as though he were saying, "This is my beloved child, of which I am proud, proud of all its attributes," but I venture the assertion that the gentleman from Iowa will not say this is the legislation that, if he had his way, he would write upon the statute books. Then, I do question, Mr. Speaker, not only the methods that have been adopted for its consideration in its preparation and for its consideration in the House, but I can question the methods of many of you who are going to vote for this measure, although in your hearts you know that it is not what you want and it is not what the country wants, and the worst part of it is it is not what the soldier wants.

Mr. Speaker, I reserve the balance of my time, and yield 10 minutes to the gentleman from Georgia [Mr. CRISP].

Mr. OLDFIELD. Mr. Speaker, I also yield 10 minutes to the gentleman from Georgia.

The SPEAKER. The gentleman from Georgia [Mr. CRISP] is recognized for 20 minutes.

Mr. CRISP. Mr. Speaker and gentlemen of the House, I am a mild-mannered man and do not approve the use of harsh language, and I am frank to say that everything in the minority report, which I signed, did not have my approval. [Applause.] But neither did I approve the unfair way in which the Republican majority in this House has handled the bonus proposition. There was no party politics in it, but they made politics of it. They excluded us from any consideration with them in drafting this bill, and it was apparent even to the blind that when they brought it into this House they would bring it in under methods that would deny to the minority the right to offer amendment or to present their views to the House and to the soldiers. And, believing that one provision of this bill was indefensible and was not what the soldiers wanted, and desiring to let my position and views be known, I signed the minority report. But, Mr. Speaker, I have always heard that the hit bird flutters, and, listening to the remarks, the demagogic speech, of the gentleman from Kansas [Mr. CAMPBELL], which was ill-tempered, abounding in misstatements, and vituperative, I fear it is very apparent that his thin skin has been pinched [applause], and I do not believe it was the language in the minority report that did it, but it was the fact that the soldiers' attention and the country's attention was called to the fact that they were not giving them what they asked for, but were giving them a gold brick.

Now, Mr. Speaker, the gentleman from Kansas got his dates mixed when he talked about soldiers dying from improper food and care. He undoubtedly had in mind 1898, the Spanish-American War [applause], when the Republicans were in charge of all matters of government, at which time our soldiers were fed rotten beef, impure canned goods, furnished improper clothing and sanitation in camps, which resulted in the death of many of them.

Mr. Speaker, the gentleman from Kansas spoke about \$19,000,000,000 that was spent in 1919. That money was raised to pay for ships, for cannon, for airplanes, for food, for munitions of war, that were used by the American forces while we were at war [applause], and the gentleman from Kansas and my Republican colleagues who were in the House at that time also voted for every one of those bills. [Applause.]

Now, I was on the Committee on Ways and Means all during the war, where legislation was framed raising money to finance the war, and never was there a single conference of the Democratic members of that committee without every Republican member of the committee being invited to participate in it. [Applause.]

Now, so much for that, Mr. Speaker. I shall vote for a bonus because I think the American soldier is entitled to adjusted compensation.

Mr. GARNER. Mr. Speaker, will the gentleman yield?

Mr. CRISP. I will.

Mr. GARNER. And he has got to get two-thirds of his time from the opposition.

Mr. CRISP. Yes; but you are such a partial friend. I know that if you had any you would divide with me.

Mr. Speaker, I know taxes are high and burdensome, but those from which the great masses of the citizens are suffering are not Federal taxes but ad valorem taxes levied on lands, houses, and personal property by the various States, counties, and cities. Congress has no voice in nor control over such taxes. These local taxes must be paid whether the taxpayer is prosperous or insolvent. Federal taxes, with the exception of tariff duties and special excise taxes, which constitute but a small per cent of the total revenue of the Government, are paid only when the taxpayer is prosperous. If he prospers, he is taxed in proportion to his net profit; if he is unsuccessful and makes no gain, he pays no direct tax to the United States. In making the above observation I do not mean to imply that Federal taxes are not high, for they are, and I conceive it to be the duty of Congress to strive to lower the expenses of the Government so as to reduce tax burdens. Since the armistice I have consistently voted against every appropriation involving the Government in new undertakings and for reduced appropriations for all existing Government activities; and I shall continue to so vote except for the completion and construction of hospitals for disabled soldiers and in instances where a project is partially constructed and common sense and good business judgment demand that the matter be carried to completion, as, notably, in the case of the Muscle Shoals water power and

nitrate plants; and except, also, in cases where the Government is legally or morally committed.

If the Government is obligated, it must pay, whether or not it is convenient to do so. The question we must now decide is whether the Government is obligated to the ex-service men to pay them adjusted compensation. No one can contend that the Government is legally bound to do this; therefore, the question is narrowed to whether or not the Government is morally bound to do it. To this question I answer, yes; for the following reasons:

When we entered the war, under the selective draft act, 24,000,000 citizens of the United States of military age were registered for military duty. We read in Holy Writ, "Then shall two be in the field; the one shall be taken and the other left," and so it transpired in the execution of the draft. Of the 24,000,000 registered, 4,000,000 were conscripted into the military service, the remaining 20,000,000 being left at home. The 4,000,000 men were forced to leave home, loved ones, and private business, and to serve under the orders of the Government, not for 8 hours a day only, but for 24 hours in each day, at a compensation of a dollar a day, this small amount being reduced even more by required payments for life insurance, Liberty bonds, and often allotments; while the remaining 20,000,000 men registered for military service and all the other citizens of the United States were left at home to suffer no hardships or privations, but to enjoy such an era of high wages for their labor and high prices for their commodities as the world had never before known. The testimony before the committee shows that drafted men worked in the construction of Army camps and cantonments, doing carpentry and other skilled work at a meager \$1 a day; while private citizens engaged in the same work, in the same gang, received from \$8 to \$10 a day. In France, enlisted men worked on roads and dug trenches, while private laborers working with them received many times their compensation.

While the service men were undergoing privations and hardships unparalleled in history many of those remaining at home were living in luxury, and numbers of them accumulating enormous fortunes. In 1912, according to the last authentic statistics available, the total wealth of the United States amounted to \$187,739,071,090, and to-day Government actuaries estimate it at \$286,000,000,000, an increase of about \$98,000,000,000, this colossal gain having been accumulated for the most part during the period of the war when the service men had no opportunity to share in it. In 1916 the gross income earned by individuals and corporations in the United States amounted to \$45,400,000,000 and the net taxable income to \$15,065,900,000, while in 1917 the gross income amounted to \$53,900,000,000 and the net taxable income to \$24,430,400,000, and in 1918 the gross income was \$61,000,000,000 and the net income \$24,400,000,000, these years of 1917 and 1918 being the two years of the war when the service men were exiled from civil life with its marvelous opportunities for amassing wealth.

When the armistice was signed and the service men were discharged and returned to civil life they found their boyhood friends and neighbors who had remained at home, riding in automobiles, some of them with bank accounts, many with large holdings of Government and other high-grade securities, and not a few millionaires, while the returning ones had nothing. And in thousands of instances the positions they occupied before they entered the service were lost to them forever. During the war thousands of patriotic and efficient women entered the province of business and filled acceptably the positions formerly occupied by men who were drafted into the military service. When the war was over and these men were returned to private life their former employers, in many instances, did not feel justified in discharging these splendid, capable women who had to earn their living in order to give the places back to the soldiers. And so the returned soldier found himself without money and without a job, his unfortunate position being largely brought about by the patriotic service he rendered his Government. The Government Labor Bureau and other statisticians say there are practically 4,000,000 men in the United States out of employment, and a published statement of Commander MacNider, of the American Legion, asserts that 700,000 of these are ex-service men.

While the bestowal of a bonus would prove a temporary and partial good to the soldiers, would not the bestowal of a permanent job prove a much more practical and lasting one? In Mr. Ford's offer to lease Muscle Shoals we are offered a partial solution at least of this deplorable unemployment problem. Yesterday in a published interview in Atlanta, Ga., Mr. Ford stated that if given the Muscle Shoals contract he would give employment to ex-service men now idle. The Republican Party, which boasts of its efficiency and constructive ability, has been

in charge of all branches of the Government for over a year and of both legislative branches for three years. They have talked much, they have proclaimed much, on the floors of both Houses of Congress and through the press, of the great reductions which they have brought about in Government expenditures, though I apprehend the average taxpayer has seen no benefit from these paper economies, and they are merely paper ones; for there have been no real reductions in expenditures up to date.

They have boasted that their efforts have restored prosperity throughout the United States, notwithstanding there are in the large cities to-day more idle men and longer soup lines and bread lines than have been seen there in many years. In my judgment it is time for them to cease proclaiming and to perform. If the Ford contract is entered into work will be at once resumed on the big dam which is to provide this superb water power, and employment will thus be given to thousands of needy men who now walk the streets seeking it. When the dam is completed large industries will be established, giving employment to many thousands more, and the farmers of the United States will be given nitrate, an essential element of fertilizer, at one-half the cost they are now paying the fertilizer companies for it. I appeal to my Republican colleagues who control the House to bring in at once a resolution accepting the Ford proposition, so that the contract may be entered into and work inaugurated on this great enterprise which will mean so much for the material prosperity of the country we all love.

Since the armistice Congress has passed a number of laws which I opposed as wholly unjustifiable. Congress passed a bill validating many illegal contracts made by the War Department with the big interests of the country for war supplies, totaling over three billions of dollars, and has appropriated over six hundred millions of dollars to pay many of these war profiteers the supposed profit they would have made out of the Government had the war continued. I read in the press a few days ago that the Eastman Kodak Co. had returned to the War Department a check for \$180,000 sent them as a supposed profit they would have made out of contracts with the Government, the Eastman Kodak Co. saying they were not entitled to this sum. This one instance of a company that returned the largess so lightly bestowed by the Government stands out, however, as a lonely, notable, and shining exception among the many who retained it; and yet many of those who now loudly protest against levying any tax or paying any bonus to the soldiers were as silent as the tomb when it was proposed to tax the people of the United States millions of dollars to pay war contractors who had already made enormous profits out of the Government. During the war the Government took over and operated the railroads, and taxed the people approximately two billions of dollars to pay for losses it sustained in the undertaking; yet the voices that are now in the main condemning the soldier bonus were loud in urging the Government to tax the people for the payment of these \$2,000,000,000, claiming at that time that such a tax would turn the wheels of industry and make the country prosperous. Congress passed a law providing several million dollars to pay mineral and mining speculators for profits they would have made had the war gone on, and again we heard no protest against taxing the people for this purpose. Millions were appropriated to pay losses sustained by the Shipping Board, the money thus appropriated going, as a general rule, to the big interests; and there was no protest that the tax to raise this money would work injury to the country. I might cite numerous other instances, as the payment of \$100,000,000 to feed Europe and \$20,000,000 for Russia. But when it comes to adjusted compensation for the ex-service men, many interests that largely profited and profited during the war are loud and voluble in their protests, claiming that payment of this bonus will work injury, havoc, and ruin to the business interests of the country. I do not believe this.

In the fall of 1920 the Federal Reserve Board, who control the finances of the Nation, decided to force down prices. To accomplish this they raised interest rates, refused to discount many solvent notes eligible for rediscount at the Federal banks, had member banks call numerous loans, and, according to the testimony of Governor Harding, of the Federal Reserve Board, have caused to be canceled to date \$1,250,000,000 of Federal reserve notes, all of which acts brought about a rapid deflation of the currency in circulation. This enormous reduction of the circulating medium of exchange made credits scarce and difficult; prices of prime commodities, like agricultural products, dropped far below the cost of production, resulting in many cases in bankruptcy and general business stagnation and depression in the agricultural sections of the country, which conditions still largely obtain. At the time this policy was

adopted by the Federal Reserve Board I felt it would result in irreparable damage to the business interests of the country. Therefore I vigorously and earnestly protested against its adoption, and, in company with a number of other Representatives, urged the Federal Reserve Board to pursue a liberal fiscal policy and not force a financial stringency. Our efforts were unavailing, and, in my judgment, the action of the Federal Reserve Board in bringing about such a rapid deflation is largely accountable for many business failures, closed factories, uncultivated farms, and general business depression. I believe if the circulating medium is increased—and I am now convinced the only way we can cause it to be done is by bonus legislation—the prices of farm products and other commodities will advance, that farmers and business men in general will be able to continue to operate, and their purchasing power and debt-paying ability will be increased. The farmer will be able to pay the merchants and the merchants the bankers, business generally will be revived, and employment will be furnished to many now idle. But it is charged if the cash bonus is granted it will be immediately spent and will result in no benefit to the soldier. Even should this be true, the circulating medium of exchange will be increased, credits will be made available, and a volume of currency will be supplied with which debts, State and county taxes, and other obligations may be paid, a result which will go a long way toward reestablishing prosperous conditions.

During the World War the Government paid a bonus of \$240 a year, or \$20 a month, to each of its civil employees drawing less than \$2,500 a year. These employees underwent no hardships, but performed their duties during the cold of winter in steam-heated houses and in summer under the cooling breezes of an electric fan. The amount so paid these employees totaled millions of dollars a year, but there was no complaint throughout the land of the people being taxed to pay this gratuity. Mr. Speaker, it seems to me that almost all who had a connection with the Government during the war, or who rendered a service in a civil capacity, have been treated generously by the Government since the armistice, and I can not get my consent to invoke the strict letter of the law against the ex-service men and say the Government shall do nothing for them because it is not legally bound to do it.

Many of the opponents of the bonus say it is wrong in principle, and that the Government should not inaugurate such a policy. Mr. Speaker, there are innumerable precedents for the payment of such a bonus, enough to establish as a governmental policy the rewarding of those who served in the military forces in time of war. The distinguished junior Senator from Georgia [Mr. Watson], than whom there is no more profound student or abler historian in public life, in a speech in the Senate on February 14 cited some of these precedents. He stated that Gen. George Washington, the Father of our Country, accepted a bonus for service rendered in the French and Indian war and in the Revolutionary War; that General Lafayette, in recognition of his service in the War of Independence, was given a bonus of \$200,000 and 20,000 acres of land in Florida; that a month's salary was paid by the Government to each member of the crew serving under the able naval hero, Capt. James Lawrence, known to fame because, when dying and carried below decks, he cried, "Don't give up the ship!" that the soldiers who served the Government in the war with Mexico, the Indian war, and the Civil War were given a bonus in the form of land warrants and bounties; that about one-half of all the lands of Tennessee trace their titles back to the bonus or the land warrants granted to the soldiers of the Indian wars and the War of 1812; that great States in the West, such as Kansas and Nebraska, were settled, made into farms, and beautified by the soldiers who drew them from the Government as bonuses by way of land warrants.

Mr. Speaker, let us contrast the financial condition of our allies with our own, as shown by the following table which was introduced in evidence before the Ways and Means Committee:

Country.	National wealth. ¹	National debt (Austin).	Percentage of debt to wealth.
France.....	\$58,500,000,000	\$51,000,000,000	87
Great Britain.....	70,500,000,000	37,910,000,000	53
Italy.....	21,800,000,000	18,650,000,000	85
Belgium.....	5,840,000,000	4,670,000,000	80
United States.....	\$ 286,000,000,000	23,000,000,000	8

¹ By Bureau of Foreign and Domestic Commerce.

² National Bureau of Economic Research.

³ Approximate.

It is observed that, in calculating the national debt of the United States, no credit is allowed for the eleven billions our allies in the late war owe the United States. Great Britain, France, Belgium, and Italy surely will pay their obligations to the United States, so our national debt should be credited with \$11,000,000,000, leaving a net debt of about twelve billions. With a debt of twelve billions and assets of two hundred and eighty-six billions, the amount owed by our Nation is negligible, not being over 4½ per cent of its total wealth. It will be readily seen that the financial strength of the Allies is incomparable with our own; yet, notwithstanding the huge debt of our allies, they have all granted substantial bonuses to their soldiers, as follows: France, \$249; Great Britain, from \$142 to her privates to about \$7,000 to her officers; Italy, \$64; Belgium, \$492; Canada, our neighbor on the north, has paid her privates a bonus of \$600 and her officers \$972, and has advanced her soldiers money to buy farms, and after discharge made them an allowance each month until they secured employment; Austria and New Zealand have paid their soldiers a bonus. If these countries, in their financial condition, can extend to their ex-service men a substantial evidence of appreciation of their service, surely the United States, the richest Nation of the world, with a great national wealth and a relatively small debt, can afford to be equally as generous and appreciative to her patriots.

During the titanic struggle, while our brave boys were uncompromisingly daily submitted to the deadly rain of shot and shell, fired sometimes from the air by swift-flying planes, sometimes from under the sea by murderous submarines, or again from the surface of the land or water; while they were facing death from poisonous gases, from German bayonets, or from sickness caused by exposure to rain and mud; while they were sleeping and fighting in the trenches in France, their bodies filled with slime and loathsome body lice—while these conditions prevailed we all delighted to sing the praise of our soldiery, to laud their valor and matchless prowess, and to do them honor. From one end of our country to the other we boasted of their heroic, sacrificial service. From the pulpit and platform, from the streets and housetops, through the press, and in the Halls of Congress we assured them that their beloved country would never forget their splendid service nor cease to be grateful to them for it; that nothing was too good for them; and that the wealth of the land was at their backs. Surely, Mr. Speaker, these were not merely idle words, with no sincerity of purpose back of them. [Applause.]

In republics the people rule through political organizations. In our country the two dominant parties, one or the other of which is always in control of the Government, are the Democratic and Republican Parties. Let us see their attitude on the soldier bonus when their candidates were before the electorate, seeking election to Federal office. The Democratic Party in its platform adopted at the San Francisco convention, held in 1920, said:

We pledge our party to the enactment of soldier settlements and home-aid legislation which will afford to the men who fought for America the opportunity to become land and home owners under conditions affording genuine Government assistance unencumbered by needless difficulties of red tape or advance financial investment.

The Republican platform adopted in the Chicago convention held in June, 1920, reads as follows:

We hold in imperishable remembrance the valor and the patriotism of the soldiers and sailors of America who fought in the Great War for human liberty, and we pledge ourselves to discharge to the fullest the obligations which a grateful Nation justly should fulfill in appreciation of the services rendered by its defenders on sea and land.

I believe a large majority of the men and women of the United States desire Congress to do something for our ex-service men, and as ours is a representative Government, Congress should carry out their will.

The first duty of an appreciative Government is to provide and care for its wounded and maimed heroes. They are the wards of the Nation and should be shown every consideration. The Congress of the United States has fully performed its duty in this respect, having appropriated for their care already \$1,259,930,729, which amount was expended as follows:

To 299,879 men: Vocational training-----	\$212,724,533.37
To 381,717 men: Compensation-----	300,141,766.52
To 150,171 men:	
Insurance-----	283,286,606.04
Marine and seamen's insurance-----	35,084,378.48
Allowances-----	282,049,110.33
To 206,037 men:	
Medical and hospital service-----	99,566,243.00
Administrative-----	47,078,092.25

If the soldiers have not received proper hospitalization, care, and medical treatment and prompt consideration of claims for compensation the fault lies at the door of the executive branch of the Government and not at the door of Congress. There is no division of sentiment in the United States, nor in Congress

itself, as to the duty of Congress toward our disabled service men. All agree that they must be given every loving care and attention that money and gratitude can lavish upon them. [Applause.]

The bill which we are now considering does confer some valuable privileges upon the service men who were not injured. The bill is far different from what I would like to see it; but the Democratic Members of the House had no voice in its preparation. The Republicans, who control the House by over a hundred and sixty-five majority, saw fit to exclude the Democratic Members from participation in the preparation of the bill, consequently we have had no opportunity to perfect it. Let us briefly consider the relief provisions of the measure: Four options are offered the service man, and he may receive his adjusted compensation in any one of the four ways by making application, before July 1, 1923, to the Secretary of War or the Secretary of the Navy (according to the branch of the service in which he served), specifying which method of payment he elects. Failure to serve such notice forfeits all right of the service man to the benefits offered by the bill. In each option the compensation due the soldier is computed on a basis of a dollar for each day's service in this country up to a maximum of \$500, and \$1.25 for each day of overseas service up to a maximum of \$625. The options follow:

Option 1. A cash payment in cases where the amount due is not more than \$50.

Option 2. Vocational training on a basis of \$1.75 for each day's attendance at the school, the total payment not to exceed 140 per cent of the adjusted service credit of the veteran.

Option 3. Aid in purchasing farms or homes to the extent of the amount of compensation due plus 40 per cent.

Option 4. A certificate of insurance for the amount due increased by 25 per cent, this certificate to be due 20 years from October 1, 1922, and to draw interest at 4½ per cent per annum, compounded annually.

The option feature of this bill may be likened to the bee which deposits much of honey but sometimes a sting. The options providing for vocational training and aid in purchasing homes and farms are the honey, in that they make for better citizenry, which is the chief asset of any nation; but in the provision for obtaining loans on the certificates lies the sting, as the soldiers will find when they attempt to obtain the loans. It is expressly stipulated that no one but a bank can make a loan on these certificates and the bank can only loan 50 per cent of the value; that the bank can charge a rate of interest only 2 per cent higher than the prevailing rate of discount at the Federal reserve bank of the district, and that each loan must be accompanied by an affidavit of an officer of the bank that this regulation has been complied with; the maturity of most of the loans will be about three years; these certificates are not eligible for rediscount at the Federal reserve banks of the Nation, and Comptroller of the Currency Crissinger, who has supervisory control over all national banks and State banks that are members of the Federal reserve system, testifying before the Ways and Means Committee of the House, said that such loans would be "frozen credit," and that he would recommend that no bank discount these certificates. Under these restrictions and under present depressed financial conditions what banker would consider making such a loan? In my judgment, any service man electing this option with a view to obtaining a loan on it will find himself in possession of a gold brick, for he will neither be able to sell it or to obtain a loan on it.

This plan will be of no immediate benefit to the soldiers generally, as I do not believe 10 per cent of them will be able to obtain a loan under it, and the ultimate cost to the taxpayer will be many millions of dollars more than they would have to pay if the soldiers were given the option of an immediate cash bonus, which a large per cent of them desire. The Republican Party, now in control, should not try to bunco the soldiers. They should either give them a cash bonus or have the courage to say they do not approve this kind of compensation, or at least permit the House to vote on giving a cash bonus.

The Republican steering committee proposes to pass this bill under suspension of the rules. This method of consideration will prevent freedom of debate and discussion and will deny to every Member of the House the right of offering an amendment, the plan being adopted for the purpose of binding and gagging the House and preventing intelligent consideration of the measure. We, as Congressmen, will only have the privilege of either voting for or against the bill just as it is presented by the Republican leaders. This method of legislating on a measure of this magnitude is undemocratic, un-American, and indefensible, and should not be tolerated in a free Republic; but the Republicans, who have an overwhelming majority in the House, adopt this method when they are afraid to permit the Democrats to discuss and offer amendments to legislation proposed by them.

I am confident, however, when it reaches the Senate, where there is no cloture rule, but always unlimited debate and the

unrestricted right of amendment, it will be corrected and perfected and this objectionable loan provision stricken out. The bill levies no taxes and provides no method of raising the revenue to meet its provisions, but this is left to future legislation. Believing it can be financed without any undue hardships upon the taxpayers, and, as it does provide vocational training and aid toward purchasing farms and city homes, and it being my only opportunity to vote to assist the ex-service men, it is my intention to vote for the bill. I am opposed to a general sales tax, for the hearings before the Ways and Means Committee have convinced me beyond peradventure of doubt that the money power, the monopolistic corporations, the captains of industry, and the multimillionaires are endeavoring to have this plan of taxation adopted by the Government as a part of our revenue system for the purpose of relieving the wealth and big business of tax burdens and placing them upon the backs of

the toiling multitudes. I am convinced if this system of taxation is approved for any purpose it will be the entering wedge to do away with the income tax, the corporation tax, and other taxes upon wealth and those best able to bear them.

So feeling, I shall not vote for a sales tax to pay a bonus or for any other purpose. Neither will I vote for any other additional consumption taxes such as a tax on gasoline, automobiles, bank checks, increased postage, or other new excise taxes on clothes, food or other necessities of life, which would fall upon those citizens who must struggle and toil for daily bread and existence for themselves and families; for they are already overburdened with taxation. If such taxes are levied the soldiers themselves would pay a large part of them.

The Treasury Department has submitted to the Ways and Means Committee the following estimate as to the probable expenditure required if the bill becomes a law:

Cost of bonus on basis of (1) paying all adjusted compensation that amounts to \$50 or less per veteran (approximately 10 per cent of the men will come under this provision); (2) issue adjusted service certificates to 70 per cent of the remaining veterans; (3) 2½ per cent to receive vocational training aid; (4) 10 per cent to receive farm and home aid; (5) 7½ per cent to receive land settlement aid.

Fiscal year.	Cash (10 per cent).	Certificates (70 per cent) (no borrowing).		Vocational training (2½ per cent).	Farm and home aid (10 per cent).	Land settlement aid (7½ per cent).	Total.
		Deaths.	Maturity.				
1923.....	\$16,000,000	\$26,604,000		\$31,675,000			\$74,279,000
1924.....		25,440,000		20,000,000	\$72,000,000	\$8,000,000	124,440,000
1925.....		26,720,000		650,000	64,000,000	30,000,000	121,370,000
1926.....		26,825,000			50,000,000	60,000,000	136,825,000
1927.....		26,936,000				16,000,000	42,936,000
1928.....		27,046,000					27,046,000
1929.....		27,233,000					27,233,000
1930.....		27,415,000					27,415,000
1931.....		27,674,000					27,674,000
1932.....		27,932,000					27,932,000
1933.....		28,265,000					28,265,000
1934.....		28,600,000					28,600,000
1935.....		29,004,000					29,004,000
1936.....		29,448,000					29,448,000
1937.....		30,003,000					30,003,000
1938.....		30,593,000					30,593,000
1939.....		31,333,000					31,333,000
1940.....		32,144,000					32,144,000
1941.....		33,105,000					33,105,000
1942.....		34,251,000					34,251,000
1943.....			\$3,154,823,350				
Total.....	16,000,000	577,571,000	3,154,823,350	52,325,000	186,000,000	112,000,000	4,098,719,350

It is observed that for the next 20 years the total amount to be expended will amount to less than a billion dollars. During the next 20 years the national debt of the United States should be retired, Government expenditures greatly reduced, tax burdens lightened, and a sinking fund accumulated to meet the expected expenditure for 1943. In this way the debt can be so gradually paid as not to injuriously affect business or inflict hardship upon the taxpayers.

The question naturally arises, How, then, would I finance the proposition? I would provide for the payment of the compensation from the interest due us by the foreign governments, which interest amounts to over five hundred millions annually. Congress has passed a bill providing for funding this debt, and, until the interest is paid, I would have the Treasury issue short-term Treasury certificates to meet the obligations of the bill; and when the interest is collected from the foreign governments these certificates could be canceled and retired. I am unalterably opposed to canceling this foreign debt, and I believe, if it should be set apart as a trust fund for those brave service men who saved Europe and civilization, that the foreign governments owing these large sums, propagandists in this country, international bankers who have a selfish interest to subvert, and all others would cease talking about the cancellation of the debt, truly "a consummation devoutly to be wished." While I consider this the ideal plan, if Congress should differ with me, then I suggest the reenactment of the excess-profits tax, with a specific tax exemption of \$50,000 instead of \$3,000, as provided for in the act of 1918, and the old sur-income tax rates on incomes above \$50,000, which this Republican Congress has repealed, thus annually relieving a comparatively few rich men and a small number of our wealthiest corporations of \$500,000,000 in taxes. A few days ago I read in a trade journal of the boot and shoe industries, that the year 1921 was a very prosperous one, the manufacturers having made twenty-five millions more profit than the year before. The statement of the American Bell Telephone & Telegraph Co., published on March 2, 1922, shows that the year 1921 was the most successful one in its history, the net profit being fifty-four million; and the published statement of the Standard Oil Co. of Indiana showed a net profit for the year 1921 of twenty-five millions after setting aside two millions for Federal taxes. All of these profits

were made after paying the old excess-profits tax and the higher sur-income taxes. I am confident there are numerous other corporations in the United States that did equally as well in the year 1921 as the companies above cited. By restoring these tax assessments ample funds can be raised to pay this adjusted compensation without adding one dollar of taxes to the great body of taxpayers of the land or injuriously affecting business.

But if this plan does not meet with the approval of Congress, I believe, by a large reduction in the personnel of the Army and Navy and by the scrapping of ships, supplemented by increasing inheritance taxes, ample funds for this purpose can be collected without levying any other additional taxes. President Harding, the Secretary of the Navy, and other high officials loudly proclaim that the treaties entered into by this Government and the foreign nations at the disarmament conference recently held in Washington will result in a saving to the taxpayers of from two hundred to three hundred million dollars annually. One hundred and fifty million additional can easily be raised from inheritance taxes; so it is apparent, if this suggestion is adopted, funds for the adjusted compensation can be raised without hardship to the taxpayers of the land.

Mr. Speaker, I know patriotism can not be measured in dollars and cents or be paid for in sordid things; patriotism is one of the noblest emotions of the human heart, and man approaches most nearly the full stature of what the Creator intended him to be when his heart is filled with love of God, love of his fellow man, and love of country.

Breathes there a man with soul so dead,
Who never to himself hath said,
This is my own, my native land?

Of course, the surpassingly unselfish and heroic service rendered our Government by her patriotic sons who served in her military forces can never be paid for in dollars and cents, and no one proposes to do it; but I believe that country which shows appreciation and gratitude to those sons who have rendered her unselfish and sacrificial service will best command the love and respect of her sons and inspire the greatest patriotism in their bosoms. Believing the splendid service rendered by our service men entitles them to some substantial evidence of appreciation from a grateful Government, I shall vote for the bill. [Applause.]

Mr. FORDNEY. Mr. Speaker, I yield two minutes to the gentleman from Wyoming [Mr. MONDELL].

Mr. MONDELL. Mr. Speaker, I do not rise for the purpose of discussing the provisions of this bill. I hope to have a little time later in which to do that. I rise now for the purpose of answering the charge of the gentleman from Texas [Mr. GARNER], relative to the action of the Speaker in apportioning the time.

The Speaker was not only fair, but he has been very liberal, both to the Democratic minority and to what will prove to be the minority when this bill is voted on. There are to be four hours of debate. Two hours of that time are controlled by the gentleman from Texas [Mr. GARNER] and the gentleman from Massachusetts [Mr. TREADWAY], both of whom are unqualifiedly against the bill. Of the remaining half of the time an hour and a half will be controlled by those favorable to the bill and half an hour by those who, though they may vote for the bill, will probably put in most of their time criticizing its provisions. So that as a matter of fact, of the four hours' time allowed for the discussion of the bill two and one-half hours will be occupied by those who are either unequivocally against the bill in all its provisions or those who are against certain provisions of the bill, and only an hour and a half will be occupied by those who are favorable to the legislation. [Applause.]

Mr. FORDNEY. I yield two minutes to the gentleman from California [Mr. OSBORNE].

Mr. OSBORNE. Mr. Speaker, the first question to be decided is, Do we owe the veterans of the World War any adjustment of their compensation? It is admitted that all the soldiers of the war received the \$1 per day fixed by law for domestic military service and \$1.10 for foreign service. Would the Congress morally be justified in saying to the service men, "We have paid you in full all that the law provided when you entered the service—\$1.10 per day for service on the battle fields of France and \$1 per day for service in the United States preparing yourselves for foreign service"? That is the first question to be answered. If there is no obligation outstanding—no moral obligation, and it is conceded that there is no legal obligation—then there is an end of the matter and nothing to discuss. Without question we will care for the wounded, disabled, and ill soldiers, as we all acknowledge our responsibility to provide for them unstintingly, and Congress is making an honest effort to do that, to rehabilitate the injured and give vocational training to the disabled, so as to enable them to resume as far as possible the useful and self-supporting activities of life. I am glad to say that there has never been any question raised in Congress as to the duty of the country to the disabled veterans of the World War, and there has always been a generous response in appropriations to carry out that purpose. The immense extent of this work for a long time overwhelmed the administration of the three great beneficent activities now under the control of the United States Veterans' Bureau, and there was more or less inefficiency, resulting in undeserved hardship to the veterans. But conditions are now greatly improved and the Veterans' Bureau is now running more smoothly and efficiently.

The question here involved, however, applies not to the disabled service men, but to those who were so fortunate as to have come through unscathed from the death-dealing missiles and poisonous gases of the enemy, and to have escaped consumption or other diseases that accompany military life, or to have recovered from the effects of wounds or disease. These service men, not being crippled or in ill health, and having drawn from the Government \$1 or \$1.10 per day, as provided by law, do we owe them anything and is the account settled finally?

OTHER ADJUSTMENTS OF COMPENSATION.

Throughout the period of the World War the Nation held every resource within its boundaries subject to its command in prosecuting the great struggle, and we in Congress supported the Government in this extreme exercise of the powers of sovereignty. Personally, the first vote that I cast in Congress was for the joint resolution recommended by President Wilson declaring the state of war with Germany. I followed it with a vote for the selective draft act. Then, with a great majority of the Members on both sides of the House, I voted for each issue of the Liberty bonds and for every supply bill that was asked by the administration and that came before Congress. I voted for every bill asked by President Wilson for grants of extraordinary powers that he believed were necessary to the successful prosecution of the war or that would assist in that supreme struggle. I voted for the Overman Act; for the act taking over the railways of the country by the National Government, in order to give the transportation of soldiers and war supplies precedence over all other traffic; for the espionage act, which placed the

liberty of all the people in the control of the officers of the Government. In short, I voted for every grant of power and of funds that President Wilson asked of Congress from the beginning to the end of the war. For many of these acts I voted not without deep concern and serious misgivings; but I voted for them just the same, in order that the President might be free and unfettered in his herculean task of conducting our part in the Great War. I have never regretted one of those votes. In like circumstances I would again vote the same way.

The sudden termination of the war on November 11, 1918, came at the height of our war activities. Every nerve of the Nation was being strained to turn out instruments and facilities of war. Shipbuilding plants were established at every available harbor on the Atlantic, the Pacific, and the Gulf, and they were being worked at high pressure and to the fullest capacity on Government contracts. Every steel works was turning out great steel guns.

Hundreds of manufactories had been converted into munitions plants and scores of others had been built, and all were working to their full capacity, night and day, turning out shells, grenades, and other death-dealing missiles. All had uncompleted contracts with the Government, upon the basis of which they had made enormous investments in plants and materials. With the close of the war the Government had no further use for war supplies, and the contracts were canceled. The Government had encouraged and induced miners to engage in mining certain minerals rare in this country, needed for war purposes, such as tungsten, manganese, chrome, and magnesite. It takes time and a great amount of money to develop a mine, and the close of the war found many of these mines just beginning to produce, or possibly not fully developed. Shipments at once came in from the foreign sources of supply which had been interrupted by the war, and these miners found themselves losers to nearly the full extent of their investment. Many encountered complete financial ruin.

The peremptory canceling of war contracts with the close of the war was obviously the right thing to do, and it was done. Two million soldiers were returned from Europe and, with the two million at home who had not yet gone overseas, were discharged. The railway lines were returned to their owners. Contracts of all kinds were annulled. Undoubtedly, in many instances there were heavy losses to the holders of these incomplete and suddenly terminated contracts, and there were appeals to the administration and to Congress for an adjustment of these contracts. It was not an unreasonable request. Actual and fully proved losses sustained by reason of the Government's action ought to be adjusted and paid. By the combined action of Congress and the President they were adjusted and paid. As I, in common with most of my colleagues, voted for the war and voted to give the administration the power to make these contracts, I felt it my duty to honor the contracts so made, either by carrying them out or by making a reasonable adjustment of losses entailed by their cancellation. I think that that was the right thing to do as between man and man and as between the Government and its citizens. In the process of these adjustments hundreds of millions of dollars have been paid by the Government. The enormous sum of \$1,550,000,000 has been paid on account of the railways alone, and additional hundreds of millions to contractors and others. So far as public opinion may be judged from expressions in the press, very little objection was made to this policy, provided the adjustments were made honestly and justly.

NO ADJUSTMENT FOR SOLDIERS.

Now we come to the soldiers of the World War. Practically we have adjusted the compensation of everybody who suffered from loss of property through their contracts with the Government, and have paid them. We have recognized the principle that adjustments of compensation for financial outlays, even where legally they could be denied, are morally binding and should be and have been paid.

Ought not the same principle to be applied to the ex-service men? I maintain that it should be, and so believing I voted for the adjusted compensation bill in the Sixty-sixth Congress and I shall vote for this bill. I do not believe that \$1 per day was a full and just compensation for a private soldier even for domestic service, nor do I believe that 10 cents additional was full and just compensation for service on the battle fields and in the trenches of France and Belgium. Nor do I believe that the slight increase paid to noncommissioned officers was sufficient. These men were young men and physically vigorous and their services were in special demand in the various lines of their employment because of that physical strength and youth. They went out at \$1 per day and 10 per cent extra for foreign service, while those who remained behind were earning from \$5 to \$20 per day in shipyards, munitions plants, and

various mechanical occupations. Many service men left good positions, which they found filled by others on their return. Others were in schools or colleges and lost two years' time in acquiring an education, and perhaps lost their opportunity of doing so. There were few who did not have their life plans interrupted and often badly damaged by their Army service. Have not these \$1 and \$1.10 per day soldiers good reason to feel that some adjustment is due them? I certainly feel that they have.

COMPARISONS WITH THE CIVIL WAR.

Some of the opponents of this legislation call attention to the fact that bonuses were not paid to the soldiers of the Civil War, nor any Government allowances paid to the families of those soldiers. I recall that when I was mustered out of Civil War service, at 16 years of age, I had two months' pay due me, at \$13 per month—\$26 in all. I was compelled to wait around camp for six weeks before I was able to get this modest sum with which to start in life. There were no committees nor agencies, so far as I remember, to assist in getting employment for discharged soldiers. I finally received my \$26 and started out for a job, which I succeeded in getting in a short time. I heard nothing further from the Government until 46 years later, when I reached the age of 62 years. I was then given a service pension of \$12 per month, which has been generously increased since. I have no complaint to make; on the contrary, I feel that the country has been not only just but generous to me and to such Civil War soldiers generally as received neither wounds nor serious disability.

When comparison is made between the treatment of Civil War soldiers and of those of the World War, it is to be remembered, however, that those of the Civil War who were disabled received pensions and service pensions were granted to all who survived the age of 62 years, and that in the last years of the Civil War, when men were becoming scarce and States and counties were contesting to make up their quotas considerable bounties were paid to volunteers. By no means all the Civil War soldiers, even in the last years, received bounties, and those who volunteered in the first three years received none at all. But in the aggregate a good many millions were paid in bounties by States, cities, and counties, upon no fixed or definite scale. At the close of the Civil War employment was more easily obtained than now. The West was being rapidly settled and transcontinental railways being built.

It is also to be remembered that nearly the entire Union Army of over 2,000,000 men were volunteers. It was in comparatively rare instances that resort was had to the draft.

In the World War the conditions of service were quite different. More than two-thirds of our great Army and Navy were brought in through the selective draft.

From April 2, 1917, to November 11, 1918, the voluntary enlistments were as follows:

Army.....	877,458
Navy and Naval Reserves.....	437,527
Marine Corps.....	52,891
Total enlistments.....	1,367,876
Total inductions through selective draft.....	2,810,296
Total.....	4,178,172

Thus it will be seen that the Government with its strong arm reached out over the country and forcibly took two out of every three men who were in our Army and Navy. It mattered not what their private engagements were or what were their wishes in the matter—they were taken from their homes, their families, and their employments and plunged into the rough activities of war. That they recognized the call of their country and cheerfully, faithfully, and uncomplainingly performed their duties is to their everlasting credit. That the Nation took them involuntarily is an added reason why the Nation should treat the entire Army, volunteers and inducted men alike, with justice and generosity.

And how did these 2,810,296 men who were inducted into the Army perform their duties and what was the nature of their service? I made this inquiry of Maj. Gen. Enoch H. Crowder, Provost Marshal General, United States Army, who had charge of the selective draft, when I verified these figures in his office. General Crowder stated that every one of these 2,810,296 were selective-draft men. He further stated that he had recently inquired of The Adjutant General as to the proportion of these drafted men to volunteers who were on the firing line November 11, 1918. He was told that it was not possible at this time to give the exact figures, but that an approximate estimate was that 52 per cent of the men on the firing line on November 11, 1918, were inducted, or drafted, men. General Crowder believed that when the correct figures were obtainable it would be found that at least 66½ per cent of the men on the fighting line were inducted men.

This high testimony speaks volumes for the service of these brave American soldiers. Their service was for their country, and for all the people of the country. They all made sacrifices. They went. We remained at home. Shall we now sit snugly by and say: "Oh, the war is now over; let us forget it! These service men were not killed. We all had to undergo sacrifices during the war." These sacrifices have to do with a little less sugar in our coffee, a reduced quantity of wheat bread at meals, and extra taxes.

Occasionally we hear criticism of ex-service men and of the American Legion because they call attention to their claims for adjusted compensation. If their fellow citizens, and especially their Representatives in Congress, fail to press their just claims to effective consideration, what is left for them but to take up the subject themselves? In fact, practically, they have been asked to do so by Congress; not formally, but soon after the boys were returned home, whenever the subject was referred to among Congressmen, the hope was expressed that the American Legion and other representative organizations of ex-service men would indicate in some formal way what in their opinion ought to be done. Action in Congress was by common consent suspended until after the November, 1919, meeting of the American Legion in Minneapolis, so that the views and wishes of that great organization could be known. I believe that the leading men, and probably the majority of the rank and file, of that great organization were reluctant to present and press their claims. But practically they were invited to do so by Congress and the press. They were confronted with the obvious fact that unless they took hold of the matter themselves nothing would be done. Neither the ex-service men nor the American Legion ought to be blamed for calling the attention of the country to the neglect which seemed to envelop the public and official mind with reference to a proper readjustment of their illy paid service to the Nation. The questions involved are those of high public policy and of economic financial procedure. They are in no sense political. All sections of the country, and all of the people, without reference to their political views and affiliations, are interested. These questions ought not to be used for the advancement of political or personal interests.

Do these facts prove to the fair mind that we owe the ex-service men an adjustment of their compensation? It seems to me that they do.

First, the volunteers were serving their country at \$1 and \$1.10 per day when workmen generally were receiving wages of from \$5 to \$20 per day.

Second, the Government took the selective-draft men by force; by the exercise of the extreme power of sovereignty. When in the exercise of the same extreme power we took property, we paid for it. But with the selective-draft men we did not say so much as "By your leave." We simply gave them a number and told them when and where to report. Can anyone justly say that they have not something coming to them?

PLAN OF ADJUSTMENT.

The Committee on Ways and Means of the House have devoted weeks to patient and careful consideration of this legislation. They have had public hearings at which they have taken the testimony of all who might have knowledge of the subject or interest in it, including the national officers of the American Legion and other soldiers' organizations. More than 90 bills dealing with the subject, introduced by as many Members of the House, were before the committee and were duly considered. From all this assembled data the committee evolved the bill under consideration as their best judgment as to the method of meeting the situation and properly adjusting the pay of our veterans of the World War. It would be impossible to form a plan that would be satisfactory to everybody. Especially would it be impossible to adjust the taxes necessary to meet the outlay provided in the bill in such a way as to avoid objections of taxpayers immediately affected, but in a general way the bill impresses one who scrutinizes it thoroughly as having been carefully drawn with a view to substantial fairness to the veterans and little or no strain to the Federal Treasury.

The bill offers five plans for adjustment, either one of which may be chosen by the veteran, but he is limited to the single plan chosen. These five plans are as follows:

(1) "Adjusted service pay," which consists of \$1 per day for each day of "home service" in excess of 60 days, and \$1.25 for each day of "overseas service" between April 5, 1917, and July 1, 1919, the aggregate not to exceed \$500 for a veteran who performed no "overseas service," or \$625 for one who did perform such service. This applies to all veterans of the Army, Navy, and Marine Corps up to and including the rank of captain in the Army and lieutenant in the Navy. There is a long list of

exceptions of persons and classes who do not receive the benefits of the bill. It is only available to those whose adjusted service pay does not exceed \$50.

(2) "Adjusted service certificate." The veteran receives a certificate of a face value equal to his adjusted service pay increased by 25 per cent, plus interest for 20 years at 4½ per cent compounded annually and payable 20 years after date of application. The total will amount to 3.015 times the adjusted service pay. Provision is made for the negotiation of these certificates.

(3) "Vocational training aid." The veteran may receive \$1.75 for each day of his attendance on a course of vocational training, the total payment not to exceed 140 per cent of the amount of adjusted service pay to which he might be entitled.

(4) "Farm or home aid." The veteran may receive in one payment or in installments an amount equal to his adjusted service pay plus 25 per cent for the purpose, and that purpose only, of making improvements on a city or suburban home or a farm, or to purchase or make payments on such a home or farm.

(5) "Land settlement aid." The veteran may apply his adjusted service pay to the first payment on a farm within projects established in the various States by the "national veterans' settlement board," to be followed by small annual installment payments, running over a period not exceeding 40 years.

A great many people, probably a majority, agree that there is a moral obligation out to adjust the compensation of the ex-service men. "But," they say, "we can not do it now. Business is bad and additional taxes would make it worse. We can not issue bonds, because that would hurt the bonds outstanding." Virtually, they oppose every way of accomplishing the result. They say that the bill must provide the way of raising the money necessary, and then object to every plan that is suggested to or by the Committee on Ways and Means.

The bills that provided for other adjustments of compensation for property losses were not required to provide special ways of raising the money to pay them. They were all paid from current funds or they are now represented either in bonds or other forms of national indebtedness.

Granting that the Nation owes these ex-service men something, our attitude has been like that of a man who owes a debt, but says to his creditor: "My dear sir, I admit that I am indebted to you, but I am really very hard up, and as it would be inconvenient to pay you, I must put you off until some indefinite time in the future." Now, this is very unsatisfactory, and the creditor may quite reasonably say, "While it is very pleasant to me to hear you acknowledge the debt, my own necessities are such that I would like to have something beside pleasant words. If you are unable to pay me in cash, you certainly can give me your note."

That is precisely what we are doing in this bill. We are doing better than that. We are not only giving our note but we are pointing out to our ex-service men a fellow who will discount the note at a narrow margin, so that he can realize on it to the extent of his immediate necessities.

It is true that an immense amount of money is involved. But is that any reason for saying that, as it will greatly discommodate us to pay a debt, therefore we will leave it unpaid? Rather should we direct our attention to the methods of meeting the obligation, with the firm purpose to discharge it.

A billion and a half or two billions of dollars, and possibly more, is indeed a vast sum, and particularly so on top of the twenty-five billions that we already owe. But had the war lasted another year or two, as in the spring months of 1918, when the German hordes were pressing apparently irresistibly toward Paris and Calais, it looked as if it might, we should have had ten or fifteen billions more piled on the debt. Had such been the fact our patriotic people would have found some way to meet the added load. Happily for the Allies, for our own country, and for the world, our brave boys, part of these same service men whose case is here demanding balance in the scales of justice, fresh from their homes in America, with undaunted courage and bravery, checked the advance of Hindenberg at Chateau-Thierry, and the ten or fifteen billions of money that would have been exhausted in one or two additional years of war was saved.

Had the Germans been successful in conquering Great Britain, France, and Italy, it was beyond doubt their intention, and so stated by Emperor William, to land forces here and compel America, from its vast resources, to pay the expenses of the war. We would have been placed in the condition of vassalage in which Germany now finds herself, with a master and tax collector vastly more severe than are the Allies in Germany, and no less so than can be imagined of the head of the Hohenzollerns.

No thoughtful American can forget his obligation to the American soldiers and sailors of the World War. No owner of

property, be it little or great, should forget that in no small degree he owes his safe title to that property to the protecting strength and valor of these same soldiers and sailors. Had it not been for the magnificent services of such of the service men as were called into actual conflict and the millions of others who stood ready to be called, the owners of property might to-day be saved the discomfort of taxes by having no property to tax, due to confiscation by the victorious Germans.

One often hears the remark from some wealthy opponent of the adjusted compensation bill that it is an insult to the patriotism of the service men to pay them money; that the obligation is so great that it would be a sin to attempt to recognize it in so sordid a way. Coming from a service man, this would be a noble utterance, signifying a commendable renunciation of any personal or selfish interest. But coming from one who would protect his own pocketbook by withholding any financial assistance to the ex-service man, it has the suspicious and ridiculous sound of an expressed desire to do a small, mean, and selfish thing under the guise of a lofty and noble concept of patriotism.

We hear a good deal from some who are opposed to the bill from every standpoint that these certificates will clog the banks and result in a congestion of "frozen credits." I have had a good many telegrams in opposition to various taxes proposed, like increased postage, taxes on stock sales, real estate, and so forth, but to this moment I have not received a single telegram or letter from a bank in California or elsewhere that they were in fear of "frozen credits" if this bill should be passed. Frankly, I believe that the banks would absorb these certificates without difficulty and with satisfaction to themselves and their soldier clients. Put hope in the hearts of these 4,000,000 men and the opportunity to embrace one of the five alternatives and to have a few dollars to start up their activities again and, in my opinion, we will "start something" in the way of new life and activity in the business world.

I appreciate that this is a gigantic undertaking and the exercise of enormous power in behalf of justice to our World War soldiers. It is not, however, a greater exercise of power than that which Congress and the Government exercised when, during the World War, they reached out and forcibly took the persons of 2,810,296 men from their homes, their families, and their occupations and placed them in training camps, in tents and barracks, and transported half of them across the Atlantic to the trenches and battle fields of Europe. That was indeed a high exercise of authority, but it is a proper one, and one necessary to the preservation and perpetuity of our beloved country.

Let those who may be called upon to pay these taxes to meet this debt of honor remember the cause and the purpose for which the funds are to be used. Let us remember the brave soldiers who nobly came to the defense of their country in its peril and offered their lives in its defense. Let us remember the dark days of the spring of 1918, when we in Congress were each day anxiously contemplating the maps of the seat of war in France and Belgium that hung in the Speaker's lobby and watched the advancing pegs on the war map, which marked the front of the steady advance of the German armies toward Paris and Calais. Let us remember the feeling of profound relief and thankfulness when our brave soldiers at Chateau-Thierry checked the fierce onslaught of the enemy and turned him back toward the Rhine. Let us remember that while these heroic acts were in progress we who authorize the taxes and we who pay them were sleeping of nights in our comfortable beds at home and eating appetizing food three times each day at tables draped with clean, white linen, while they were struggling in the muck and mud, getting their food wherever and whenever it could be obtained, their bodies infested with filth and vermin, while thousands of their comrades were sorely wounded by German machine guns, bombs, and shrapnel, and other thousands gave their brave young lives to their country. Let us remember these things, my colleagues and countrymen, and let us pass this bill of justice with some measure of the uncomplaining, patriotic Americanism that distinguished our brave soldiers throughout the war. [Applause.]

Mr. GREEN of Iowa. I yield to the gentleman from Pennsylvania [Mr. KELLY].

Mr. KELLY of Pennsylvania. Mr. Speaker, the violent opposition which this adjusted compensation measure arouses here in Congress and elsewhere is evidence of the woeful gulf between 1918 and 1922.

Then cruel, relentless war hung over the world. Mankind was back in the jungle, with brute passions finding fiendish expression. Millions of men were killing and being killed. All the scientific achievements of the race were being used to destroy life and property. Bent on world conquest, a mighty military power was sacking the accumulated treasures of the ages and

multiplying the widows, the orphans, the suffering, and the distressed in every land on the globe.

What destinies swayed in the balance on those crucial, world-racking days of July, 1918! I landed in Bordeaux, France, just in the midst of them; and time can never erase their memory. Old Frenchmen on the streets of the ancient city declared that the war was over. The Boche, they said, had come triumphing over the Marne and had their beautiful Paris in his bloody hands. France, after four years of superhuman bravery, was down in the mud and mire, prostrate under the heel of the arch enemy of civilization.

It was a dark, despairing picture of a dark, despairing time. At that moment there was not a fighting man on the great Russian line, the victory there having gone to Germany through treason and dishonor. Rumania was out of the fight, and not a foot of Serbian territory was left in the hands of that valiant nation, the Bulgarian Army being in complete control. The Italian Army was battling desperately to hold the Austrians from ancient cities after the rout of a recent day. The British Army had just been told by General Haig that another foot backward meant utter destruction. The Belgian King had a strip of territory 10 miles wide under his sovereignty, and no more. The French Army was in retreat from the Marne; and the Prussians, flushed with victory, were rushing down on Paris.

Then, out of defeat came victory; out of utter blackness came the sunrise. I saw the roads north of Paris filled with marching soldiers—young lads from America. Confident and sure, they swung by, and all who saw them took hope again. Far in advance of the line planned they fixed their position and stood the brunt of the Prussian legions. For three days they stood invincible—a stone wall of defense that could not be moved. Then the Crown Prince ordered an assault that should brook no resistance. He told his soldiers that on the other side lay Paris, peace, and Deutschland uber alles. Like a thunderbolt his gray-clad legions burst against the khaki line. It was over-matched in granite bravery, determination, and heroism. The conquering army broke into rout and disorder; it turned its face from Paris toward Berlin, and it never looked around until the war was over.

What rejoicings rang round the world in the epic hour. The French people poured out their tributes, and 20 nations vied with each other in paying honors to the youthful fighters for freedom whose valiant faith and devotion forced the darkness to flee away and bade the morning break. America herself, losing for a while the lust of gold, declared that all she had and was must be the heritage of those who so nobly fought for the Old Flag. What promises were then shouted to high heaven that America would follow Lincoln's command to "care for him who shall have borne the battle."

Victory followed victory, until the Hun power was destroyed and the menace removed. Home came the lads who saved civilization—all save those who lay asleep beneath the poppies of Flanders fields, the last full measure of devotion paid.

Then, Mr. Speaker, there came a change over the spirit of America's dream. Forgetfulness and neglect followed extravagant praise and hero worship. "Let's forget it" was the slogan of many Americans. That sentiment and spirit has grown until to-day the mightiest wave of propaganda which has struck Congress since Count von Bernstorff handled the Hun campaign in America is that which is directed against any form of national adjustment of war-time compensation for war-time service with the colors. It is a veritable bombardment led by the Big Berthas of great financial interests and joined by popgun individuals and organizations who always take their cue from them.

I have been at some pains to study this propaganda in the form of letters, telegrams, circulars, and booklets. The similarity in the very wording of the protests points to a common source of origin and through every line are evidences of brazen selfishness and arrogant ingratitude. Only a fool will mistake the specious and selfish arguments advanced for a holy zeal for the welfare of America.

In every case, these opponents of adjusted compensation for the soldier boys lift up their hands in holy horror at the very thought of such an unprecedented, unheard-of measure. It should be answer enough to refer them to the fact that after every war in which America has been engaged, including the Revolution, there were legislative enactments to compensate the soldiers of America for sacrifices caused by their service. Bounties, land grants, and homesteads have been awarded these soldiers with the overwhelming approval of the people.

But, aside from that history, the fact is that this last war itself has seen multiplied precedents of adjusted compensation. Of course the compensation was for guaranteed profits of contractors, and that perhaps was not regarded as a parallel case by those who see and think life in terms of stocks and bonds and coupons and profits and never in terms of manhood and

womanhood. They consider materials worthy of full recompense, but flesh and blood to be too cheap for reckoning.

Mr. Speaker, very shortly after the armistice, Congress passed a measure authorizing the War Department to adjust the compensation of war contractors who had informal contracts with the Government. These contracts had been made over the telephone and by slips of memoranda and not one of them could have been collected through any court. A great hue and cry was passed with the approval of practically all of those who now so severely condemn any recognition of the merits of the boys who won the war. That one measure has resulted in the payment of almost a billion dollars from the Treasury of the United States.

Nor was that all. The Secretary of the Interior was then authorized to adjust the compensation of contractors, who, under the war minerals act, developed mines for supplying needed materials. Many of these men never produced a pound of mineral and their only claim lay in producing a newspaper article which set forth the needs of the Government, but they were compensated and the bill paid by the Government is mounting to huge figures.

Mr. Speaker, there has been adjusted compensation for the builders of ships, by which their profits were guaranteed; there has been adjusted compensation for the contractors engaged on public buildings, levees along the Mississippi, and other public works because the war increased the cost of materials; there has been adjusted compensation for the railroads through which their profits have been made sure in spite of conditions incident to war.

These and similar measures mean an expenditure of \$3,000,000,000 from the Treasury of the United States. Comparatively few persons know that they have been passed, but that is because there was no high and wide barrage laid down against them by the interests which are opposing adjusted compensation for America's fighting men. These same interests urged the passage of all these measures, holding that refusal would be dishonor and treachery. They held that it was more important to give big business a bonus than to pay adjusted compensation to the soldiers.

Although their cost has been more than the entire adjusted compensation of soldiers will cost, the burden levied upon the people to pay them did not affect these watchdogs of the Public Treasury in the slightest degree. They were as merry as bees in clover. Nor was there ever the slightest suggestion from these superpatriots that the acceptance of this adjusted compensation by the war contractors would stamp them with ignominy and put the "dollar mark on their patriotism." They boldly declare that adjusted compensation to assure profits in rich contracts is a patriotic fulfillment of a sacred obligation, while adjusted compensation of the losses of the soldiers is a conscienceless raid upon the Treasury. They are willing that the ninety and nine fighters go empty handed so that one contractor receive his reward. They are willing to be the shearers if the soldiers and their families will be the shorn.

As far as I am concerned, I believe that there is something seriously wrong about the conduct of a war for self-preservation, when those who do the most receive the least, while those who do the least receive the most. I believe that the man who faced the shells in France deserves as much consideration as the man who made the shells in America. I believe that the obligation of the Government to adjust the compensation of the men it commanded to risk life and limb for their country on the other side of the globe is far more sacred than any obligation it owes the dollars of the country.

Then there is the cry that "every able-bodied citizen who served in the Great War was only discharging his duty and the country owes him nothing for discharging that duty; he was simply conscripted to serve." Here is the important consideration: About 24,000,000 men were registered under the draft law, but less than 4,000,000 were inducted into the service. The Government commandeered the services of less than 4,000,000 at a basic salary of \$1 a day, less deductions for insurance allotments, and so forth, and ordered them into the fighting line, while the 20,000,000 continued at peace-time tasks, profiting hugely from war conditions and the fact that they were not called into service. It is most unjust to say that there should be no adjustment of the compensation of the 4,000,000 who served in camp and field when the 20,000,000 were paid many times the amount received by those commanded to serve in the first line of defense.

On a par with that argument of the propagandists is the other line to be found in every communication from them—that is, that this is an effort to expend billions in gratuities. This cry comes with poor grace from those who cheered the boys as they marched forth to war and then stayed behind to make money with both hands. They would put poison ivy in the laurel

wreath intended for any heads but their own. They are the men who take but never give without compulsion. To my mind their yells against adjusted compensation for the soldiers is the bell back of the bull's eye—it shows that the proposal hits the mark. It will help prevent that burning injustice to fighting men—

Oh, it's "Tommy this" and "Tommy that," and "Throw him out, the brute."
But it's "Savior of his country" when the guns begin to shoot.

Mr. Speaker, the cry that this is a gratuity is false. The soldiers to be benefited by this measure saved manifold the amount involved by ending the war long before it was believed possible by the most careful observers. In August, 1918, I talked personally with General Pershing, General Diaz, General Foch, and others of the highest commanders of the allied armies. These chiefs united in the declaration that the final victorious drive against the Germans would be made in the spring of 1919. They made all their plans for a great attack in March which should break the back of the Prussian power.

Then I talked to private soldiers in the front line, men of the Keystone Twenty-eighth, the Blue Ridge Eightieth, the Ohio Thirty-seventh, the New York Seventy-seventh, the Rainbow Forty-second, and others. "We'll have the Hun out of France before Christmas" was the unvarying cry of these doughboys. They had measured strength at hand grips with the enemy and they knew what they could do in combat with him.

The doughboys were right. They sent the famous Prussian legions flying to final submission in November, 1918, a long month before Christmas. For four years the Central Powers were victorious, but the last 115 days saw a complete reversal, with defeat changed into triumph complete.

During the last 10 months the war cost us \$44,000,000 every day. Six months more and \$8,000,000,000 would have been poured out in the task of destruction. Why was this sum not burned up in the great conflagration? Simply and solely because the men of America's fighting forces were neither fearful nor feeble and would not be denied their desire for speedy and final victory.

The spirit of the American Army was that of the lad who went over the top in one of the assaults on the Marne. Just before the zero hour he said, "We have a big job to do and we are going to finish it, and if I can help I won't mind one of those wooden crosses for a monument like the other fellows have."

They waged war for the ages and not for the wages, but they saved their wages a thousand times over. Without their daring and devotion we would have paid our "gratuities" at the point of a Potsdam pistol. Happy should we be that instead of firing these dollars in great guns and exploding them in mines and bombs, we have an opportunity to spend them in giving a brighter, better chance, through money, insurance, homes, and vocational education to those who saved America this tremendous toll of war.

Ah, America has spent millions on hopes for the future; here is payment for services performed. We have risked millions on aspirations; here is reward for accomplishments. We have appropriated great sums for blue prints; here are expenditures for the building, finished and complete.

This money has been earned. It is rightfully due, a more binding obligation than the promises printed on the bonds we sold, for this debt is the pledge of the Nation's honor and refusal to pay spells moral bankruptcy.

Then, Mr. Speaker, come the propagandists against adjusted compensation and unite in chorus that this is class legislation. Yes it is class legislation just as the selective service law was class legislation. It goes to fighting class chosen as the very best of 105,000,000 Americans. It goes, every dollar of this compensation, to those who wore the uniform of Uncle Sam in the world's greatest war. It goes, not to the quitters and quailers, not to the shirkers and slackers, not to profiteers and patrioteers, but to men who staked life and limb for their country. It goes to men who left good jobs in America's most prosperous times to face blood and mire at \$33 a month. It goes to men who, as soon as they landed in France, landed on Germany. It goes to men who, when we did not know where they stood, all the world knew how they stood.

It goes to men who spent weary months of training in camps in America. It goes to men who faced the submarine-infested seas to convey the Army across. It goes to the soldiers who took Belleau Woods, held the insolent foe at Chateau-Thierry, stormed the salient at San Mihiel, and blasted the foe out of the forest of Argonne. It goes to men who outgamed and out-generated the audacious Hohenzollern gambler—

Whose game was empire and whose stakes were thrones,
Whose table earth, whose dice were human bones.

It goes to men who came back to their jobs to find a piece of their pay envelopes snipped off by the extra cost of every mouthful of food, every thread of clothing, every day's rent. It goes to men who put off the khaki garb of American soldiers to enter upon a vain search for work. Yes; it goes to the class of 100 per cent fighting Americans who dared to face death that the homes, and the property, and the future of the Republic might be assured.

Then the propagandists deliver a solar plexus in the slogan which is sweet sounding in their ears: "This adjusted compensation for the soldier boys means putting the dollar mark on their patriotism." I always read it the other way. It will put the "patriotism mark on their dollars." The money necessary to pay this adjusted compensation will be Americanized, and that will be the greatest transformation possible to imagine of some of the wealth of this country. Securing this money through proper taxation and paying it to those who have earned it will turn profiteers' gold into an ingot of patriotic purpose. It will wilt the insolence of some unearned money even as the Germans wilted before those soldiers in the fields of Flanders.

The mobilization of an army of \$3,000,000,000 for the constructive benefit of America's defenders will be an inspiring declaration that while America's sons risk their lives in her defense her dollars shall not be slackers.

More than 4,000,000 men stood at attention when Uncle Sam called the roll of his defenders in the last war. It will be a patriotic act now to conscript the army of dollars necessary to adjust their compensation. It will put no dollar mark on their patriotism, but it will put the patriotism mark on every dollar used for this worthy purpose.

Mr. Speaker, there is one final argument which crops up in all antiadjusted compensation propaganda. "It may be all right," say the opponents, "but now is not the time for the payment." They declare that the country can not afford it at present, but some time in the future.

I wonder if those who make this plea realize that America, the best able of all the nations of the earth to meet this universally acknowledged obligation, is the last to meet it.

Every important nation engaged in the Great War has passed legislation to compensate its veterans for economic, educational, and social losses except the United States of America. Thus far we have "said it with flowers" only; have promised the defenders everything and given them nothing.

Every French family was loaded down with a debt of \$6,000 as a result of the war, but France has paid adjusted compensation to her poilus, who said, "They shall not pass," and made it good with their bodies and their lives.

Every Italian family has a debt of \$3,000, but adjusted compensation has been paid the men of the Alps and the Piave. The families of Great Britain carry a debt burden of \$4,000 each, but the British Parliament has made provision for the soldiers who fought from Mons to Mesopotamia. Every family in Belgium must pay a yearly interest on a debt of \$3,000, but her soldiers have had their adjusted compensation. Canada and Australia have provided compensation for their soldiers, which makes the figures provided in the bill now before Congress seem a pittance.

Mr. Speaker, is the Yank less deserving than his comrades? Did the British, or the French, or the Belgian, or the Italian or the Canadian, or the Australian fight better than ours on land or sea or in the air? Is it a worthy argument to say that America can not afford to pay the debt which all these others have acknowledged and paid—America, with a national wealth greater than any four of these nations and with a debt of \$625 a family?

This talk of poverty is the excuse of the professional debt dodger. It should not longer be used to evade payment of the most sacred debt contracted in our struggle with the Central Powers. It was not used when contractors asked for profit protection; it was not used when civilian employees were paid \$240 a year bonus in their safe and secure jobs. Decency and our own self-respect forbid the use of this scarecrow of national bankruptcy as a shameful excuse for not paying a righteous debt. That which is just can never really harm anyone. This great Nation must no longer press down on the brow of patriotism the thorny crown of base injustice and ingratitude.

I know that this crass and cruel selfishness expressed by certain interests which have sunk to the very bottom of the ocean of baseness is not the feeling of the people of the great Republic. I know the hearts of the people beat with gratitude to the lads who held the fate of the Nation in their strong young hands in the Great War. I have seen the miracle of a great Nation aroused and eager in a noble cause, for which they were willing to pay the price, whatever it might be, in blood and treasure. That devotion and that emotion can not be erased in four years.

Mr. Speaker, I see again the Halls of Congress, where the Representatives of the people made the most momentous decision in American history. The all-night session, the tense hours, the searchings of hearts, the glimpses of grim-visaged war taking fearful toll of fellow countrymen; then the solemn vote and the iron declaration of war against the Imperial German Government.

I see again the long lines of youthful Americans before their schoolhouses complying with the selective service law and registering in the mightiest military force the world ever saw—the citizen army of the United States.

I see again the celebrating crowds on city streets and country roads, their hearts beating with one desire, as the lads selected by the boards march to railroad stations to take trains to the cantonments while bugles call and bands blare and people cheer. I see again the building of battle organizations in training camps, infantry, machine-gun battalions, heavy and light artillery, signal corps, engineers, motor transport, and all the rest of the constituent parts of divisions and armies.

I see again the mighty transports manned by fighting men of the Navy and filled with khaki-clad youths ready for the great adventure and lustily shouting to Liberty Statue in Manhattan's harbor, "We won't be back till it's over over there."

I see again those boys as they go into battle between the Marne and the Vesle, nestling in fox holes along the roads beneath screaming shrapnel until the zero hour. Then over the top, answering the music of the guns, and in hand-to-hand combat breaking the heart of Prussia and bringing victory to their flag and peace and security to their homeland.

I see again the crazed throngs of armistice day, and a whole Nation shouting out its joy for victory and its gratitude to the soldiers who made it possible.

I see again the return of the victorious veterans, the marching hosts and the happy millions crowning them with laurels as the bravest of the brave.

Sadly true that there are more and bitter sights. I see again the funeral ships with the bodies of thousands of those who died. I see the columns of the men blinded by gas and explosions and hear the tapping of their canes as they make their pitiful way along our pavements. I see the men on crutches and those with empty sleeves who gave their limbs for America. I see the shriveled forms of the countless thousands whose lungs were wasted by poison gas. I see the twisted faces and hear the maniac shrieks of those whose minds snapped beneath the horrors of monstrous scientific savagery. I see the countless hospital cots which contain the broken bodies of the men who paid with their health and strength for their heart's desire.

I see again a mournful procession, containing 900,000 soldiers who came back with victory in their hands to find that the Nation for which they fought could not afford them a chance to earn their livelihood and that they must doff the khaki uniform of the Army to enter the tattered battalions of the unemployed. They were trained in muscle and mind, but could find no job in which to use them. Like driftwood they swept along, useless and unwanted, but on the breasts of some of them gleamed the croix de guerre and the distinguished service medal and in the hearts of all of them were memories of the days when they were hailed as saviors of freedom and light.

I see that great army, practically every man of whom sacrificed months or years of his life, at meager recompense, in order that all other Americans might remain at home in peace and prosperity. Everyone who found a place in industry after demobilization found also that others had profited while he served in the armed forces. Not only had he taken all the chances of losing life and limb, but he had lost in every other way as well. Bitter indeed is their experience in hearing themselves called mercenaries, bribe seekers, beggars, profiteers, by those who refused to share the burdens of war.

Surely every patriotic American who recalls the facts of the past four years, who sees again in memory the stirring scenes when a world's freedom and safety swayed in the balances, will not hesitate to stand for justice to these soldiers, chief actors in the drama in which life was victorious over death. Gone are the strains of bugles and bands; silent are the songs of camp and field; but a harmony just as vital is possible through a worthy expression of a nation's gratitude. Let us prove now that deathless saying of Lincoln when, after the election of 1864, he urged permanent provision for the soldiers and sailors of America: "Gold is good in its place, but living, brave, and patriotic men are better than gold."

Investment of gold in these "living, brave, and patriotic men" of 1917 and 1918 is a safe and sane investment which will promote the general welfare, the common defense, and establish greater unity, and prove that national gratitude is more than a meaningless phrase in America. [Applause.]

Mr. TREADWAY. Mr. Speaker, I join the gentleman from Wyoming [Mr. MONDELL] in protest against the unfair criticism which has been made of the Speaker relative to the allotment of time. The analysis that the gentleman from Wyoming has made is an absolute defense of the more than fair treatment that the Speaker has afforded both the minority and those of the majority in opposition to the bill. The reason for the criticism by the gentleman from Texas is that some Members on his side have placed themselves in a very peculiar position in voting the bill out of the committee and intending to vote for the bill when it comes before us, but signing as disagreeable, uncomplimentary, and unfair report as I have ever seen issued from the floor of this House by any minority members of a committee. That is the reason for the situation in which the gentlemen of the minority find themselves at this time, and they have no one to blame but themselves. The Speaker has, as usual, been perfectly fair to all.

It is not my intention to enter into any lengthy discussion of my reasons for not favoring this bill. The basic idea as contained in title 5, namely, that loans for the first three years of its operation should be made by local banks, has been given very meager consideration by the Committee on Ways and Means. It, therefore, can be very properly said that the public or the friends of the veterans have very little knowledge of its contents.

I greatly regret not being able to accept any proposition which may be regarded as beneficial to ex-service men. I have invariably favored and will continue to favor every measure suggested which will be beneficial to the needy, sick, wounded veterans, their families, or widows. I feel I should record in this brief form some of my objections to H. R. 10874.

1. The bill does not differentiate between the able-bodied and the sick and wounded veterans, and in effect discriminates against those who are pressed financially as compared with their more fortunate comrades. Thus the well-to-do veteran can hold his certificate and will receive an increase of 25 per cent over his adjusted compensation, plus compound interest for 20 years, while the man who is obliged to borrow and is unable to meet his note when due not only loses the 25 per cent increase and compound interest, but is compelled to accept 80 cents on the dollar of that compensation which proponents of the bill claim he is morally entitled to.

2. The adjusted service certificate places an artificial interest rate on the accumulation, naming 4½ per cent, a rate of interest higher than any Government loan except in time of war. Had this rate been made 4 per cent instead of 4½, there would have been a saving to the Government in the 20 years of more than \$412,229,000, provided all the veterans accepted this plan. In the event that 70 per cent accepted this plan, the amount of saving would have been \$288,560,300.

3. The method under which the veteran can obtain a loan during the first three years indicates the financial stress of the country. The system has been condemned by the Treasury authorities as unsound. It does not seem to me that Congress can afford to go absolutely contrary to such advice. The Secretary of the Treasury has convincingly explained the effect this form of loan will indirectly have on the Government finances and has designated it as an abuse of Government credit. The Comptroller of the Currency has designated it as a form of investment which he, the official in authority over the regional banks, can not recommend to them. The governor of the Federal Reserve Board has stated that the Federal reserve banks should not be included among those to accept these certificates as collateral. Therefore, it is apparent that each Government official is opposed to having the certificates used in the department over which he is directly in charge. With due respect to the wisdom of my committee colleagues, I feel that I should accept the judgment of the officials who regard the matter from the broad viewpoint of governmental finances rather than that of popular acclaim. To successfully meet the great problems of the day, there must be intimate relations between the administrative and legislative branches of the Government. In matters involving the financial credit of the country I conceive it my duty to at least give due deference to those in charge of our finances.

4. A serious defect in the present bill is the entire lack of amortization, taxation, or refunding for anticipated payment of the large sum the Government will owe in three years. The majority report overlooks this important feature. At the bottom of page 3 the majority report reads as follows:

After October 1, 1925, the veteran can obtain a loan from the Government more than sufficient in amount to take up any loan he has obtained from the bank. As he would obtain 20 per cent more by so doing, it is believed that few of the veterans will let the certificates lapse prior to that date.

If this supposition is correct, it would naturally follow that on October 1, 1925, the Government will be called on to make

very large returns to commercial banks. This amount would undoubtedly be in excess of \$600,000,000, an item which seems to have been entirely overlooked by the majority members. This amount will be required very shortly after the expiration of refunding nearly \$7,000,000,000 of Victory notes. It does not require very far-sighted financial acumen to see that no provision being made for the enormous sum required to redeem the certificates will create a condition those in authority have steadily endeavored to avoid, namely, the need of additional taxation and the further issuance of Government securities, either method accepted meaning higher interest rates.

5. The President, in his letter of February 16 to the chairman of the Ways and Means Committee, refers to "transactions under consideration which ought to prove of great relief to the Federal Treasury." Should such receipts materialize, returns should be used in accordance with previous legislation, namely, to reduce the public debt. Should these receipts not be used for such purposes, purchasers of Liberty bonds during the war period could rightly claim Congress had acted in bad faith. Moneys used otherwise than to reduce the public debt would simply mean additional financing to meet maturing indebtedness.

6. Attention is called to the significance of the date the certificates are to bear, namely, October 1, 1922. Expert testimony was given of the enormous amount of work that will be required and investigations to be made in order that the certificates shall be properly issued. With a large force of clerks and the best expert assistance possible, comparatively few certificates could be issued by that time, and it would be at least six months before any large number could be put out. The reason for the date, therefore, of the operation of the bill as October 1 next, one month prior to election, is very apparent. No consideration whatever has been given and no estimates furnished the public as to the cost of the operation of the necessary bureaus for carrying out the intricate machinery that must be established.

The following summary is furnished by The Adjutant General's Office:

Number of clerks required:	
Adjutant General's Office	2,000
Finance office, War Department	750
Total number of clerks in Army	2,750
Estimated cost for Army branch (per annum)	\$4,000,000
Number of clerks in Navy	350
Estimated cost for Navy branch (per annum)	\$475,000

It is conservatively estimated the total administrative cost in the two departments will be about \$4,500,000 yearly. This does not include work in the Treasury Department, which I am informed will require about the same assistance as was necessary for the War Risk Insurance Bureau.

7. Frequent reference has been made to payments made by foreign countries for similar purposes to this bill. It may be invidious to state in many instances these payments have undoubtedly been made with money borrowed from the United States for which our citizens purchased Liberty bonds.

8. Title VIII, known as the land settlement, establishes an expensive machinery of management, offers untold opportunity for reckless expenditure, and under the guise of veteran aid it permits, among other things, the board to lay out town sites and build unlimited highways. Such general authority should not be granted under the guise of veteran aid. Preference could have been given veterans under existing reclamation laws, accomplishing the purpose for which this title purports to be written.

9. Enactment of this bill would be directly contrary to the advice of the Executive. Under date of February 16, he wrote "that any compensation legislation enacted at this time ought to carry with it provision for raising the needed revenue." Should the suggestions referred to in his letter not be adopted, he further stated: "It would be wise to let the legislation go over until there is a situation that will justify the large outlay." I thoroughly agree with the Executive's views as stated, that "such a postponement shows no lack of regard for the service men, in whom all the American people are so genuinely interested."

10. The Republican Party emphasized in its Chicago platform reduction in taxation and decreased governmental expenditures. It is very apparent that should this bill be enacted into law, there can be no reduction in expenditures and there must be increased taxation.

This is a party pledge and one we should respect to the fullest extent. The proponents of this bill have plainly shown that they have little expectancy of the bill becoming law. Whenever legislation is proposed not sincerely accepted as fundamentally right, its mistakes are apparent and it invariably returns to haunt those favoring it. I predict the usual result for this bill.

I have read all the statements of the Executive, and I am convinced that the position I have taken on this bill is four-square with his views.

Mr. Speaker, I yield five minutes to the gentleman from Ohio [Mr. BURTON].

Mr. BURTON. Mr. Speaker, in opposing this bill I do not commit myself against such form of compensation to soldiers of the late war as is just and not disastrous to the welfare of the country. At the same time I verily believe it would be far better for those soldiers who are strong of limb not to seek appropriations for a bonus, at least not at this time. Their record of patriotic service is a much nobler and more valuable reward than any opportunity to borrow on certificates of insurance or any dole from the Treasury. Is love of country dead? Must all better impulses and every ennobling action be melted down into dollars? With those who perished in the struggle it was not so. They made the last final sacrifice for a cause. The whole world acclaims the American soldier who fought in France and Belgium. The men who fought on the battle front with only limited training, and going forth from a land whose ideals are for peace, showed a courage and a prowess unsurpassed by the trained legions of Europe. They were glorious in battling for us and for the cause of liberty and right. Not only would their own honest pride of service be a more excellent reward than any payment of money can bestow, but the burden of any bonus would rest with crushing weight upon them as well as upon all others of their fellow citizens. We are now passing through a period of industrial depression much more serious than any ever experienced in the United States. This condition is due to the waste and destruction of war, the dislocation of industry, a season of unparalleled expansion and extravagance, and is accentuated by the troubled condition of those countries upon whose prosperity our own so much depends. The seriousness of the situation can hardly be exaggerated. Millions are out of employment, soup kitchens have been established, and bread lines. A ray of light is now appearing. There is hope; let us not dissipate it. That which is most immediately pressing is the incubus of debt and taxation under which the country is staggering. It is an absurd fallacy to suppose that this enormous load of debt and of expenditures rests upon the taxpayer alone. The whole country is suffering from the injurious effect. Industry is fettered. The cost of living continues to be high. Undertakings which would bring widespread benefit to all classes of our population are abandoned, and each additional burden spreads a blight of discouragement all over the land.

This measure baldly manifests a lucky-go-easy disposition, to add to the weight of expenditures, which are already almost overwhelming, other outlays to be counted in billions, and trust to a future which may abound in hope or be dark with despondency. It is sometimes the last straw which breaks the camel's back. Expenditures for the future, whether they be postponed for 1 year or for 20 years, threaten to bind industry hand and foot. It would be far better if these payments which are sought to be made were provided for now by taxation. Why was this measure referred to the Committee on Ways and Means? It was because they have the jurisdiction over measures for raising revenue, and for no other reason. For a nation, as well as an individual, the only sane policy is to take careful account of conditions, provide for the future, making appropriations from the Treasury only when means are provided to meet them.

Any proposition for newly adopted expenses now is ill timed unless provision is made to meet it. It is absolutely essential that the careless disregard for the burdens of large expenditures should receive a check. This can only be done by bringing vividly home to the minds of the people the realization that if billions are to be paid out of the Federal Treasury they must pay. Until this is done, and there is due consideration for the welfare of the country and of all its people, postponement should be arranged for the bonus or adjusted compensation or any other form of additional expenditures. Our responsibilities are of to-day. We should not place a mortgage upon an uncertain future. In this connection, I may repeat what I said here nearly a year ago, that for the wounded, the suffering, and the disabled there should be the utmost care, even though it requires the last dollar in the Treasury. To this all should agree.

I have little confidence in the figures that have been prepared as estimates of the cost. We may be reasonably certain that the claims will be much larger. In the State of Ohio a bonus was voted, and the estimated cost was \$25,000,000; \$20,000,000 in bonds were issued, and it is now believed that \$34,200,000 will be required. Attention should be called to the fact that while the debts of States have increased but a little more than one-half (55 per cent), the national debt has increased since

the beginning of the war more than 22 times. This fact should make us pause and, at least, we should wait until the country is relieved from excessive taxation. The returns of revenue for 1921 have proven altogether disappointing. Do not indulge in the delusion that further amounts can be obtained from profiteers; they will laugh at you. We now know that it would have been infinitely better to have drafted into the service of the country in an appalling emergency not merely those who were to take up arms, but all, from the highest to the lowest—the banker, the merchant, the employee in the factory and in the mine, as well as those who risked their lives in the struggle. No country is safe or worth while unless those of military age can be called to the colors and every citizen be required to do his part when the life of the Nation is at stake.

I am thoroughly aware, Mr. Speaker, of the dangers which threaten the political fortunes of those who vote against this bill. I have carefully considered the probable results, but no desire for political support when weighed in the balance should count for a moment against what I regard as a plain duty to my constituency and to the country which I have sworn to serve. I have the utmost respect for those who from conscientious motives or possibly groundless fear entertain a different opinion, but here we are, and we are facing to-day a responsibility from which we can not flee. Especial condemnation should be visited upon a campaign which has been waged for securing this bonus by threats and by the claim that those who advocate it control some millions of voters, who will oppose anyone who votes against it. As against such a vicious movement there is but one remedy, and that is courage.

It is forecast that this measure will pass by a large majority. Be it so. I still believe that the list of those who vote against it will constitute a roll of honor, rather than of discredit, and that when the tumult and the shouting of to-day have died away and the intensity of this campaign has ceased the country will approve our course.

Mr. TREADWAY. Mr. Speaker, I yield three minutes to the gentleman from Massachusetts [Mr. LUCE].

Mr. LUCE. Mr. Speaker, this bill, this particular bill, so reeks with injustice that it ought to be condemned not only by every man here but also by every Legion post in the land, as well as by every ex-service man not in the Legion.

It is unjust to the wage earner because it tends to delay the return to full employment.

It is unjust to the farmer, the manufacturer, the merchant, because it tends to postpone the revival of business.

It is unjust to the administration because it will embarrass the public finance.

It is unjust to the people because its machinery involves the needless expenditure of perhaps \$20,000,000 for interest and as much more for administrative expenses that would be saved by the simple program of the President for raising the money at once by taxation.

It is unjust to the thrifty millions who, through deposits in the banks, furnish the capital for industry and commerce, for it will tie up through three years a third of a billion dollars that might otherwise be available for housing, reconstruction, production.

It is unjust to that part of our banks, perhaps a third, and notably those in the West and South, which to-day are hard pressed for the quick assets needed to lend in the communities that are suffering most from hard times.

Worse yet is the unfairness of this particular bill to the soldiers themselves.

It is unfair because to the beneficiaries who saw the least service, 60 to 110 days, it causes the least trouble, for they and they alone are to get cash.

On the other hand, to those who served longest, members of the National Guard and the early volunteers, it denies adjusted compensation for more than 500 days, no matter how long they were away from their home work.

To those who went across it gives the same daily credit whether they were of the 1,400,000 who reached the front or of the 700,000 who did not. At the same time it gives a 25 per cent advantage to the 700,000 who went across and were not exposed to danger over the 2,000,000 who did not get across.

The bill pays no regard to age, training, or earning capacity. It ignores the number of dependents or whether there are none at all. In short, it does not take into account either comparative deserts or individual needs, save that its lending provisions bear hardest on the man whose needs are greatest, the man who must borrow or suffer.

The burden of the cost—\$4,000,000,000 before we get through with it—is to be borne by a people including the men who could not go because they were rejected by reason of physical and other infirmity and those who could not go because they were

too old or too young or of the sex that could furnish only nurses. It includes all who at home suffered by the war—far the larger part of the wage earners, because measured in commodities their wages were reduced; practically all Government employees, teachers, clergymen, salaried persons generally; the many millions of depositors in savings banks who saw the mysterious processes of finance deprive them of a third of what purchasing power they had laid aside against the needs of sickness and old age. It includes those who made sacrifices of time and strength and sometimes health in the work of draft boards, the Red Cross, the Liberty loan campaigns.

On the other hand the benefit accrues to four million and more of youths who, so far as unscathed, came out of the war with healthier bodies and broadened minds, trained by discipline and their earning power increased; assured of preference in business, of social favor, and of political advantage as long as they live; blessed with friendships that otherwise would not have been theirs; bearing honors of which they can never be deprived; endowed with priceless memories that will ever make them the envy of their fellows; conscious of having risked the greatest sacrifice that country demands.

If, indeed, the fate that took them on this wonderful adventure and brought them home safe and sound nevertheless caused them loss greater than that which through the war came to far the larger part of the rest of the Nation, and if this loss should be compensated, let it not be done by processes that will work fresh injustices and untold harm.

Mr. TREADWAY. Mr. Speaker, I yield to the gentleman from Connecticut [Mr. MERRITT].

Mr. MERRITT. Mr. Speaker, the minority of the committee have stated very clearly and convincingly the objections to the bill, particularly from an economic point of view. The majority of the committee labored long and faithfully in the effort to satisfy those of the service men who are demanding a bonus or some other form of compensation, and at the same time to provide the necessary funds without laying an undue burden on the taxpayers of the country. Of course they have failed, because there is no possible way of handing over five thousand million dollars of value to any class in the community without taking it away from the community as a whole, including those who are the supposed beneficiaries under the act.

The majority of the committee have finally produced a bill which they state, and perhaps fondly hope, will make no immediate and direct call upon the Treasury of the United States, and therefore will not cost anybody anything, but it is perfectly clear that to satisfy the ex-service men who are demanding this legislation some means must be provided for giving cash to those who want it immediately, and to produce this it is provided that the so-called adjusted service certificates can be used as collateral for loans at the national banks. It is further said that these loans are voluntary, and the comptroller states that he will not advise any national bank to loan on this collateral, because its form is such that the loan will be fixed or frozen for three years. While the advances by the banks under this provision are nominally voluntary, the loans are, to all intents and purposes, forced contributions, especially in the smaller towns and cities, because in those places no bank could stand up under the pressure which would be exerted upon it to loan to the ex-service men the full amount which under the act could be loaned on their certificates as collateral. It will now be perceived that the committee, while claiming that this bill would produce no direct call upon the Treasury, ignores the fact that it is calling upon the very source from which money for the Treasury is produced. The Treasury will be in the market in the next three years for several thousand millions of dollars, and it is clear that to just the extent the banks are called upon to supply hundreds of millions of dollars to veterans, so much less will be available to the Treasury, and this unquestionably will produce a higher interest rate on the Treasury borrowings, which will be a continuing charge on the people of the country for years to come. And a worse effect on the unemployed throughout the country, including the ex-service men themselves, will be produced because this very money which the banks are handing over on these certificates would naturally be used in assisting farmers, manufacturers, and merchants to take advantage of improving business conditions and expand their business and increase their employment.

Any supposed improvement of business by the handing out of bonuses will simply be a temporary flash, due to inflation, which will not benefit those who receive it and will have no permanent beneficial effect on business. Business is not improved by merely handing out and spending money, but only by spending it for projects which increase products and increase profits.

As to the remaining proposals in the bill, I do not propose to add anything to what is said in the minority report. They call

for an unknown expenditure running into billions. No one can dispute that the burdens laid upon the country by this bill will be a tax throughout all this generation, and probably two generations beyond it.

The Civil War ended more than 50 years ago, and yet the annual appropriations for the pensioners of that war exceed two hundred millions, and the total expended on account of the pensions for the Civil War has been over five thousand millions, while the men in the Army and Navy during that war were less than half those engaged in the late war. If precedents go for anything, it should be recalled that President Grant, in 1875, over 10 years after the Civil War, vetoed a bonus bill which called for the relatively small amount of \$8.33 a month for time served during the war. In returning the bill to Congress President Grant gave the following reasons for his unwillingness to sign it:

First, that it appropriates from the Treasury a large sum of money at a time when the revenue is insufficient for current wants and this proposed further drain on the Treasury. The issue of bonds authorized by the bill to a very large and indefinite amount would seriously embarrass the refunding operations now progressing, whereby the interest of the bonded debt of the United States is being largely reduced. Second, I do not believe that any considerable portion of the ex-soldiers, who, it is supposed, will be beneficiaries of this appropriation, are applicants for it; but, rather, it would result in a measure for the relief of claim agents and middlemen, who would intervene to collect or discount the bounties granted by it. The passage of this bill at this time is inconsistent with the measures of economy now demanded by the necessities of the country.

And it must not be forgotten that no general service pension or bonus legislation was passed until 30 years or more after the close of the Civil War.

The committee report states that about 4,500,000 individuals are eligible to receive benefits under the bill. Of that number The Adjutant General states that 2,086,279 served as members of the American Expeditionary Forces up to the end of 1918, of whom approximately 1,390,000 saw service at the front in combat units.

These figures show that approximately three millions of those who would be entitled to the privileges of this bill either never left the country or never were at the front. This is no discredit to them, and I do not mention it in any critical or ungrateful spirit.

I have always thought, and think now, that the selective draft legislation was one of the great acts of the war, and the spirit in which it was carried out, both by those who administered it and those who were drawn into the service under it, was one of the most inspiring things which has ever happened since the foundation of this Government. It proved that the foundations of the Republic are sound, and that those who enjoy its privileges acknowledge that these privileges imply obligations as well, and that those who were drawn under the selective draft willingly and gladly assumed those obligations. I gave The Adjutant General's figures merely to show that some three millions of those inducted into the Army, who must have been, in order to pass a medical examination, the selected youth of the land, who were not subjected to any dangerous hardships, who went through a useful and healthful training physically and mentally, and most of whom at the end of their term of service were better men in every regard than when they entered it, are those who will receive the bonus or some other material reward under this legislation.

That means that these 3,000,000 young men, at a time when the country is just about to recover from a severe business depression, when many hundreds of thousands of men and women are without employment, are to be selected by legislation to receive from the public funds a sum immense in the aggregate, which must be paid by all citizens, many of whom are not so well situated as are the ex-service men themselves, and most of whom are not so well able by reason of their health and vigor to make their own way. I say that all other citizens must contribute to this special fund and special class. Congress may endeavor by some specious tax provision to put the burden of this expense upon the few, who, they say, can easily bear the burden, but, fortunately or unfortunately, no tax and no levy can be placed on the shoulders of any one class. Its burdens are sure to be distributed and affect every citizen and inhabitant of this country. In fact, many of those taxes which are supposed to be confined to the rich or the well-to-do will in the end produce a greater burden upon the working class than taxes which they may think hit them more directly.

Despite the ability and ingenuity of the majority of the Ways and Means Committee there is no miraculous and innocuous way of raising five thousand millions of dollars or any other sum by taxation.

But to my mind there is a more serious side to this legislation than the economic side, serious as that is. That this side was appreciated by those who were largely responsible for the founding of the American Legion is shown by the following ex-

tract from the first general caucus of the American Legion which was held in St. Louis in May, 1919, when the bonus question was first presented officially to a general meeting of the legion. I quote the following from the official record of the proceedings, on page 139. The convention was engaged on a report from the committee on resolutions and was considering the resolutions paragraph by paragraph, whereupon the chairman, who was Col. Henry D. Lindsley, of Texas, stated as follows:

The CHAIRMAN. The secretary will read the next resolution. The SECRETARY. Eighth paragraph, additional pay for enlisted men: "Whereas the financial sacrifice of the enlisted persons in the military and naval service of the United States in the World War was altogether in excess of that of any other class of our citizenship; and "Whereas the great majority of these persons left lucrative employment upon joining the colors; and "Whereas this direct financial sacrifice was made at a time when men, many of them aliens, who remained in safety at home, were enjoying the advantages of an exceptionally high war wage; and "Whereas the service which involved this sacrifice was a Federal service in defense of our national honor and national security: Therefore be it

"Resolved, That the delegates to this caucus of those who served with the colors in the World War urge upon the Members of the Sixty-sixth Congress the justice and propriety of appropriating a sufficient sum from the National Treasury to pay every person who served in the enlisted personnel in the military or naval service for a period of at least six months, between April 6, 1917, and November 11, 1918, six months' additional pay at the rate of \$30 per month, and to those persons who served less than six months in the military or naval service, between April 6, 1917, and November 11, 1918, the sum of \$15 per month for each month so served, this bonus to be in addition to any pay or bonus previously granted or authorized to be paid upon and subject to the honorable discharge of any such person."

Then, after some suggested amendment, the chairman spoke as follows:

The CHAIRMAN. Before I put this motion I want to call to your attention the fact that this is a pretty serious matter that you are considering. It is for this caucus, of course, in its wisdom to determine that which it wants to do, but up to this time it has assumed continuously a most splendidly high patriotic and unselfish attitude toward all questions. It has dealt immediately and fairly and positively with regard to employment problems, but I suggest to you that we ought to consider very carefully whether we want to go on record as a caucus, as provided in this resolution, and I would prefer not to put the question until you have considered and discussed it further.

After another suggested amendment Lieutenant Colonel Roosevelt, of New York, spoke as follows:

Gentlemen, I want to draw to your attention to one feature of this. I heartily agree with what the chairman has said so far.

I want you to get this reaction. In coming out here on the train, one of the delegates who was coming out on the same train with me stopped and talked to the conductor, who said: "That is young Teddy up there, and he is going out to St. Louis to get the men together and sandbag something for them out of the Government." To "sandbag something out of the Government." Now, you get the idea of what he thought we were trying to do. We want everything which it is right for us to have, but primarily we are going to put something into that Government instead of subtracting something from it. In thinking over this resolution, think of that.

Whereupon, a member of the committee offering the resolution moved to table it, which was unanimously agreed to.

I think it is perfectly clear from these remarks that at least the chairman and Lieutenant Colonel Roosevelt felt instinctively that this legislation was not going to carry out the idea of the leaders of the movement; that the proper object of the Legion was, "To put something into that Government instead of subtracting something from it."

It is possible that in the minds of these ex-service men, who appreciated what a great instrument for good the American Legion might be, there was a lurking fear that, if started wrong, the Legion might not only interfere with its possibilities for good, but might become an actual danger. These men appreciated and Members of this House appreciate the danger in all democracies of compactly organized minorities who seek their own advantage irrespective of the public good, and who, through the menace of a compact and numerous vote, unduly influence legislation in their own favor, particularly in election years. It is this menace that I, for one, dread as the outcome of the passage of this bill if it becomes a law. It is unusual for any organization which demonstrates its power to force through legislation for its own benefit ever to rest content. There will always be some new claim which the organization thinks it has on the country, and it will use its power to force these claims into law from time to time. It is still possible for the American Legion and the ex-service men in general to continue to be of the greatest possible service to the Nation. Let us hope that they will use their power for the general good and not degenerate into a selfish organized minority favoring themselves at the expense of the other 95 per cent of the inhabitants of this country.

There is no one in this House and no real American anywhere who does not appreciate with lasting gratitude the services, and in many cases the sacrifices of the men who were in the service on land and sea. Those of us who were unable, by reason of age or otherwise, to take part in that active service

envy the young and vigorous men who did. We feel, as they must feel, that the memory of their service and their sacrifice is a precious possession for them and for their descendants. And it seems to me a very doubtful benefit and a very fleeting satisfaction to demand or receive from the Government any bonus or reward which will cloud that memory with even a suspicion of commercializing their patriotic service. We can not compensate the sacrifices which many of the men made by any money payment. Equally, it is a duty and a pleasure for all of us, not only by our votes but by any necessary sacrifice of money, to endeavor in the best ways which lie open to us to take care of all those who were wounded or incapacitated.

There never has been, and will not be, any hesitancy on the part of Congress or the American people to recognize their obligations in this regard to the fullest extent. The American Legion and all other ex-service men appreciate this and have made public statements to that effect.

I believe it is true that no other Government in the history of the world has ever been so generous and solicitous to care for its sick and wounded as has the United States, and the fact that we are to-day spending over a million dollars a day for this purpose testifies, so far as money can testify, to the truth of that statement.

On that particular point my only criticism is that there are some classes, such, for example, as the student nurses and the reconstruction aides, who just as truly sacrificed their health, and in many cases their lives, as did the men at the front, who have not yet received recognition.

If we are to distribute money in the shape of bonuses, what shall we say of all the devoted men, and especially the women, who during all of the years of the war, at home and abroad, labored incessantly, in many cases sacrificing their health, in the service of their sons and the sons of others in order that the service men might receive proper care both here and abroad? While the Army and Navy were the fighting arms of the United States, it should not, in fairness, be forgotten that the whole Nation, on the farm, in the workshop, in the offices, and in the homes, worked and made sacrifices to the end that the fighting arms of the Nation might be upheld and might do their work in an efficient manner.

If a bonus is to be distributed to the young and able-bodied men who served in the war, why should the old and feeble mothers and the young and delicate wives and sisters, who made their sacrifices, be forgotten?

The inspiring spectacle of the war was the whole Nation working together without regard to section or age or sex to uphold the national honor and to save the world from despotism. All the people and all the wealth of the Nation were working together in war, and if the Nation and its people are to prosper they must work together in peace. No section and no class can long prosper at the expense of the balance of the Nation. Let us not forget that we should legislate, not for any class or section, surely not for the sake of votes in our own districts, but for the lasting good of our country. [Applause.]

Mr. GREEN of Iowa. Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. ANDREW].

Mr. ANDREW of Massachusetts. Mr. Speaker and Members of the House, those who oppose any plan to add to the pay of our World War veterans base their opposition upon one or another of three main lines of argument. They say, first, that the veterans do not deserve it, or, at any rate, that it is inappropriate to reward them financially for merely doing their duty; second, that it will be wasted, or that it will do the veterans more harm than good; and, third, that the country can not afford to pay it. These are the only serious lines of argument against adjusted compensation, and I propose, with the time and privilege accorded me, to show why not one of these arguments has any foundation in reason or any justification in fact.

WHY THE VETERANS DESERVE COMPENSATION.

First, I know that many whose generous judgment and patriotism I hold in highest regard are opposed to giving any additional pay in any form, and no matter by what name such payment may be called, to former soldiers and sailors who were not physically injured in the war. They insist that the men who in time of war offered their youth and their lives for their country can not be compensated with money or land or insurance; that it is the innumerable privilege of a country's youth to serve their homeland when in danger, and that the true reward for such service is to be found in the esteem of their kindred and neighbors, in the recollections they have of comradeship in a great and noble undertaking, and in the consciousness of the high example they have set to coming generations. I understand this point of view; I respect it; I sympathize with it; and in large degree I share it. One can not but respect the nobility of such sentiments, if sure that they are uttered by those who

are not thinking of their own income and the possible avoidance of tax burdens which might menace that income.

But, Mr. Speaker, and this is equally manifest, it is not alone the soldiers and sailors to whom this argument should have been addressed. Exactly the same considerations were applicable to those who supplied property needed by their country in prosecuting the war, and to those who—many of them exempted from military service, though of military age—helped in producing munitions and materials essential to their country's defense. They, too, should have found their true reward in the glory and memory of patriotic service and in the example of devotion which they were privileged to offer to the unborn future. But has anyone the temerity to claim that those who made guns and shells for their country in the hour of its danger were asked to find adequate compensation in lofty memories or high esteem? Were the workers and investors in plants which made shoes and uniforms for the soldiers imbued with this spirit and recompensed on this principle? Did the manufacturers of airplanes find satisfaction in spiritual and intangible rewards? Did those who sold to the Government woolsens, or copper, or automobiles, or ships? Did the brokers and great metropolitan banking houses who negotiated Government contracts rest content with contemplating the sacrifices which they had endured for a suffering world?

Mr. Speaker, I can not discover any fair basis for distinguishing between the Government's debts to the brokers who negotiated Government contracts and to the firms that manufactured war materials and to the civilian laborers employed by these firms, on the one hand, and its debts to the soldiers and sailors who offered their youth and strength and life on the other. Our Government was called on to pay to the last Shylockian drop for everything that it bought or hired in connection with the war except for its soldiers, sailors, and marines. It paid during the war prices inflated "beyond the wildest dreams of avarice" for most that it bought and most that it hired. When the war was over, it settled for canceled contracts, even those entered upon after the armistice, and in many cases even for contracts which were only implied, with unheard-of prodigality. Contractors were not only paid for losses incurred but even for profits not gained. Those who pressed claims against the Government for money invested or for property sacrificed in the war were not told to find their reward in a happy conscience or in fame. They had their compensation more than adjusted. They received their compensation on the cost-plus basis, and no suggestions were ever made that they should accept memories and dreams in lieu thereof. Some, in fact, who to-day are most tenaciously contesting the relatively modest claims of the veterans on the ground of the Treasury's impoverishment are the very ones who did not hesitate, when their own interests were at stake, to press gross and viciously inflated claims against this same Treasury.

Now, Mr. Speaker, I know the argument that some of the gentlemen opposing additional compensation for the veterans are accustomed to advance. They ease their consciences in opposing such payments by saying that if they had had their way the laborers would have been drafted and mobilized just as the soldiers and sailors were, and munitions plants and mines and factories supplying war materials would have been commandeered in the same way. "Of course," they always add, "the cost-plus system was wrong, and the Government ought not to have done what it did, but two wrongs do not make a right." Most of us have heard that cunning argument so many times that it sounds almost phonographic. But in legislation, as in everything else in life, we have to face the facts as they are and deal with the situation as it is and not as it might have been.

Having recognized so fully, as every one admits that we did, our debts to the contractors and brokers and civilian workers of the war, we are now morally bound to recognize, even if belatedly, the obligation that the country owes to those who were our soldiers and sailors, and whom, when they returned from the war, our Government turned out jobless, without giving them enough to buy, at that time, a respectable suit of ready-made clothes. Those who were in charge of the Government unquestionably ought to have given more generous help to the men retiring from its military service. They ought to have given it then and there. But they did not do so, and there remains for us to-day, three years after, an unescapable obligation to try and rectify their failure, even if we can only hope to do so in very small degree. It is hard to see how any one of generous instincts can feel otherwise. Suppose any other employer of labor, confronted with an emergency, had sent a third or fourth of his employees upon a mission involving hardships and possibilities of peril. Suppose also that he had designated the particular men who were to go without con-

sulting their choice or desire. And then suppose that while they were gone he had reduced their pay, and had doubled or trebled the pay of those who remained. What would you think of the fairness and justice and generosity of such an employer who, when the laborers returned, made no effort to adjust their compensation? What would you think of a nation which treated its defenders in such manner? The answer is as clear as the very sunlight of God's heaven.

HOW COMPENSATION WILL HELP VETERANS.

Second. We come now to the next argument against adjusted compensation, what might be called its second line of defense. Opponents of the measure insist that even if the Government did deal unjustly and ungenerously with its veterans at the moment when they were discharged from the Army or the Navy, nevertheless a belated payment made to-day would do them more harm than good. Such payments, they say, would be wasted, or worse, they would encourage idleness and dissipation. One opponent, in a widely circulated statement, has declared that "it will put obstacles in the way of the veterans' true advancement. It will induce men to quit work and loaf, and will have disastrous effects upon industry all over the country." Another predicts that many veterans, when they receive their money, will take passage for Europe, or some country where they can escape the benign provisions of the Volstead Act, and will live riotously until their funds are exhausted. He was referring to the cash bonus, since eliminated from the bill, which allowed a veteran, at the most, payments of \$50 at intervals of three months. This would have amounted in the aggregate to \$200 per year, or an average of \$4 per week. Now, under the new bill, if a veteran had served overseas for the greater part of two years, he might, by borrowing the maximum, secure cash to the extent of \$312. But surely any soldier would command the admiration of Members of this House, both for his optimism and for his financial ability, who could get transportation to and from Europe and live extravagantly upon any such modest sum. These are only chance examples among many that might be cited of the exaggeration and of the ignorance of the provisions of the bill which have been displayed in statements sent broadcast by its opponents.

No one, of course, would claim that veterans are instinctively more wise or more thrifty than the common run of men. Among the youth who served in the war, as among the youth and their elders who did not so serve, there are some who save their earnings, and there are some who squander them. I firmly believe, however, that the handicaps and obstacles which the veterans have had to overcome during the past three years have tended to make them more appreciative of the value of money and of the difficulty of acquiring it, and I also believe that the provisions of the pending bill, especially if somewhat simplified in detail and definition, will induce the majority of veterans to conserve their adjusted compensation as insurance for themselves and their families in the future.

THE VETERANS' UNRECOGNIZED HANDICAPS.

Our ex-service men have struggled during the last three years under more and greater handicaps than most people recognize. It is not, as many assume, merely a question of their having failed to get the wages during the years of the war which they might have gotten if they had remained in civil life. It is not simply that they came back to find their companions of pre-war days able to live far more luxuriously than they were able to do. Nor was it merely that they found themselves of a sudden "dumped out," along with several million others, on a world that had few places waiting for them. There were other and still more difficult handicaps for them to overcome. Their military life had not only not fitted them for ordinary occupations; it had actually tended to unfit them morally and mentally to resume quickly the responsibilities and routine of civilian life. For months, running in most cases well into two years, those who were enlisted men had lived without initiative, without either obligation or opportunity to do more or otherwise than they were daily told to do, knowing each day that what they did would have no helpful bearing in the way of preparation for their future. They had lived a vagrant, nomadic life, one month here, the next month there, perhaps on the other side of the ocean, a life of change, of intermittent excitement and intense nervous strain, a life far removed from home and its customary restraints and duties, a life as different from all that had gone before, or all that was destined to come after, as the Middle Ages were different from modern times. No other life that one can conceive of would so unfit a youth mentally—I am not oblivious to the physical benefits, which were many—as the life of a common soldier in time of war. In the course of six or eight months after the war ended approximately

4,000,000 young men, who had undergone these very unsettling experiences during one or two years, were turned loose without jobs, without clothes other than their Army equipment, and without other money to help them make a new start in life than the paltry \$60, which was all that the Government handed them, and which at that time was insufficient to buy more than an overcoat or a civilian suit of poor material, one or the other, not both. We have seen them as the months and years have passed still going about in their khaki blouses and shirts and their Army shoes, and in winter wearing their Army coats, dyed or remade because the Army forbade them to wear their unchanged uniforms after discharge.

It is probably true that many of them did not seize the first chance of employment that was offered to them; that they hesitated to drop back to work inferior to that which they had known before they left for the war; that they were reluctant to accept wages, perhaps high in terms of dollars as compared with prewar standards, but much lower in buying power, and far inferior to the wages received by their pre-war companions who had remained at home. It is doubtless true that many of them remained restless, turned from one thing to another and could not settle down at once to steady work. It was one of the inevitable results of the life they had been living. It was one of the handicaps which they had to face and overcome, and which we as a people ought to understand and recognize.

Gradually, however, the 4,000,000 veterans began to readjust themselves. The vast majority of them were finding places that enabled them to get along, to contribute their share to the family rent and grocery bills, perhaps even to assume the responsibility of a family of their own, when abruptly the business of the country withered and collapsed. Mills and factories which had been working to capacity shut down in part or closed their doors completely. Mines similarly curtailed operations or ceased working altogether. Stores and shops and offices reduced their forces. Again several million men were unemployed. I do not mean to pretend that only the veterans found themselves out of work, but I do contend that it was almost inevitable that the "last hired" should be the "first fired," and that ex-soldiers who had been "taken on" since the war should be dropped sooner than those who had had the advantage of longer experience and greater proficiency, gained at home during the war period. The situation needs no argument by way of proof. It is known to everyone who has visited the crowded headquarters of veteran organizations, or who has been at all familiar with the busy bureaus for unemployment anywhere in the country during the past year.

Now, it is because our veterans have had to face these many distressing handicaps since their return from the war—handicaps due first to their retarded start in life; second, to their own mental unrest; and, finally, to the general unsettlement of the country's industry and business. It is because of the long, hard struggle they have had to make during these past three years in order to hold their own and to get along that I believe the veterans to-day will appreciate and profit by the financial benefits which the Government proposes to offer them—not only more than they would have three years ago but also more than any other group of citizens in the country.

THE MEASURE ENCOURAGES THRIFT.

Furthermore, the measure which lies before us has been framed in such a way as to encourage a thrifty regard for future benefits rather than present consumption or enjoyment. In every one of the alternatives offered to the veteran this idea is dominant. The bill offers him help in securing a farm or a home; it offers him help for vocational training; it offers him, free of charge, an insurance policy (or certificate, as it is non-descriptly called in the bill) which will be paid to the beneficiary whom he may name or to his heirs in case of his death, or which will be paid to him if still living at the end of 20 years; and while it gives him a chance to obtain cash loans on the security of his insurance when needed, it stimulates him to repay these loans, not only by penalizing his failure to do so but by adding to the maturity value of his capital in case he does.

I could have wished that these penalties and rewards had been reduced to a more simplified and more easily comprehensive system in the bill, but the very desirable principle of thrift encouragement is fundamentally embodied in the measure and it will not be difficult for those who have still to deal with it to perfect its details.

In a word, the measure now before the House offers to our veterans not only a just and fair, if long overdue, reward, but also a reward that has been framed upon the principle of helping the beneficiaries to help themselves, which is the guiding principle of all intelligent humane legislation.

THE COST OF COMPENSATION.

Third. We come now to the third and last serious line of defense—the line of most grim and dogged resistance on the part of the opponents of adjusted compensation. It is the argument of those who say that they would like to give the veterans such compensation, who admit that the veterans deserve it and that it would doubtless be very helpful to them at this time, but who insist that the country simply can not afford it. The argument is generally premised upon the assumption of an involved expense running into inconceivable billions, and this, it is naturally asserted, will force a multiplication of the tax burdens under which the country is now staggering, will retard, if not reverse, the recovery of the country's business, and will cause in the end much more distress than that which it is intended to alleviate.

I have received, as every Member of Congress has received during recent weeks, a deluge of market bulletins and circular letters from corporations and brokerage houses professing to estimate the burden which the adjusted compensation bill, if adopted, will place upon the business of the country, but I have yet to read one such circular or to read any financial letter in any important metropolitan daily which gives anything but a grossly exaggerated statement of the probable cost of the pending measure. The financial writer of the Philadelphia Public Ledger recently stated that the bill "will require two billions of dollars, initially," and this seemed bad enough, but an editorial in the Washington Star a few days later estimated the cost as ranging somewhere between fifty and seventy-five billions. After that, one was not surprised when the Secretary of the Treasury raised the limit to one hundred and eighty-five billions—although he subsequently admitted an error of one hundred and sixty-seven billions in his original estimate.

What are the facts?

According to the tabulations furnished by the finance officers of the War and Navy Departments the maximum cost of the payments provided for in the bill reported on March 16 by the Ways and Means Committee would be a little in excess of \$4,000,000,000 in the course of 20 years. If all the veterans kept their insurance intact and did not forfeit any of it by borrowing against it and defaulting, so that its maturity value reached the maximum, the total cost would foot up to this aggregate of \$4,000,000,000 by 1943, an aggregate roughly equal to the total expenditures of our Government during a single current year, but this aggregate would be distributed over 20 years and not more than a quarter of it would have to be paid before 1943.

The minimum expense of the measure would be \$1,200,000,000 and would occur only under the following conditions: If all the veterans were to borrow cash from the banks at once to the full limit authorized by the bill, and all were to default upon their notes, it might cost the Government altogether \$1,200,000,000 three years hence, at the end of 1925, but that would be all that it would ever cost. These are the maximum and minimum costs involved in the present bill—the maximum, \$4,000,000,000, scattered over 20 years and for the most part not due before 1943; the minimum, \$1,200,000,000, possibly due in 1925.

The actual cost will depend upon the choice of the veterans as between the different alternatives that are offered them. According to the estimate of the committee, in no year before 1943 would the total expense amount to more than \$136,000,000, and during most of this time it would range around \$30,000,000. The committee estimates make no allowance, however, for borrowing on the part of the veterans, which would doubtless hasten and materially add to the Government's expenditures during the years immediately following 1925. For the first three years their estimates of the expense involved are as follows:

1923	\$74,279,000
1924	124,440,000
1925	121,370,000

WHAT CANADA DID FOR HER VETERANS.

These are indeed formidable sums from the point of view of an individual, but they are not terrifying from the viewpoint of a great country like ours, and they are but surface ripples as compared with the mountainous wave of expense which the writers of financial bulletins have pictured as about to inundate the country in case the veterans' bill is adopted. Canada in the single year of 1919 paid to her soldiers "war-service gratuities" amounting to \$164,000,000, and her population is not one-twelfth as great as ours. If our Government were this coming year to pay her veterans as adjusted compensation an amount aggregating per capita what Canada paid to her veterans as "war-service gratuities" in 1919, it would amount to more than \$2,000,000,000. It would not only acquit once and for all the whole cash bonus as proposed in the original Fordney-McCumber bills, but it would leave an additional bonus of more than \$500,000,000 available. Surely if Canada, notwithstanding that she had been engaged in war for four years and that 10 per cent of her popu-

lation had been enlisted, could pay this gratuity in the first year after the war ended, we ought to be able to pay the incomparably lesser sum asked for to-day, and to pay it without the remotest suggestion of ruin to the business interests of the country.

I have already named the sums asked for during the next three years. They are not of staggering proportions. They range from \$74,000,000 in 1923 to \$136,000,000 in 1925, the largest total being less than a tenth of what the Army and Navy cost last year.

TAX PROVISIONS DESERVE NO PLACE IN BILL.

It has been said that in order to raise these sums, special taxes must be levied. But the suggestion of levying special taxes in order to meet a special expenditure has seldom been raised with regard to any other measure, and never has it been raised before in connection with the adjustment of compensation for any other war claimants. When the Dent Act was passed, which arranged for settling claims of war contractors, no particular revenue measure was provided, although the actual compensation paid under that act amounted to nearly \$3,000,000,000. No prejudice was created against these claimants and there was little protest against them, because they were paid out of the general resources of the Treasury, and no definite taxes were assigned for their settlement. The same is true of the adjustment of the compensation proposed for the railroads, amounting to \$500,000,000 for the losses incurred under war administration. It is true, also, of the \$40,000,000 voted to compensate mine owners for losses incurred merely in getting ready to produce minerals for chemical warfare, but without actually producing them. It is true of the many millions voted for the relief of Shipping Board contractors. If, as has been suggested, we were now to incorporate new taxes in the act adjusting the compensation of the veterans, we should discriminate in a manner quite without precedent against the claims of those who offered to their country not property, but their youth and their lives—claims amounting to only a fraction of those already met for property. We should help to turn what is intended to be, and what ought to be, an expression of gratitude and an act of justice into a source of criticism and disparagement of the country's defenders. This has, in fact, already resulted to a serious extent from the agitation of such proposals.

HOW EXPENSE OF COMPENSATION CAN BE MET.

That the requirements of adjusted compensation as provided for in the present bill can be easily met during the next years without additional taxation would seem obvious, if it had not been disputed by those in authority. If the results of the recent Conference for the Limitation of Armaments prove anywhere near as substantial as we hope and believe, the resultant economies in the appropriations for the Army and Navy will amount to at least \$200,000,000 yearly. These are economies which were not contemplated and taken account of in next year's budget, and they are more than double the estimated requirements for compensation during the next two years. If continued for 20 years, these economies alone will aggregate enough to cover the total cost of adjusted compensation. The War Finance Board, which, according to present litigation, will begin liquidation on July 1 next, will also release enough millions of Government money to meet a large part of the veterans' bill for the next two years. But even if these sources did not exist, merely a part of the interest which is annually accruing on the British debt would be sufficient to meet the soldiers' claims for the next two years. In fact, the interest accrued and accruing on that debt alone would cover every expense involved in adjusted compensation throughout the whole 20 years of its payment. I mention Great Britain specifically, because her solvency does not depend to the same degree as that of France and Italy upon reparation payments from Germany, and because the British Government has already begun to reduce its own domestic debt. Within the past fortnight, in fact, announcement has been made that payment of £50,000,000 (over \$200,000,000) in interest to the United States is being arranged for in next year's British budget.

This of itself is more than double the amount required for the coming year by the pending bill. In any one of these several ways our veterans can easily be compensated without increased taxation, without increased loans, and without even touching the principal of the debts which are owing us. And such being the case, Congress ought, in justice to the veterans, to pass the adjusted compensation act without attaching to it any special revenue measure, and it not only ought to do so but it can do so without fear of embarrassment to the Treasury.

POLITICAL ASPECTS OF COMPENSATION.

There is another line of argument against adjusted compensation to which I might also allude. It is the most unworthy of all arguments, but the one most frequently and most vigorously presented by those of my correspondents who are opposed to the bill. It is well illustrated by the weekly letters of the National Founders' Association, signed by its president, William

H. Barr, copies of which have, I believe, been received by most of my colleagues. In his letter of March 9 Mr. Barr says, "Make it plain to them—the Members of Congress—that there are political reasons which should compel them to avoid any further bonus burden," and in his letter of March 16 Mr. Barr renewed his gentle admonition in these words, "Even if the Senate by the exercise of good sense should defeat this bill," he says, "we shall remember those who were responsible for it." I have received during the past two months several scores of such menacing letters from men similarly placed at the head of large corporations, but never a promise or a threat, or any appeal to personal advantage has come to me from any veteran or any veteran organization. This, I believe, has been the experience of most of my colleagues in the House. We have received an occasional mildly worded resolution from a legion post or other veteran association expressing indorsement of the plan of adjusted compensation or of some of its features, but without ever a suggestion of that bullying and browbeating attitude which has become all too familiar from the other side.

I realize that the debt which our Government owes to its defenders has come to be regarded very much as are all debts for services long since rendered. The feelings of many of our people toward it are akin to our individual feeling toward the bills of doctors and lawyers for services which they may have performed in time gone by. The doctor may have saved the life of one of us or of one we love, several years ago, or the lawyer may have saved our home and fortune. But we face their belated bills for such services perfunctorily and with a not unnatural desire to find any possible means of escape.

WASHINGTON AND COMPENSATION.

Unfortunately with our debt to the veterans the situation is even more depressing. The vision that illumined the world four years ago has paled with the lapse of time. The spirit of brotherhood and of willingness to sacrifice which animated the country has gradually flickered out. Even the memory of what was great and beautiful in those epic years is fading rapidly. We have almost forgotten how we sent our soldiers off to the war with music and garlands and pledges of undying gratitude, and how frantically we acclaimed their return with unbridled expressions of affection and appreciation for what they had done. We have almost forgotten that we only offered them words and music and flowers, and that we still have a tangible debt to pay. We have almost ceased to realize that, as Washington said 140 years ago of the compensation he thought was due to the soldiers of his Army, "It is more than a common debt. It is a debt of honor which can not be canceled until it is fairly discharged."

Washington, addressing Congress again in 1783, added these words, which we can confidently repeat to-day:

If the whole Army have not merited whatever a grateful people can bestow, then I have been beguiled by prejudice and built opinion on the basis of error. * * * But I am under no such apprehension. A country rescued by their arms from impending ruin will never leave unpaid the debt of gratitude.

My friends, I have had no part in the framing of this bill. Such suggestions as I have made from time to time have not been incorporated in it. There are features in it which I do not like. It is not in many of its details what I should have preferred it to be. But all legislation, like everything else in life involving choice, inevitably requires compromise. I believe in the principles that underlie this bill and in the attempt which it offers to repair a great injustice. I believe that some of what seem to be its errors can be corrected later. I shall certainly vote for it.

Mr. OLDFIELD. Mr. Speaker, I yield to the gentleman from Alabama [Mr. JEFFERS].

Mr. JEFFERS of Alabama. Mr. Speaker, I want to refer to the remarks of Mr. CAMPBELL of Kansas wherein he said, while pointing his finger at the Democratic side of the House, that "your contractors" were the ones who so unscrupulously robbed the Government both during the war and in settling up contracts after the war. In that connection I wish to call attention to the fact that the Standard Steel Car Co., owned by the Mellon affiliated interests, as shown by testimony taken before the Graham subcommittee, were proven to be the worst type of the grafters who robbed the Government on war contracts both during the war and in settling up the unfinished contract after the war. Now this same Mellon, of the Mellon affiliated interests, is your (Republican) Secretary of the Treasury, prince of profiteers and greatest grafters on this Government, and he now rides around in a big \$10,000 limousine and opposes adjusted compensation for the poor devil of an American doughboy soldier who sweat blood and slept in the mud for the safety of the homes of this country, for the protection of the flag we love, and to keep this country safe for profiteers and grafters on the Government like your Mr. Mellon. [Applause.]

Mr. Speaker, a great deal has been said about helping disabled ex-service men first. It has been intimated that the American

Legion was putting the welfare of the able-bodied ahead of the care of the disabled. That is not true. The Legion has always pushed legislation for the care of the disabled first. Here is a statement to prove that from the disabled ex-service men at the Mount Alto Hospital.

Their statement is followed here by a list of petitions, all of which were signed by disabled ex-service men. These representations were presented to the President of the United States, together with an accompanying letter from the National Legislative Committee of the American Legion, as follows:

Whereas the American Legion has always given first consideration to the disabled mer in urging legislation of benefit to them before Congress; and

Whereas this is amply attested to by the passage of the first Sweet bill, now Public 104, increasing the temporary total benefits to the disabled from \$30 to \$80 per month, at a total cost of approximately \$80,000,000 a year; and the appropriation of \$18,600,000 for the construction of permanent hospitals for the beneficiaries of the United States Veterans' Bureau; and in urging the passage of the consolidation bill, now Public No. 47, an act to establish the United States Veterans' Bureau; and in securing from Congress the passage of a bill allowing time spent in vocational training to apply as residence upon a homestead; and in urging sufficient appropriations for the departments of the Government providing hospital care, compensation, insurance, and vocational training; and in urging the passage of S. 1565, just passed by the Senate, granting the right of retirement to disabled emergency officers; and

Whereas the American Legion is the only organization of ex-service men that has appeared before Congress urging the passage of all of the above legislation and many other bills in addition thereto: Now, therefore, be it

Resolved, That each and every signer of this resolution believes that the national officers of the American Legion, duly elected and instructed by national conventions of the American Legion in urging the passage of the adjusted compensation bill, are carrying out properly the request of all ex-service men and women, whether disabled or not, that the Congress pass immediately H. R. 1, now pending before the Ways and Means Committee of the House, and S. 506, now pending before the Senate Finance Committee, both bills being practically identical and providing for an adjustment of compensation for all ex-service men and women who served honorably between April 6, 1917, and July 1, 1919.

Arthur J. McNamara, H. Frederick Moyer, Joseph R. McDonald, Emory M. Snyder, Robert M. Skinner, Samuel E. Stokes, Theodore Payton, Shuford Fincher, Richard H. Powell, P. Rollins, O. F. Vogt, R. E. Goodwin, Milton Roach, W. P. Geis, Francis M. Dwyer, E. G. Yates, John J. Heffernan, A. E. Prince, David Rorer, E. P. McIntyre, Jr., Walter D. Lowell, A. H. Sando, E. C. Capers, C. R. Soilers, Chas. Stack, Tony Glatto, Charles Brewster, H. J. Graham, Ed. J. Hughes, E. A. Abbott, S. C. L. Jensen, William G. Liezert, Paul Hershey, Russell B. Hudson, W. J. Kirkpatrick, Edward S. Quad, Eddie B. Stewart, Andrew Joyce, Robert E. Clark, D. A. Fox, Erwin V. Parham, Edwin M. Haines, Thomas Kirby, John P. McDonald, Chas. N. Hess, Sam. Middleton, John Little, Stephen Nonides, Chas. Hartinger, Paul Samek, Joseph D. Salatto, N. A. Pillow, Maury C. Smith, Thomas Martin, William R. Clatterbuck, Edward L. Means, Thomas J. Kessler, Arthur Metcalf, J. H. McVay, Wm. F. Grosskurth, Richard Kennedy, John J. Capper, Arthur Ellis, Charles W. Rose, Fred Smoots, M. P. Kelly, J. F. Gilmartin, R. E. Banks, Wm. G. Simms, Lucius J. Jones, Hugh Malone, Robert Johnson, William H. Webb, Miles Williams, Robert Cooper, Marion Page, A. R. Cropper, Sara Claggett, Evelyn J. Davis, M. F. Siddall, Elmer N. O'Haver, Rossville, Md.; Litha E. Taylor, 2021 Mitts Avenue, Wilmington, N. C.; Hoke S. Palmer, Gate City, Va.; W. M. Dempsey, Washington, D. C.; L. R. Maddox, Macon, Ga.; F. F. Damron, Fairmont, W. Va.; Clifford Knutson, Crookston, Minn.; Hugh Pendleton, McDowell, W. Va.; George C. Graham, San Francisco, Calif.; Luther S. Woodward, Boston, Va.; James L. Gallagher, Vineland, N. J.; Arthur J. Hichcock, Washington, D. C.; William J. Morrissey, New York, N. Y.; Harry C. Poole, Ednor, Md.; John H. Carter, Chilhowie, Va.; Paul C. Sprinkle, Manassas, Va.; Parker V. Skipper, Baltimore, Md.; Edgar W. Brown, Boston, Va.; James E. Burdette, Silver Spring, Md.; Matthew J. Garney, Russell Souders, Washington, D. C.; Meyer Hurvitz, Washington, D. C.; Daniel Ellison, Washington, D. C.; William J. O'Sullivan, Brooklyn, N. Y.; F. E. Goodnow, Cherrydale, Va.; Stlios Bitapaes, California; Dennis Lane, New York; Emil Kunz, New York; William J. Hart, New York; Charles Kauffman, Lewistown, Md.; R. Goodell, 2650 Wisconsin Avenue NW., Washington, D. C.; O. W. Richardson, 2650 Wisconsin Avenue NW., Washington, D. C.; Charles Bergman, 2650 Wisconsin Avenue NW., Washington, D. C.; Nell Farmer, 2650 Wisconsin Avenue NW., Washington, D. C.; Fred. Beckner, Callaway, Va.; Guy C. Angell, 3630 Thirteenth Street NE., Washington, D. C.; James R. Pendleton, 3630 Thirteenth Street NE., Washington, D. C.; Clifford D. Armstrong, 2650 Wisconsin Avenue NW., Washington, D. C.; Nicholas Karson, 2650 Wisconsin Avenue N. W., Washington, D. C.; R. J. Brown, 905 Thirteenth Street NW., Washington, D. C.; William Henderson, 1011 M Street NW., Washington, D. C.; Albert Gilpin, 6703 Georgia Avenue NW., Washington, D. C.; John Cross, Jr., 317 F Street NE., Washington, D. C.; Howard Ward, 3751 Jackson Street, Seattle, Wash.; Joseph Colavecchio, 663 Crescent Avenue, Bronx, New York City; Depran Bedrosian, 345 Pennsylvania Avenue, Washington, D. C.; Jacob A. Tossounian, 903 Twenty-second Street, Washington, D. C.; Thomas White, 2576 Eighth Avenue, New York City; Otis Sanford, Bellwood, W. Va.; Hugh J. McKenna, 3549 Thirteenth Street NW., Washington, D. C.; T. J. Keating, 2650 Wisconsin Avenue, Washington, D. C.

Washington, March 22.—Petitions from 10 different groups of disabled war veterans from vocational training schools and Public Health hospitals in various sections of the country were presented to President Harding to-day by John Thomas Taylor, vice chairman of the national legislative committee of the American Legion. The petitions were signed by 1,982 disabled service men, and call upon the President and the Congress to enact the fivefold adjusted compensation bill, drawn by the Legion at the request of Congress and now before the lower House for passage.

The petitions were from the following:

C. M. Francey Post, No. 70, United States Public Health Service Hospital No. 60, Oteen, S. C., 544 signatures.

Sherman Technical Association, United States Vocational School No. 1, Chillicothe, Ohio, 350 signatures.

Disabled men in training, United States Veterans' Bureau, Pittsburg, Kans., 260 signatures.

United States Veterans' Hospital No. 45, Biltmore, N. C., 190 signatures.

Galbraith Chapter, No. 3, D. A. V. W. W., Tyler, Tex., 170 signatures.

United States Public Health Service Hospital No. 53, Dwight, Ill., 159 signatures.

United States Veterans' Hospital No. 32, Mount Alto, Washington, D. C., 133 signatures.

Disabled veterans of Sioux Falls, S. Dak., 66 signatures.

Chapter No. 1, Disabled American Veterans of the World War, Fargo, S. Dak., 57 signatures.

Disabled men taking vocational training at Hill's Business College, Oklahoma City, Okla., 53 signatures.

Copy of telegram from disabled veterans of the World War, announcing that their national convention at Detroit unanimously adopted resolutions favoring immediate passage of adjusted compensation bill.

The majority of the petitions state that persons opposing adjusted compensation legislation in the name of disabled veterans misrepresent the attitude of the disabled. They request that the discrepancy in pay between the men in the service during the war and those at home be equalized in part.

The petitions were accompanied by the following written statement to the President:

MARCH 22, 1922.

The honorable the PRESIDENT.

White House, Washington, D. C.

MY DEAR MR. PRESIDENT: In view of the fact that such wide publicity has been given to the visit of a small number of patients of the Walter Reed Hospital in opposition to the soldiers' adjusted compensation bill now pending before Congress, I take the liberty of presenting to you at this time petitions from about 2,000 disabled men, received at this office, and selected from the great number forwarded from hospitals all over the country. These petitions more clearly voice the sentiments of the disabled men regarding this legislation.

These men protest vigorously against the misrepresentation of their real attitude by a few of their number located here in Washington, and they desire by this means to convey to you their true feelings with regard to their buddies with whom they served side by side in the Great World War.

Respectfully,

JOHN THOMAS TAYLOR,

Vice Chairman National Legislative Committee.

Mr. Speaker, I shall take advantage of the general leave to extend my remarks later.

Mr. OLDFIELD. Mr. Speaker, I now yield to the gentleman from Georgia [Mr. VINSON].

Mr. VINSON. Mr. Speaker, to the last day of my life I shall never be able to forget that memorable morning of April 6, 1917, as the debate on the resolution declaring a state of war against the German Empire was drawing to a close.

Peace had ever been a passion with the Nation. It had been to the American people "like a pillar of cloud to lead them the way, and by night a pillar of fire to give them light to go by day and night."

Each and every one of us here at that time fully recognized, terrible as war is, great as the sacrifice we might be called upon to make, the hour had arrived when the mailed fist of despotism and savagery must be stricken down; Prussianism must perish from the face of the earth.

No people who are afraid to die for their rights ever long retained them. Whenever the time comes that America will submit to a violation of her rights anywhere on earth, through fear of tyrannical military autocracy, then we will witness our Nation decay to its inevitable doom. We will behold the degeneracy of our people; see the fires of democracy which were lighted in this country and which flashed across the earth, illuminating the darkest spots, smolder and die.

Forces of circumstances over which we had no control had at last brought us into the whirlpool of destruction—the most colossal war of all history.

Upon the adoption of the resolution this great Government and its millions of people buckled on the armor of war and turned their thoughts from peaceful pursuits to the successful prosecution of the war. The unlimited resources of the Nation were placed in the scales of war, and there could be no turning back until the enemy had been beaten into the dust before the victorious armies of the world and peace and happiness again restored.

In a marvelously short time over 4,000,000 of the bravest of the brave, the flower of the land, were under arms. From every walk of life they came. Two millions of these soldiers fought the battles of the Republic 3,000 miles away from home and loved ones. They were the saviors of our civilization; they struck the blow that shattered the armies of the enemy;

they rescued Europe and the world from the domination of military autocracy.

Time in its tireless flight will never cause us to forget the heroism of our soldiers as it was displayed at the Marne, Chateau-Thierry, and in the Argonne, and upon every other field of battle.

Mr. Speaker, there is another day indelibly stamped on my memory, and it is the 11th day of November, 1918—one year and seven months after the adoption of the war resolution.

Sitting in this very Chamber on that day, all of a sudden I heard the clang of hammers, the trumpet call of bugles, and the constant roar and echo of cannon, all mixed and mingled with the shouts of the people of the Capital City.

What was it all about? was the question asked by everyone. The answer came: "The armistice is signed." Thank God, the war is over. From yonder balcony of the Capitol I gazed down on historic Pennsylvania Avenue. Thousands upon thousands of people were parading the streets, waving banners and shouting for joy. There was rejoicing in every city, village, and hamlet throughout the land, and mothers who had gold stars in their window stood with tears streaming down their cheeks and thanked God that the war had ended and that no other mother's boy would have to die in the conflict.

The war being over, the millions of soldiers whose fame and heroism will live until principalities and powers have gone away forever and the everlasting republic is established where the brotherhood of man and the fatherhood of God are sung to the music of the spheres, returned to their homes and loved ones to once again assume their places in the everyday walks of life.

This mighty Government of ours has gathered under its beneficent care the disabled soldiers and the dependents of those who made the supreme sacrifice and sleep the last sleep in a soldier's grave; has become a husband to the widow and a father to the orphan.

It is the solemn duty of this Government, which it gladly performs, to care now and in the future for the disabled defenders of the Republic and the dependents of those who gave their all.

No stinted allowances are made or ever will be made, for the whole Nation recognizes this obligation, and the Government has liberally made appropriations and will continue to do so for the spilled blood and destroyed sinews of the country's defenders; a debt which, however, can never be repaid. Nevertheless, the Government will do its best to alleviate their suffering and want; but, sir, while we have been caring for the disabled and the dependent ones scant attention has been accorded to those brave soldiers who were fortunate enough to escape injury or death and who carried the flag to triumphant victory.

Does not this Government owe a debt of gratitude to these men? While we will never fail to care for the disabled and dependent ones, yet we should do justice by those who escaped injury as well as by those who were injured.

On February 14, in a speech in the Senate, the distinguished Senator from Georgia [Mr. WATSON], replying to the argument of the Senator from Idaho [Mr. BORAH], who had addressed the Senate in opposition to the bonus bill and who had advanced the idea that only the disabled ones were entitled to compensation, in unanswerable logic Mr. WATSON said:

Are battles won by disabled soldiers? Those who were killed in battle die "the beautiful death of a soldier," but they do not win the battle. The disabled soldier, nobly risking his life and being put out of action, does not win the battle. No matter how much the dead man may have contributed, no matter how much the disabled man may have contributed, he does not win the battle. The Hindenburg line and all other lines are broken by the men who are neither dead nor disabled. Two soldiers confronting the enemy, equal in bravery, equal in the sense of service, take exactly the same risk. One is shot down. The other goes forward and wins the victory.

In what degree is the patriotism of the one less than that of the other? By what process of reasoning do you reach the conclusion that the man who fortunately escapes injury or death deserves less at the hands of his country than the man who is so unfortunate in taking the same risks as to be disabled or killed? Mr. President, the test of the Senator from Idaho has never been applied anywhere at any time. It certainly has never been applied in this country.

To this argument there can be no answer.

It is an indisputable fact that from a financial standpoint every soldier was a much poorer man when he left the service of his country than he was when he joined the colors.

This can readily be understood in view of the fact that he received but \$30 per month. From this amount he was called upon to purchase Liberty bonds, make an allotment of \$15 per month to the support of his family, and to pay his insurance premium to protect his family from financial destitution in event he fell in battle, which cost the average soldier from \$6 to \$8 per month, leaving him for his own use a mere pittance from his pay.

On the other hand, it is also an indisputable fact that in an overwhelming majority of cases those who stayed at home, who knew nothing of the hardship and suffering, much less of the danger with which the soldier was constantly confronted, took advantage of the condition of the country and was from a financial standpoint far better off at the close of the war than at the beginning.

It is contended by some of those who are hostile to this bill that the granting of a bonus or adjusted compensation to the ex-service men will commercialize their patriotic service and take the glory from it. Such a contention is absolutely without merit.

Washington, the Father of his Country, has not lost nor will he ever lose his glory and renown or the high esteem, love, and affection in which he always has been and will continue to be held by the American people on account of his having received his bonus in the shape of land grants for his gallant service, not only in the Revolution but also in the French and Indian wars.

No aspersion was ever cast, or ever will be, on the fame of the brave soldiers who stood with Jackson at New Orleans or those who returned with Scott's victorious army from Mexico for having accepted from a grateful Republic land warrants to vast tracts of land throughout the country.

A large portion of the territory of the Central West and the West was populated by veterans of the Civil War, who received land grants as a bonus from an appreciative Government for their valiant and patriotic service.

It has always been the policy of this Government from the very foundation to show its gratitude in some form to its brave defenders.

I oftentimes wonder if any of those who argue that the acceptance of a bonus will tend to commercialize the patriotism of the ex-service men ever stood in the mud, filth, and slime of the vermin-infested trenches in all kinds of weather waiting for the zero hour when they would go over the top to face death in no man's land.

I wonder if any of those who have persistently fought this legislation and whose fortunes were swollen by the profit they made during the storm and stress of the war ever stopped for one moment to realize in what a pitiable condition they, as well as the entire country, would have been had not the ex-service men, who by this legislation are only seeking elementary justice, stood a bulwark of living, suffering human flesh and blood between them and the hungry hordes from across the Rhine, which would have made short work of their piles of wealth, as well as those of the Nation.

Mr. Speaker, we are the richest people on the face of the earth. There is no other nation beneath the sun as rich as this one. The national wealth of this great Republic is estimated at \$250,000,000,000, and there is to-day in circulation \$5,447,953,533, giving to every man, woman, and child a per capita circulation of over \$50. Our national debt is \$23,251,139,569. The national debt of the United States does not exceed 7 per cent of the national wealth.

Yet we have neglected in a most shameful manner our ex-service men who returned from the war uninjured. Never before in the history of this Nation has it been guilty of such a niggardly policy toward its brave defenders, and it will ever be a stain upon the fair escutcheon of the country.

Under this bill the ex-service men who accept the adjusted-service certificate as provided for under Title V, which is a scrip upon the Treasury of the United States, is forced to hawk the same throughout the Nation to get 50 per cent of its face value, and is required to borrow that from the bankers, paying 2 per cent over and above the discount rates of the Federal reserve bank, which means 7 per cent on every dollar that he borrows on his scrip.

England, France, and Belgium were not guilty of such a policy against its citizenship who in the hour of the country's need offered their all for it. They did not send their defenders throughout their country to pawn their scrip, but, recognizing the debt of gratitude, opened the door of their treasury and paid direct from it, though they were scarcely able to do so.

If there is a country in the world on the verge of bankruptcy it is France. Her national wealth is \$58,000,000,000, her national debt is \$51,000,000,000; the percentage of the debt to the wealth is 87 per cent, yet France, poverty stricken as she is, paid direct from her treasury to her soldiers the equivalent of \$249.

The national wealth of Great Britain is \$70,000,000,000; her national debt is \$37,000,000,000; the percentage of the debt to the wealth is 55 per cent, yet England, with her enormous national debt, paid direct from her coffers \$141 to her enlisted men, and as high as \$4,000 to her officers.

Belgium—poor, bleeding Belgium—with many of her cities leveled to the ground, owing 80 per cent of her national wealth,

did not send her soldiers scurrying to the banks of Brussels but paid to them direct from its treasury the equivalent of \$492 in American money.

Owing only 7 per cent of our national wealth, it is contended by this administration that we can not afford to draw further on the National Treasury to compensate our ex-service men.

It is absurd to say that a nation that only owes 7 per cent of its national wealth can not stand additional demands on the Treasury, especially when the demand is for the country's defenders, when all of our allies long ago, some of them almost on the verge of bankruptcy, owing as high as 85 per cent of their national wealth, have shown their gratitude by paying to their ex-service men direct from their treasuries.

It is argued by this Republican administration that it will bankrupt the Treasury if cash is paid to those ex-service men who would select that feature. Ah, sir, however, it does not seem that it will embarrass, much less bankrupt, the Treasury to give back at least an equally enormous sum to the corporations by remitting their taxes. In plain language, this administration claims that \$471,000,000, approximately the amount remitted by the repeal of the excess-profit tax and the reduction of the surtax in the pockets of the corporations, will stabilize business and preserve the country, but that \$471,000,000 in the pockets of the boys who fought the Nation's battles will bankrupt the country.

There was no hesitancy on the part of some of you to vote direct from the Treasury hundreds of millions of dollars as provided for in the Dent Act to reimburse war contractors; you opened the coffers of the United States to the extent of \$40,000,000 for the relief of the mineral contractors; you appropriated \$50,000,000 for the relief of the Shipping Board contractors; you gave direct from the Treasury of the Nation \$500,000,000 to the railroads, but when it comes to doing justice—simple justice—to our ex-service men, who offered their lives for their country, different treatment is accorded them and the doors of the Treasury are shut in their faces and they are sent downhearted broadcast throughout the land to make the best bargain they can.

This method of payment is not what the ex-service men want; nor is it what the rank and file of the membership of this House want. It should be paid in cash direct from the Treasury, and in that manner the billion of dollars withdrawn from circulation by the unwarranted policies of the Federal Reserve Board would again be put into circulation and would contribute enormously to bringing about a better condition in the country.

You have brought this bill before the House under a suspension of the rules and by such parliamentary tactics that no Member is permitted to offer any amendments. In other words, we have got to accept this bill just as it is written by you Republican members of the Ways and Means Committee without dotting an "i" or crossing a "t." We must take it just as it is or reject it in its entirety.

There are good features and objectionable features in the bill. This method of payment of the adjusted compensation in its present form is most objectionable; and, mark my words, the banks are not going to make loans on these certificates. Already the Comptroller of the Currency has stated that he will advise the national banks not to accept the certificates as provided for in Title V as security for loans. You will not give the House the privilege or opportunity of correcting the objectionable features.

It has always been said that by a multitude of witnesses there is strength and by the exchange of ideas best results can always be obtained, but you by your refusal to allow amendments are not seeking strength and do not care for the exchange of ideas and are not endeavoring to meet the wishes of the ex-service men. Why is it you refuse to allow any Member of this body to offer amendments? I will tell you the reason, and you well know it, for you have got to face it in November. It is because you are apprehensive that the cash that the soldiers might desire to accept in lieu of other provisions of the bill will have to be paid into the Treasury of the Nation by taxing the corporations that you are seeking to protect and that have been guilty of making an excess profit.

By this bill of yours you have chosen this day whom you will serve; your acts speak louder than words; it is not the soldier boys that are first in your thoughts, but, sir, it is the corporations, the profiteers, and the millionaires for whom you have shown preference. You have placed their interests above those of the country's defenders.

To protect the corporations and the profiteers from excess-profit tax and the ultrarich from an increased surtax, the millionaires and multimillionaires from the raising of the inheritance tax rates, you have so drafted Title V, which forces the boys who bared their breasts to the storm of battle who

accepts this feature of the bill, to pay to the bankers of the country over \$100,000,000 in interest for loaning to them 50 per cent of the value of their Treasury scrip.

Never before in the history of this Nation, or any other nation, have such vast fortunes been accumulated as were during the war. Advantage was taken of the Government in every contract, and the holders of these fortunes should be required by taxation to disgorge that part of their wealth wrongfully obtained.

No man is more jealous of the rights of property than I, but, sir, I am heartily in accord with taking, through a proper and effective medium of taxation, such parts of this ill-gotten wealth which was wrung from the Government during the stress of the Nation, to help meet this obligation, as well as other enormous debts, occasioned by the war.

The acid test of war shows what is mean, unpatriotic, and vicious in our nature. It discloses the yellow in us, if there be any. It enables every man to grade and register his peculiar and personal standard of citizenship, and one of the dark pages of the war, which will ever cast its shadow over the many other glorious and bright ones, is that which portrays the vast fortunes built up by the profiteers while the very existence of the Nation hung in the balance.

In your revenue bill you repeal the excess-profits tax and reduce the surtax, and by doing so relieve the corporations who had been guilty of making enormous profits of over \$450,000,000 of taxes, and the millionaires with their swollen fortunes increased many fold by the war had their surtaxes reduced \$61,000,000, and the amounts that you have remitted in taxes to the corporations and millionaires is estimated to be sufficient to give a cash bonus to the ex-service men.

If the revenue of the Nation is not sufficient to meet the cash demands it should be derived from the reenactment of the excess-profits tax, which requires a corporation or institution that makes more than 10 per cent net to pay a graduated tax upon its profits above that amount, and if that law had not been repealed by you Republicans, this year it would have brought into the Treasury approximately \$450,000,000; the surtax rates also should be put back where they formerly were, and by doing so it is estimated that the Nation would have collected \$61,000,000 this year from that source.

The inheritance tax last year brought into the Treasury \$151,043,206. These rates should be increased and that form of taxation made to bring in larger revenue. I know of no form of taxation which has more to commend it than the inheritance tax. It is wise, because it does not touch the property during the life of the owner, therefore levies no burden upon business activities. Simple, because it is easily ascertained and collected while estates are being administered in the probate court; effective, for the reason that by the application of progressive rates, it places no burden on the poor, but permits those who have much to contribute to the Government somewhat in proportion to their ability to pay.

On the luminous pages of Gibbon's History of the Decline and Fall of the Roman Empire, the historian tells us that such a tax was instituted by Caesar Augustus for "the reward of the veterans."

Mr. Speaker, there are some debts that can be repaid in money. Every person throughout the land that purchased Liberty bonds will eventually, when the bonds become due, receive back from the Government every dollar that was paid for them, with interest. This debt will be repaid with the utmost exactness, but, sir, on the contrary, there is no such thing as repaying the ex-service men, who offered their lives for the country's sake, for their brave and patriotic service.

It is impossible to compensate them for the loss of jobs, the loss of school advantages, the destruction of business plans, the loss of prospects in life. The sole object and purpose of this bill is to give some recognition for their sacrifice during the war. There is not enough wealth in this Nation, nor on earth, to compensate them for their heroic service. One dollar a day in this country or a dollar and a quarter a day across the sea is not compensation but is simply an expression of everlasting gratitude to those brave and patriotic soldiers of America who fought the Nation's battles.

Mr. Speaker, I am heartily in favor of a soldiers' bonus bill giving to the ex-service men the option of accepting a cash bonus, and on the 4th day of May, 1921, I introduced such a bill providing for the payment of a bonus direct from the coffers of the Nation which would have rehabilitated business by putting into circulation many hundreds of millions of dollars, and shown our gratitude to them for their service, but recognizing fully that this is the best bill that you Republicans will bring before the House for consideration, to which you allow no

amendments, compelling Members to either support it in its entirety or reject it, and believing that half a loaf is better than none, I shall give this measure my support.

Mr. GARNER. Mr. Speaker, I yield to the gentleman from South Carolina [Mr. McSWAIN].

Mr. McSWAIN. Mr. Speaker, I am very clear in the conviction that no Member in this House should vote for any measure in which he has a direct financial interest. Under the provisions of H. R. 10874, section 202, commissioned officers of the rank of captain and below will be entitled to the benefits of the provisions of said bill if it becomes law. That would include myself, and for that reason I feel that it is my duty to state my position squarely upon the records of this House before the vote is cast, just as I frequently stated during my campaign for election to this House, that I will not accept personally any of the benefits of any legislation that may be enacted by Congress for the benefit of the former service men. I love them all and have given my time and thought unstintedly and my support in Congress to all measures and proceedings to help—first of all, the sick and disabled; and, next, to assist worthy and deserving ex-service men to obtain and receive vocational education; and, next, to see that those who need and deserve adjusted compensation shall be fairly treated by their Government. I regret that the majority party in control of this House has seen fit to try to force this bill through the House under a special rule that will not admit of any amendments whatsoever. There are several amendments that I would like to offer in order to make the bill conform to my personal belief as to what is best for the country and best for the taxpayers and best for the service man himself. But "justice delayed is justice denied," and if we postpone action upon adjusted compensation until the next administration, when I hope the Democrats will be in control, then it will be too late to be of service to those who need relief and assistance most.

Whatever is done should be done now. I am therefore compelled to meet the situation as it exists and not as I would desire it to be. I sincerely hope that more of the former service men than the present opponents of the adjusted compensation seem to believe will accept the inducements of the bill looking to vocational training, home buying aid, and farm settlement aid. All of the citizens with whom I have talked in my district have agreed that relief along these lines, though expensive, will be entirely justified by building up an educated citizenship and a conservative home-owning citizenship. If the bill becomes law I sincerely hope that it will encourage thousands and thousands of young men to settle upon farms, and many thousands more to buy homes, because home owning will encourage thrift and economy and will build up strong stalwart citizens. As these men have been the defenders of the country's life in time of war against foreign foes, so I hope and pray and believe they will be the defenders of the Nation's safety and sanity against enemies within who would seek to overthrow the established order of society. The American Legion is a tower of strength against Bolshevism and radicalism in all forms. The Nation must have the whole-hearted and vigorous thought and service of these 4,000,000 young men who endured the hardships of camp and field and transport and the harshness of discipline enforced too often by temporary tyrants, in order that the country's rights and the rights of humanity might be defended. These young men constitute about 30 per cent of the male voting strength of the Nation, and in a very few years, as the older men pass on, they will be in control of affairs in the Nation and the State, with the assistance of their wives and sisters who believe in them. These young men believe that justice and fairness require some adjustment and settlement for themselves as was made in the case of the railroads, the furnishers of war supplies and materials, and the war profiteers generally. I know thousands of these young men personally and I know that they are patriots and sound at heart, and I know that they themselves did not start this agitation about adjusted compensation, and I know that their first participation in the discussion was by reason of an invitation from many official representatives of the Government, and I know that action was deferred by the Congress in power when the war ended in order that the organizations of the service men might be perfected and that their official representatives might advise with the Government as to the wisest and best form for the adjusted compensation to take. Nearly one hundred different bills were introduced in Congress shortly after the war ended looking to some sort of relief and compensation for ex-service men. The bravery and daring of American soldiers brought the war to an early end and saved thousands of millions of dollars and thousands of precious lives. The boys at the front ask no special favors over those still in reserve, because they too were eager and anxious to fight for American honor and rights.

Mr. Speaker, only two courses are open to me. The one is to decline to vote at all, because personally and pecuniarily interested. The other is to renounce all possible benefits and then to cast my vote. The first would be the line of least resistance. But I will not choose that course. I will not seek to escape any responsibility. I therefore formally renounce any benefits or rights that may accrue if the bill should ever become law, and I will then be free to cast my vote without taint of personal interest, and in accordance with my promises during the campaign for election. [Applause.]

Mr. GARNER. Mr. Speaker, I now yield to the gentleman from Tennessee [Mr. BYRNS].

Mr. BYRNS of Tennessee. Mr. Speaker, I voted for the soldiers' adjusted compensation measure when it was before the House on a previous occasion, but that bill was wholly different from the one now pending, which, in my opinion, is a sham and a fraud, especially as applied to those ex-service men who are out of employment and who have been led to expect that they are to be paid something in cash to relieve their immediate and pressing needs. The former bill passed the House but was defeated in the Senate, which was then, as now, controlled by a Republican majority. At that time there was an excess-profits tax on the larger corporations on the statute books which yielded annually \$450,000,000. There was also a large graduated surtax on the great incomes of millionaires and multimillionaires which brought in something like \$90,000,000 annually. These taxes had been imposed during the war by a Democratic Congress and approved by a Democratic President. Business was more prosperous then and taxes so collected were paid without particular hardship. They could have taken care of a cash bonus, and this would have been peculiarly proper, since they were at least in large measure levied on profits made possible by the war.

But since then, with the approval of a Republican President, a Republican Congress has repealed the excess-profits tax and largely reduced the surtax on the larger incomes. Likewise a commission has been authorized to settle our foreign debt, and it is generally understood that it is its purpose to forego the collection not only of the principal but also the interest on that debt for a number of years, and which otherwise could be used to adjust this compensation.

And now, after repealing the tax on the wealthy the Republican leaders of the House, knowing that the public revenues will not even meet the ordinary running expenses of the Government, propose by this bill to substitute for the cash provision of the former bill certificates of indebtedness, limiting their borrowing capacity to 50 per cent of their value and prescribing that only banks can make loans thereon. Under this bill the veteran who needs immediate cash, and who is, therefore, the most interested in the passage of an adjusted compensation measure, will only be able to borrow one-half of the amount of his certificate, and upon which he must pay a larger interest, and at the end of three years will be paid 30 per cent as a final payment. In other words, the World War veteran who must borrow money on his certificate to relieve present necessities will not realize more than 80 per cent of the face value of the certificate which is issued to him. There is also the question as to whether he will be able to borrow anything at all from the banks. To say the least, many will have some trouble in doing so, for we all know that State banks are finding it difficult now to meet the demands for loans to business men and farmers to carry on their business on account of lack of loaning capital, and I dare say there will also be some hesitancy in making those loans because of their inelasticity, the law providing that the certificates must be held for three years before the Government will refund the loan with accumulated interest. There is even a more serious doubt as to whether the national banks will loan on the certificates, for the Secretary of the Treasury and the Comptroller of the Currency have repeatedly declared that they will advise the national banks not to take the certificates as collateral for a loan.

This bill is, therefore, unfair to the World War veteran, and particularly to those who stand in need of immediate relief. To the soldier who entered the war at an early date and served his country overseas a certificate of \$625 would be issued as the maximum amount. If he is in easy financial circumstances, and, therefore, in a position to hold his certificate for 20 years, he will finally collect the full amount, with 4½ per cent interest, compounded annually. But if he needs money and is compelled to borrow on it, then he would receive the amount borrowed plus 30 per cent of the amount with accumulated interest at the end of three years.

Again, the soldier who served throughout the war and served overseas is compelled to accept a certificate, whereas the soldier who for any reason entered the war just before its close, and

his compensation therefore does not exceed \$50, is paid in cash. This creates a distinction and a difference between the soldiers of the World War which I do not think is either fair or just. It is also unfair to the banks and their customers who are looking to the banks to finance them, for if adjusted compensation is a Government obligation, then the Government should take care of it and not pass on to the banks the necessity and responsibility of providing the cash to meet its obligation. Those who are pressing this bill are perfectly well aware of this, but they are hoping that it will either be defeated in the Senate or vetoed by the President, and that therefore its insufficiency and its insincerity will never be demonstrated by its actual operation.

There are other objectionable features of this bill to which I could refer, but I have not the time, nor will I trespass on your patience by doing so. I may do so later, if opportunity is given and the occasion justifies it.

But in advocating this measure they are fooling neither the soldier nor the taxpayer. The soldier is not going to be caught by any such political buncombe, which is an insult both to his intelligence and to his patriotism, for his political support is not to be gained or purchased by legislative benefits, whether real or fancied. I yield to no man in my gratitude for the sacrifices made by the World War veteran in behalf of his country or in admiration for his courage and the splendid service rendered by him. I have, both in committee and in the House, cheerfully voted every dollar that has been needed for the disabled soldier, and will continue to do so, but I would feel that I was false to that high sense of gratitude and admiration if I gave my support to the measure now pending, which, if it ever becomes a law, will surely prove a disappointment to the veteran in its failure to give him the benefits which have been promised.

For three years the Republican Party has been in control of both branches of Congress. During that time its representatives have fed the World War veteran on promises. You did so in the heyday of prosperity and you have done so in the present leaner days, when thousands of them are out of employment. Why did you not either make your promises good or have the courage to say that you are not going to do so on account of the present economic conditions? Why do you bring in a measure like this, which is neither fish nor fowl, under a suspension of the rules and thus deny opportunity to those who favor real relief to offer amendments? Why are you trying to sell the World War veteran a gold brick? If you propose to keep your promise and grant immediate relief to the thousands of World War veterans who are now out of employment, why do you not have the courage to bring in a bill providing such relief and make proper provision to supply the necessary funds? If you are unwilling to do that, why not have the courage to say so frankly, instead of proposing a bill which holds out the false promise of immediate relief to the veteran who needs relief, and which at the same time would have the taxpayer believe that his taxes will not be increased? Let me repeat, in proposing a hybrid measure like this you are fooling neither the veteran nor the taxpayer.

If the Republican members of the Ways and Means Committee had thought more of the country's obligation to the World War veterans and had been less concerned about protecting the pockets of the immensely wealthy they would have presented a bill which would have provided for a cash payment to the soldier. The Republican leaders know full well that if the Democrats were permitted to offer an amendment this would be proposed and that a majority of their own side would not dare vote against it. It is for this reason that they propose to pass this bill under a gag rule which deprives a Member of the right to offer an amendment, and which they have forced their following to adopt by the use of the party lash. For my part, I shall vote against the motion to suspend the rules and pass the bill without amendment. If it should be voted down there will be opportunity to amend the bill so that it will not reflect upon the good faith of Congress. If this is not the time to give relief, let Congress have the courage to say so, and not make itself ridiculous by trying to deceive the intelligent veteran and an enlightened citizenship. [Applause.]

Mr. CLARKE of New York. Mr. Speaker, I have voted and will continue to vote appropriations to the limit to care for the wounded and dependents of the Great War, and to assist in carrying on all helpful activities including hospitalization, vocational training, and so forth.

I have voted and will continue to vote appropriations for additional public improvements to give employment to the unemployed, preferably soldier boys.

I think this bonus legislation should be postponed until the President, who is friendly to a bonus, but not to this one, with his fuller information, advises us it can be paid without hampering industries and therefore increasing unemployment.

Mr. GARNER. Mr. Speaker, I yield now to the gentleman from Virginia [Mr. HARRISON].

Mr. HARRISON. Mr. Speaker, two years ago, just previous to the then pending congressional elections, this House passed a bill to pay to the ex-service man an adjusted compensation for the services rendered by him during the war. That bill ascertained the extent of the liability of the Government, provided for its payment in cash, provided for raising the necessary revenue, and placed the burden where governmental burdens properly belong. I voted for the bill, and I have no apologies to make for that vote. The bill died in the Republican Senate.

The principle on which that bill was based was that the compensation to the ex-service man during the war was arbitrarily fixed during a period when the prospect was that the resources of the Government would be taxed to their uttermost by a long-continued war. The amount of the soldier's pay was necessarily limited to the resources of the Government then under severe trial.

It was then recognized, and has ever since been conceded, that the compensation was not in any measure commensurate with the services and sacrifices required of the soldier, nor commensurate with the possibilities which were open to him had he not been taken into the service.

Two years have elapsed, and another congressional election is pending. The political exigencies of the moment call for a reopening of the question. The fact that the Republicans sponsored the bill two years ago just before the elections and then let it die in the Senate is proof that its passage was accomplished by the Republican majority for political purposes, and those of us who voted for the bill at that time in the hope of securing proper consideration for the claims of the ex-service man were as much deceived as the soldier.

The rights of the ex-service man to adjusted compensation are now reiterated, but the financial policy of the Government is changed. This Congress has reduced taxes, but the reduction has been confined mainly to the contribution of those whose income exceeds \$60,000 a year and to corporations paying excess profits taxes. The political exigencies of the pending election therefore require two things: First, promises to the ex-service man, and second, assurances to individuals and corporations making enormous incomes.

The present bill comes very near to meeting these political requirements, and would be entirely satisfactory as a political expedient if the ex-service man would only be satisfied with promises and the rich taxpayer would be satisfied with present relief and entertain no dread of the to-morrow.

If the Government owes the ex-service man an adjusted compensation as an honest debtor, the Government should pay him. If the Government is unable to meet its obligations with available cash and is not disposed to increase present revenues, then the Government should issue its obligation in the usual governmental way of meeting loans. It is evident that the ex-soldier can not be paid in cash without an increase in taxation. The method suggested by President Harding, namely, a sales tax, is the most unjust and inequitable form of taxation ever contemplated by any Government. The tax is laid upon the rich and the poor, the fortunate and the unfortunate, alike, without regard to the financial capacity of the person on whom the burden is laid. The dealer making millions in sales and the dealer losing millions are taxed alike. The consumer is taxed without regard to his earnings or responsibilities. I am utterly opposed to a sales tax and will vote against it, no matter for what purpose it is levied. This House is determined not to meet the issue of relieving the multimillionaire of taxes by imposing taxes on the poor, the struggling and unfortunate, and the consumers generally. So in the bill now under consideration no provision is made for meeting the obligations admitted to be due. For some unexplained reason the present House is also unwilling to issue bonds which will have a commercial value and which would be to the soldier an equivalent of cash. In the financing of every governmental obligation heretofore it has always been considered a necessary requirement of sound finance to provide for the annual interest and a sinking fund to retire the obligations at maturity. This bill violates every one of these principles. Five years after the war began, nearly four years after the war ended, two years after this House acknowledged its indebtedness to the ex-service man, it now enters upon a settlement on the basis of a present indebtedness. It acknowledges the debt of a certain specific sum, but makes no provision for its payment.

The bill first ascertains the amount of the indebtedness; second, it multiplies it by three if held till maturity; third, it postpones payment for 20 years; and fourth, it makes no sort of provision for the payment of the indebtedness. It is true that a certain small amount may be borrowed by the ex-service man on the certificate of indebtedness from certain specified

financial agencies at exorbitant rates of interest before October 1, 1925, provided such financial agencies are willing to lend the money, and also a small proportion of the indebtedness may be borrowed from the Government after that date. But outside of this narrow margin the ex-service man can not make present use of his certificate of indebtedness. He is dependent entirely even in securing this small present relief upon the banks and financial agencies mentioned in the bill. At the end of 20 years, if the present status exists, the Government will owe about \$12,000,000,000 instead of owing the present estimated amount of \$4,000,000,000.

It is fair to consider the situation of the Government at the end of 20 years as this bill will leave it if unchanged. The Government will owe \$12,000,000,000, according to the estimates of the Treasury Department, and the soldier will hold an obligation of the Government without a dollar in the Treasury and without the slightest provision made for its payment. The ex-soldier will have a promise and the Government will be without means of meeting its assumed obligations. If the Government owes the ex-service man the money, it should pay him. If it desires to postpone the payment to a future day, it should meet the situation in the usual way. It is evident further legislation must be enacted to finance even the present liability, and before committing the country to any such evil as here proposed the people should know the scheme of finance contemplated.

I do not believe there is any serious contemplation of this bill becoming a law in its present form. It would be a wrong to the ex-service man and a wrong to the general public. A promise to pay without providing the means of payment may suit the political exigencies of a congressional election, but it will fool no one. The bill is being forced through this House without the slightest opportunity for amendment of any of its provisions, and no opportunity is given to any friends of the adjusted compensation to the ex-service man to make any alteration in any of its features or to modify its objectionable provisions. It is utterly inadequate as a measure for the relief of the ex-service man, and eventually must be burdensome unnecessarily to the taxpayers of this country. I therefore propose to vote against it. I will vote for no bill that does not give a square deal to the ex-service man and a square deal to all the people.

Mr. GARNER. Mr. Speaker, I yield to the gentleman from Mississippi [Mr. QUIN].

Mr. QUIN. Mr. Speaker, every Member of this House knows I have since the signing of the armistice in November, 1918, been an advocate of the United States Government settling an adjusted compensation on our soldiers and sailors who volunteered and those who were drafted into the service of their country to fight the Imperial German Government and the cohorts of the Kaiser.

Early in 1919 I reported a bill from the Military Committee to pay them \$60 on being discharged from the Army. The soldiers and the naval service men received that amount on being honorably discharged from the service. We have endeavored to have the additional bonus paid them, but it has died in the Senate.

This bill, reported by the Republican committee of this House, does not meet the wishes of the ex-service men and does not suit me, but I am supporting it and voting for it as the best thing you will agree to in behalf of the World War veterans. I can not understand why the powerful influences in this country are endeavoring to prevent the soldiers from receiving this compensation, which is so justly due them.

The Government has right now a surplus gold reserve, on which currency could be issued to pay all of those who would want the cash in lieu of the other provisions of the bill. That could be done without any injury to values or the monetary system of the Government. Every kind of excuse has been given by the opponents of the veterans' bonus why no such legislation should be passed.

I have always believed the bonus should be paid out of war profits, excess profits, and out of the interest on our foreign loans. A Republican administration will not consider that plan.

We are indeed lucky to get any kind of bonus bill reported from your administration Ways and Means Committee. I hope every Democrat will vote for this measure, whether it suits his notion or not. Everything was promised to our heroes when they were being sent to war. They won the war, brought honor and glory to our flag. Who would begrudge them a reasonable bonus? Who would say our Nation is without gratitude?

Mr. GARNER. Mr. Speaker, I yield five minutes to the gentleman from Texas [Mr. BLACK].

Mr. BLACK. Mr. Speaker, at the very outset of my remarks I do not mind saying that I have had more trouble in making up my mind on how to vote upon this bill than any other bill which has confronted me since I have been a Member of Con-

gress, not because I have not entertained serious objections to certain provisions of the bill from the very first time it was reported to Congress by the Ways and Means Committee, but because of the natural desire that I have, in common with most Members of the House, to be liberal minded toward legislation for the benefit of the ex-service men who bore the heat and burden of the war. Since war was declared in April, 1917, I have gladly supported all measures which have been adopted by the several sessions of Congress which have had for their purpose the advancement of the welfare of our soldiers and their dependents. The time allotted to me in this debate will not permit me to mention all of these bills in separate detail. I refer to them briefly as the war risk insurance act, the vocational rehabilitation act, the two Sweet bills amending and broadening these laws, and the bill passed in 1921 authorizing and directing the consolidation into one bureau the work of vocational training, of hospital treatment, and payment of compensation and insurance benefits. Occasionally the statement is made, evidently by those who are careless and unthoughtful, that the United States has done nothing for its soldiers. That statement is a very, bad mistake. The real facts are that the United States has and is doing more for its wounded and disabled soldiers than any other nation in the world. It is the discharge of a duty which we owe and which we must not for a moment neglect.

Some few days ago Col. C. R. Forbes, Director of the Veterans' Bureau, gave out a statement setting forth some very interesting and informing data of what has actually been done along this line.

FIGURES SHOWING EXPENDITURES FOR BENEFITS EXTENDED WOUNDED AND DISABLED EX-SERVICE MEN.

Mr. Forbes stated in substance the following: The Government just now is paying out \$700 a year per man in cash and for the purchase of medical treatment and other benefits for disabled former service men and dependents of disabled former service men who are in need of assistance.

A total of 649,588 persons are on the rolls of the veterans bureau as beneficiaries.

This year the bureau will spend \$438,122,400 to buy direct and indirect aid for former service men and their dependent relatives.

Next year the bureau plans to spend \$455,232,702, according to the Budget estimate now before Congress. In all probability the expenditure will be more than that amount and will reach at least \$500,000,000. Since its establishment—at first under the title of the War Risk Insurance Bureau—the Veterans' Bureau has paid out a total of \$1,269,930,730.

How the money was disbursed is shown in the following table by Director Forbes: Vocational training, \$212,724,533; insurance, \$283,286,606; compensation benefits, \$300,141,767; allowances, \$282,049,110; marine and seamen's insurance, \$35,084,378; medical and hospital service, \$99,566,243; and administrative, \$47,078,092.

The total is \$1,259,930,730.

These figures are down to January 1, 1922.

There are now on the rolls of the Veterans' Bureau a total of 649,588 persons who are receiving cash or for whom money is paid out for service and other benefits on account of service during the Great War.

These persons are classified as follows: Receiving vocational training, 107,478; compensation, 361,113; insurance, 150,107; and hospital treatment, 30,890.

In addition to its other benefits, the Veterans' Bureau is operating for ex-service men an insurance bureau, with no administrative cost to those carrying insurance. Of course, the insured have to pay their actual mortality cost premiums. Insurance in force totals more than \$3,500,000,000. Up to February 28 the bureau had disbursed more than \$300,000,000 in insurance benefits.

These large amounts which are now annually expended for the payment of benefits to the disabled veterans will, of course, steadily increase as the years go by, until the amount will undoubtedly reach the total of at least \$1,000,000,000 a year because America has always been generous to its veterans when they become disabled either from disease or the infirmities of age.

It has been liberal to the veterans of all wars in the past and it will likewise be liberal to the veterans of the recent World War. Concerning that fact there can be no possible room for doubt.

Yet in the face of these figures there are some who say the United States is "doing nothing for its soldiers."

FORDNEY ADJUSTED COMPENSATION BILL.

These things which I have just cited have been accomplished under laws for which I voted. Time has now brought us to this Fordney bill which we now have under consideration and which I can not support. I believe that the most enthusiastic

friends of this bill are bound to admit that the Treasury of the United States does not now have in sight a single dollar with which to pay the numerous obligations that this bill will impose upon the Treasury, under existing taxation laws, and the bill itself provides no means whatever for raising the necessary funds. I take the position that any bill that is written upon that sort of basis violates the simplest and most elementary principles of sound public policy. [Applause.] If the Government of the United States is going to pay our ex-service men adjusted compensation there is but one right way, there is but one honest way, there is but one courageous way to do it, and that is to write into the bill the necessary legislation to pay it with. This should be done by either providing a bond issue carrying its own sinking fund provision or by levying new taxes with which to get the money. My own opinion is that if the House determines to pay adjusted compensation, it should be treated in the same manner as other war obligations and a bond issue should be provided, with provisions to create an adequate sinking fund to redeem these bonds at maturity. The Secretary of the Treasury has recently made an estimate based on present tax laws that there will be a deficit in the Treasury at the end of the fiscal year of 1923 of about \$400,000,000. This Fordney bill provides neither for a bond issue nor additional taxation and is designed to create huge obligations against the Government, with no means provided with which to meet them. Therefore, because the bill does not meet the tests of sound public policy, I will vote against it. I feel that, regardless of political consequences, I must do my duty on this question. I stand here and vote to-day as the representative of approximately 270,000 people who live in my district. They have no other legislative voice in this Chamber except mine. When the roll is called, that voice must ring true. The only way it can ring true is for me to vote my convictions of what is the right thing to do. If the people I have the honor to represent in this legislative body had a way to read and study this bill, I would gladly abide by the will of the majority, and would vote their direction.

But I have no way of knowing what the will of that majority is, and, therefore, I must be guided by my own judgment and convictions.

These have not been lightly formed.

My decision has been reached after a most careful and exhaustive study of the bill.

For nearly eight years now—some of them strenuous years—I have served in the House, and at the end of each term I have been able to go back to my people and say: "Here is my record. It has been honestly and conscientiously made. Take it and do what you will with it. I will gladly abide the voice of the majority."

I will not have to adopt any different rule after to-day. I will still be able to look my constituents squarely in the face and say: "Here is my record. It has been honestly and conscientiously made. Take it and do what you will. I will be content." [Applause.]

Mr. OLDFIELD. Mr. Speaker, I yield such time as he may desire to the gentleman from Mississippi [Mr. Sisson].

Mr. Sisson. Mr. Speaker, neither my seat nor any other man's seat in this Congress is worth what this bill proposes to place upon us, and therefore I shall vote against it.

Mr. GREEN of Iowa. Mr. Speaker, I yield three minutes to the gentleman from Massachusetts [Mr. GALLIVAN].

Mr. OLDFIELD. And I will yield two minutes.

The SPEAKER. The gentleman is recognized for five minutes.

Mr. GALLIVAN. Mr. Speaker, this is the day which the Lord hath made. [Great applause.] Let us be glad and rejoice therein. Whether it be the Republican leaders of this House or the Democratic vigilantes, who have watched them closely and carefully and have probably forced their hands to give us this opportunity to vote for adjusted compensation for the soldiers, sailors, and marines, we are all most grateful in this hour. I repeat, it is not to the credit of the Republican Party that this bill is here to-day. Neither is it to the credit of the Democratic Party. Notice particularly how nonpartisan I am in what I am saying. It is to the discredit of both parties that this bill was not written into the law of the land months ago. [Applause.]

I heard the criticism a moment ago that the Democrats of the House, when in majority control, had the opportunity to pass legislation which would take care of the service men. Yes; that is true, but they have not had the many opportunities that have been presented to the Republicans of this House and of this Congress to pass a bonus bill. We passed such a bill in 1920. What happened to it? It was choked to death in a Republican Senate at the behest of a Republican President. Let us tell the truth. Do not let us try to fool the service men.

Mr. MONDELL. If the gentleman will yield. Has the gentleman forgotten that there was a Democratic President in the White House in 1920?

Mr. GALLIVAN. There was, and I do not refer to the Democratic President, who never went to the Senate against a bonus bill. I refer to what happened in 1921, when the present occupant of the White House appeared in the other chamber in opposition to legislation of this character. I might add that the Republican leader [Mr. MONDELL] forgets that I was not on such intimate terms at the White House during the last Democratic administration that I am supposed to remember off the reel when they went into office or when they went out of office. [Laughter and applause.]

My friend from Wyoming [Mr. MONDELL] and the House know that I refer to the visit of the present Chief Executive to the Senate. Almost on bended knees he appealed to the Republican Senate to refuse to pass a bonus bill, and I notice my friend from Wyoming [Mr. MONDELL] does not interrupt me in that statement. [Laughter.] He knows that I speak the truth. This is a day for plain speaking.

Mr. MONDELL. Will the gentleman yield?

Mr. GALLIVAN. If the gentleman will get me two more minutes I will yield for any question that he may want to ask. [Laughter.]

Mr. GREEN of Iowa. I yield the gentleman one additional minute.

Mr. GALLIVAN. I am afraid it will take me longer than that to answer my friend from Wyoming [Mr. MONDELL].

The SPEAKER. The time of the gentleman has expired.

Mr. GALLIVAN. The gentleman from Iowa [Mr. GREEN] yielded me a minute.

Mr. MONDELL. The President only asked us to postpone, and we are now prepared and ready to act.

Mr. GALLIVAN. And the same President wants another postponement. [Laughter and applause.] I would be unfair to the Chairman of the Ways and Means Committee [Mr. FORDNEY] if I did not take this opportunity to tell the friends of the service men in this House that he has always been 100 per cent back of them and in favor of adjusted compensation. [Applause.] He has never wavered the fraction of an inch from the position which he first took in support of this bill. He has never faltered.

The SPEAKER. The time of the gentleman has expired.

Mr. GALLIVAN. And in fairness to Chairman FORDNEY I want to pay to him this afternoon this tribute because he has helped with all his energy and honesty to bring this bill into this House, and the service men of the country ought not to forget him. [Applause.]

Personally, I do not believe that the bill is half as bad as it is painted. I think I have as close communion with the service men of the country as any man in this House, because I introduced in December, 1918, the first service compensation bill introduced into the Congress of the United States. [Applause.] I would like to see a better bill, but no World War veteran in my district has even hinted to me that he opposes this bill, and, therefore, I feel that much of the criticism against it has been far-fetched. We must vote for this bill, apparently, if we are to get any bonus legislation in this session, and, therefore, not having the opportunity to offer perfecting amendments, I propose to support the pending measure with a hearty "aye" when the roll is called. [Applause.]

Mr. Speaker, it will do no harm if I repeat here and now some words of my own used on another occasion but with reference to this proposed legislation. And I ask the attention of the House to the undeniable fact that—Congress has listened to many voices since November 11, 1918; it has preferred the siren to the soldier. It has wasted the Nation's wealth on dubious schemes disguised as charity, health, education, and the egregious things called uplift and welfare. The horseleech's daughter has sat at the door of the Treasury. Congress has given millions to the railroads for imaginary losses; it has paid the usury of the alien carrier, forgetting his vast indebtedness to us; and the fantastic claims of contractors and patriotic profiteers have cost us billions and never a voice of protest raised. We are spending millions throughout the land for posthumous honors to the dead in ceremonials, in monuments, in arches, and in temples, and yet we have to be driven to bind up the wounds and satisfy the hunger of the living who call to us. We are exhibiting the historical ingratitude of republics, forgetting in these days of peace and safety the promises made in the hours of panic and sacrifice, and repeating again the practices that called forth the reproach of the poet of the Revolution:

When war is over and all things are righted,
God is forgotten and the soldier slighted.

Look around, my friends, and witness, if you can, without blushing, the nations that were associated with us in the war and their treatment of the soldiers who served them in their hour of need. England and France remembered their promises; Australia and South Africa have not forgotten; our neighbor, Canada, has redeemed her pledges magnificently. No financial fears have kept them from the path of honor. They gave in peace as we gave in war—until it hurt—and the very voices that shrieked bankruptcy in our ears to keep us from the ways of honor and the fulfillment of our promises were the ones that gathered up our money to enable our associates to meet their pledges. They were willing to gather and give our money to the alien, and have denied it to our own soldier.

Lest we forget in these piping days of peace, let us go back in memory to those dreadful days of yesterday.

Whether they went as volunteer or conscript, our soldiers went with joy and enthusiasm to the service of the Republic; they sacrificed all they had—assured position and income, the promise of thriving business and lucrative profession; they went ungrudgingly beyond the seas at the call of duty to face dirt, danger, disease, and death; they put behind them home and all they loved and that made life worth living; they surrendered comfort and decency for filth and pestilence; and they faced the hazards and horrors of trench and trap uncomplainingly; indifferent to the pittance they were paid, sustained by their faith in their fellows and their confidence in the pledge of their Government that all would be well with them and their dependents in war and the peace beyond it.

At home in safety, far from the stealth of the submarine and the terror of the trench, remained the banker and the merchant, the contractor and the trader, the spouter and the chair warmer, the parasite and the profiteer, to cheer on the departing soldier, to swell the chorus of promises and pledges, to clutter up the streets of Washington and the pay rolls of the Nation and grow fat, insolent, and ungrateful on the grab and graft of greasy opportunity. In those days no promise was too glittering, no pledge too grandiloquent, to make to those who went out to do and dare and die. To-day none is too sacred to break and laugh at. The limping hero of the war has become the battered outcast of peace; and those who then dipped deepest in grab and greed shout loudest to-day of the "graft" of the hungry soldier.

Mr. Speaker, "bonus" is a Latin noun meaning "good." Most high and Latin school pupils will remember having been asked to "Decline bonus." If some men in this Congress continue their present tactics, it is more than possible that our soldiers and our sailors and our heroic marines may not even be asked to decline bonus.

Mr. GREEN of Iowa. Mr. Speaker, I yield such time as he may desire to the gentleman from Oklahoma [Mr. GENSMAN].

Mr. GENSMAN. Mr. Speaker, scarcely a Member of this House can pick up a paper from the remotest part of his district but what he sees somewhere in it a cartoon depicting Congress in the likeness of a man in some precarious situation, undecided as to which way to jump. There is going out to the country, daily, either in cartoons, patent print, or well-written editorials, the statement that the Congress is afraid to pass the bonus bill, and afraid not to pass it. Some have been so unkind as to say that politics enters into the question. The propaganda against the bonus is on every hand and I will admit that the arguments that can be made against the bonus are more numerous than I thought they were. It is emphasized that business will suffer in the event the bonus bill is passed. It is said that big business is most emphatically opposed to it and is using every means to defeat it. I notice in the press the statement purporting to have been made by the president of the National Association of Manufacturers to the effect that every Member of Congress who votes for the bonus will be defeated in the coming elections. That may be correct. I have the most profound respect for the opinion of so eminent an authority, and when a prediction is made by one who has given the matter the study that this gentleman undoubtedly has given it I am impressed with the prognostication. That statement, coupled with similar statements made by so-called big business, would indicate to my mind that those who vote for the bill that is under consideration in the House to-day will leave here after their vote as marked men, marked for slaughter at the polls in the coming elections. Whether that be the case or not makes little difference to me. I propose to vote for this bill if they hang a strip of my political hide on every barbed-wire fence in my district. If I am to be marked, I cheerfully, willingly, and gladly mark myself in "box-car" letters. "He voted for the bonus."

When this country was called to arms I watched thousands of soldiers at Camp Doniphan, Fort Sill, Okla., train in the

dust, dirt, and heat. As that great mass of men entrained for the seaboard I watched them and my heart went out to them. As the boys assembled from my county and started to the training camp I walked down to the train with them. As time went on, and the calls for further troops were made, my time to go rapidly approached. I had no excuse for not going, and made none, and my going was only delayed by age, and when the war ended I was within 11 days of being called. I mention these facts for the reason that I wish to impress upon you that I can vividly feel for and sympathize with and understand the attitude and feeling of the boy that went to the war. Now comes the dollar-a-year patriot, or one of those who found some position to fill that kept him out of the war, or who for other reasons stayed behind, making some excuse or other, profiting in war contracts, claiming exemption and dependents, or dodging the draft, and who at that time stood upon the sidewalks and watched the boys from rural districts, and those from the cities, villages, and towns, without political or family pull, march off to war, and who was then loud in his praise, slapping the boy on the back as he marched by, shouting "sick 'em Tige," but, under his breath, said, "God be with you, for I won't." And now, since the roar and smoke of battle has died away, since the sacrifice has been made, since the boy has returned, leaving, perhaps, a leg or arm on Flanders Field, this person is loud and vociferous, going about over the country like a garrulous old busybody, making the statement, "The debt can not be paid in money." Every one knows it can not be paid with money, but the payment of a compensation does not, in my estimation, detract from the patriotism of the recipient one iota; neither does it detract from him in any other way. I feel that the boys took a chance on their health and lives for me and mine when I needed it, and I gladly take a chance on losing a seat in Congress for them, and if the president of the National Association of Manufacturers is right in his forecast and I am one of those elected to stay at home, I'll have the satisfaction of knowing, in my own mind, that I did right in the matter.

Since the beginning of history soldiers have received pensions, bonuses, and compensation in various forms and in various amounts, depending upon the ability of their country to pay them. I am very much impressed with the idea or rule that we can only judge the future by the past, and with that in view I have taken the trouble to go back into ancient history for precedent. In one instance we find that Rugulus, the ancient Hun, received from Theodocius, the Roman, 350 pounds of gold, which was equivalent to 14,000 pounds sterling, which Rugulus divided as a bonus or compensation among his victorious warriors. It is further related that Attila and Bleda, the two sons of Mundzuk, and the grandsons of Rugulus, returned from their conquests with the Romans, and immediately upon entering the walls of their city were showered with presents of gold, precious stones, live stock, and food by their admiring and grateful countrymen as a bonus or compensation. We find in the rehearsal by Moses of the story of the Children of Israel in the wilderness that these warlike people, at the behest of the Lord, slew the inhabitants of certain cities and took for a prey unto themselves their cattle and the spoils of the cities to be divided among the victors, and in the last days of Moses he incited them to war against the Midianites, and directed that the prey be divided between those "that took the war upon them; who went out to battle," and so forth. Numerous other instances could be cited from the Holy Bible in which it was directed that the soldiers be especially compensated for their daring and their valor. Now, let us turn to the history of England, the mother country. We find that within 100 years from the discovery of America by the renowned Columbus England passed her first pension law, during the reign of Queen Elizabeth. This was shortly after the defeat of the Spanish Armada. Sad to relate, these pensions were granted at a time when the victors had long since returned maimed and crippled, and had become a charge upon the people. Less than 20 years after the landing of John Smith at Jamestown, a soldiers' pension was proposed and passed by the colony of Virginia, and within a comparatively short distance from the exact spot where we are sitting to-day. This proposed measure only failed to become a law because of the refusal of the mother country to ratify the same. Within a comparatively short space of time several of the Colonies passed pension or compensation legislation. During the Revolutionary War various forms of legislation were passed for the relief of the soldiers of that war, and this legislation went so far as to provide for the widows of those who were slain, and as early as August 26, 1776, the Continental Congress passed the first soldiers' relief law in the United States. During those trying days, when economy in the affairs of the Nation was imperative, consider-

able criticism was directed at Congress for its delay. It was late in the spring of 1778 before a bill to grant adjusted compensation to officers and enlisted men of the Army received consideration, during all of which time it is pleasing to note that Gen. George Washington urged upon the Continental Congress the necessity of such legislation. The bill was eventually passed, not to the entire liking of the service men, but by compromise, which after all was probably as nearly adequate as could be expected, taking all the circumstances and financial conditions of the country into consideration. The bill as it was finally passed limited half-pay gratuity of the officers to a period of seven years after the close of the war, and a gratuity of one year's full pay to enlisted men and noncommissioned officers who served up until the close of that great struggle, which amounted to approximately \$80, a large sum in those days. This law was later amended, as are all pension and compensation laws of this kind. Compensation laws in various forms were passed after every succeeding war. We are all more or less familiar with the laws passed after the War of 1812, the Mexican War in 1845, the Civil War, and the war with Spain. History teaches us that there is always more or less opposition to laws of this kind, but again allow me to call your attention to the fact that the father of this country, the illustrious Washington, when called upon to pass upon the advisability of a law of this kind, raised his voice in fearless advocacy at a time when the country was in dire financial straits, and heartily indorsed the enactment of a law granting to service men the first compensation or bonus ever granted to an American soldier, and I maintain that Gen. George Washington came nearer being right in his opinion on all great questions than any other statesman America has yet produced.

As is always the case after every great war, the depression that is now at the low point in the West and Middle West, especially in my State, is first noticed along the Atlantic seaboard. In 1919 and 1920 to the experienced eye could be seen the approaching financial storm. As it became obvious in the larger cities, a pall began to settle over the East. It was not so noticeable in the Middle West. I live in the Middle West, and we heard dire stories of the financial condition in the East, which we did not think would come to Oklahoma; but the wave moved westward, and for some time the people of the West have felt most acutely this depression. But, thank fortune, the wave is moving on and a change to better times is obvious. The wheat market is showing a very healthy condition; corn, cotton, live stock, and nearly every product of the farming districts is gradually coming up, thanks to the emergency tariff, the War Finance Corporation, the farmers' future trading act, the packers' bill, and various other laws enacted by this Congress. The East is rapidly "snapping out" and the financial condition all over the country is taking on a healthier hue. I am indebted to Mr. Basil Manley, director of the legislative service, for the following information.

The character and amounts of profits can be seen from the headlines appearing in the Wall Street Journal during the past month. They are reproduced below:

Associated Dry Goods enjoys a banner year—Year ended December last, net profits, after charges and taxes, \$10.24 on common, compared \$4.11 in 1920. Surplus for year; totals, \$938,979, against \$168,733.

Baldwin's actual 1921 net was \$27.53 a share—Standard Steel Works, 100 per cent owned, showed small deficit after dividends to parent company—Working capital increased \$6,857,383 in past year.

American Ice Co. may declare stock dividend—Certain interests in board favor doubling the common and increasing cash rate to \$8.

People's Gas Light 1921 report best in history—Balance sheet at the close of last year shows \$2,874,000 working capital, replacing floating debt.

S. S. Kresge reports \$20.25 a share on common—Net earnings in 1921, after taxes and contingencies, \$3,402,033, against \$2,753,506 in 1920—Cash account increased.

National Biscuit enjoyed large earnings in 1921—In its best year showed net after taxes and preferred dividend equal to \$13.48 a share on common.

Gillette Safety Razor earns \$28.03 before taxes—Net \$7,018,564 compares with \$6,603,407 in the year 1920—Chairman says financial position is strong.

Nash Motors earned \$35.48 a share on common stock—Compares with earnings of \$122.79 a share on common stock in preceding year.

G. W. Helme Co. earns \$31.46 a share common—Previous year \$27.06—Net earnings after Federal taxes \$1,538,463 and surplus after dividends \$698,463—Profit and loss surplus \$3,728,178.

Endicott-Johnson earns \$10.79 on common shares—Compares with \$6.43 in 1920—Sales decrease to \$58,892,348 from \$74,870,103, but profits increase.

F. W. Woolworth reports \$20.04 a share on common—Net profits for common \$13,022,960, biggest in history and \$4,000,000 over the 1920 figure—Cash increased \$6,750,000 to \$11,050,799—Inventories reduced over \$2,000,000—Sales largest of any year—Profit and loss surplus \$22,038,950—Preferred stock reduced by \$2,000,000.

Electric Storage Battery makes new high since 1919—Wednesday sale at 145 a high point—Company operating at 70 per cent and management optimistic over outlook.

United Fruit earned \$16.97 a share in 1921—This compares with \$29.01 a share earned in the preceding 12 months' period.

Tobacco manufacturers had prosperous year—Earnings statements for 1921 expected to show increase in earnings over preceding 12 months—Funded debt reduced.

Corn Products Refining has a good outlook—Earned between \$10 and \$12 a share on the common last year after charges and taxes.

William Wrigley, Jr., Co.—William Wrigley, Jr., Co.'s annual report for year ended December 31, 1921, shows net profits after Federal taxes of \$3,710,677 against \$3,325,867 in 1920.

Virginia Iron, Coal & Coke—Declared a stock dividend of 50 per cent payable in 5 per cent cumulative preferred stock.

Mexican Eagle profits \$40,490,600 last year—Return for year ended June 30, 1921, compares with \$28,626,000 for the previous year; \$15,000,000 transferred to reserves and \$686,090 to surplus.

Southern Pipe Line shows \$10.90 a share earned—Profits last year \$1,096,996, compared with \$1,315,191, or \$15.15 a share, in 1920. Cash at end of year \$577,753, against \$361,984.

Alliance Realty shows \$10.51 a share earned—Surplus after charges and taxes, \$203,710; preceding year, net, \$130,314, or \$6.51 a share. Assets include \$175,098 cash; surplus, \$809,885.

General Cigar Co. reports net income of \$1,768,350—Equivalent after preferred dividends to \$8.08 on common, compared with \$15.12 in preceding year.

Westinghouse improves its financial position—All bank loans wiped out first nine months and cash and securities are over \$12,000,000. Earnings will show around \$6,000,000.

Parke, Davis & Co.—Parke, Davis & Co. for year 1921 reports net profits of \$2,873,336, equal to \$6.06 a share (par value, \$25) earned on the \$11,841,985 outstanding stock, against \$5.27 a share in 1920.

Brooklyn Edison shows \$10.28 a share earned—Surplus after taxes, \$1,780,583. Company to build a generating station to take care of increasing business.

Adams Express earnings over \$8 a share in 1921—Progress in claim settlement and reduction of Government note. Surplus \$383,097, against \$2,126,792 deficit.

Weyman-Burton reports \$19.27 a share common—Net, after all charges, \$1,873,231. Previous year net was \$1,805,525, or \$22.30 on a share. Surplus in 1921 was \$869,530.

Mackay Co.'s year gave satisfactory results—Figures compare favorably with war years and exceed prewar results, President Mackay says at annual meeting.

Underwood Typewriter shows \$10.14 a share on common—Maintenance of production of standard machines at 75 per cent capacity causes increase in inventory and note borrowing. Portables selling well.

Northern Pipe Line—Net after depreciation and taxes equal to \$11.32 a share on the stock.

I will not burden you with further citations of this kind. Many more could be referred to. A large number of these financial institutions are known in a general way to the humblest citizen. It is evident that at least a large number of institutions in the East are not in the precarious condition financially they would have us believe they are. Those opposing the granting of the adjusted compensation at this time, like those opposing similar measures in the past, plead poverty as an excuse, but a casual observer of the acts of the present administration during the short time it has been in charge of affairs sees revealed the program of economy begun and adhered to whereby a saving of \$800,000,000 to the taxpayers during this fiscal year has been accomplished. A further great reduction of future expenses has been accomplished by the conference lately had with the four leading powers of the world, by which during the naval holiday \$10,000,000,000 will be lifted from the shoulders of the taxpayers, which was brought about without the sacrifice of national honor and without entering into entangling alliances with powers across the sea. The preceding administration advocated the maintaining of an Army of 500,000 men. The present administration made provision for 150,000 for the present year, and I feel sure that there will be a further reduction for the coming year, reducing the Army to in the neighborhood of 115,000 men. The bonded indebtedness of the country has been greatly reduced in the last 12 months; confidence has been restored to the extent that Liberty bonds are now selling for approximately par that a year ago were selling in the neighborhood of 85 cents on the dollar, this increase in the value of Liberty bonds alone representing an increase of wealth to the people of the country of \$2,000,000,000.

I am anxious for the day to arrive when our Nation, like nearly every nation engaged in the war, acknowledges the heroic deeds of every one of those who left a loving mother, a devoted wife or sweetheart behind and went to the front in the defense of his country, there to meet in combat the greatest military machine of all ages and time, and who returned to his native soil victorious, as did his forefathers of all the great wars our country has engaged in. Through their valor and courage and by their typical Americanism they put new life into our allies. They won for posterity of the greatest nations of the world a losing fight. They received the thanks of a grateful Nation and the blessings of a bleeding world.

I was for them when they tramped away; I was for them when they returned as conquering heroes; and, in the language of the typical Oklahoman, I am for them first, last, and all the time, and for my part my vote shall be cast to compensate them, not by empty words of praise but by something more substantial. [Applause.]

Mr. GREEN of Iowa. Mr. Speaker, I yield to the gentleman from Michigan [Mr. SMITH].

Mr. SMITH of Michigan. Mr. Speaker, if both parties and if our country were ever committed to a policy, it is the policy that is being presented to-day by this measure. The Republican Party says that it will fulfill every obligation to the ex-service men, and the two last provisions in this very bill are copied literally out of the platform of the Democratic Party.

We are the richest country in the world, why should we hesitate with this obligation staring us in the face?

We talk about frozen assets. I want to say that there is no frozen asset with the name of our Government written on it. [Applause.]

If there is anyone who thinks the World War veterans ought not to receive any bonus, the question to him is easy of solution. We pay \$240 bonus per annum to our Federal employees.

Every one of our European allies, excepting Russia, paid a bonus to their enlisted soldiers, from \$64 by Italy to \$492 by Belgium, while Canada paid \$631. The following is a compensation table taken from the CONGRESSIONAL RECORD of February 21, 1922, page 3203, as compiled by the gentleman from Wisconsin [Mr. FREAR]:

COMPARISON OF BONUSES AND ABILITY TO PAY.

From the foregoing it will be noted maximum payments made to enlisted men by the several Governments were—

Canada	\$631
France	249
Italy	64
Belgium	492
England	190
United States	60

In this connection it is further noted that the estimated wealth of the United States of more than \$250,000,000,000 is subject to a debt of \$24,000,000,000, or less than 10 per cent. Of this debt a credit exists in favor of the United States from foreign Governments of \$11,000,000,000, of which last amount the Secretary of the Treasury estimates 80 per cent, or approximately \$8,800,000,000, will be paid, leaving a net national debt of about \$16,000,000,000, or about 7 per cent of the national wealth.

On the 29th day of May, 1920, nearly two years ago, we passed an adjusted compensation bill through the House by 239 yeas to 92 nays, with 46 not voting. The measure has not been acted upon in the Senate, but the vote had in the House shows a clear majority of 3 to 1 in favor of this legislation. The Ways and Means Committee, after extensive hearings, reported this bill out by more than 3 to 1. The Republican National platform states that—

We hold in imperishable remembrance the valor and the patriotism of the soldiers and sailors of America who fought in the Great War for human liberty, and we pledge ourselves to discharge to the fullest the obligations which a grateful Nation justly should fulfill in appreciation of the services rendered by its defenders on sea and on land.

While the last Democratic national platform clearly covers and pledges the Democratic Party to soldier settlement and home aid. The last two provisions of the bill are as follows:

We believe that no higher or more valued privilege can be afforded to an American citizen than to become a freeholder in the soil of the United States, and to that end we pledge our party to the enactment of soldier settlements and home-aid legislation which will afford to the men who fought for America the opportunity to become land and home owners under conditions affording genuine Government assistance unencumbered by needless difficulties of red tape or advance financial investment.

The principal objection being that we ought to defer this payment; that payment now would injure business; and that the condition of the Treasury of the United States and of the banks does not warrant such payment at this time, I herewith submit a statement published in the Washington Post on the 3d day of March, 1922, purporting to have been sent out by the Federal Reserve Board and showing the condition of the 12 Federal reserve banks during the previous week:

ALL SET FOR INDUSTRIAL REVIVAL.

Financially, the stage is set for an industrial revival. The current statement of the Federal Reserve Board discloses the following heartening situation:

Within a week the 12 Federal reserve banks have increased their gold holdings by nearly \$50,000,000. During the same period they have reduced the amount of their loans by more than \$70,000,000. The total of those loans stands to-day, according to the report, at \$732,000,000. A year ago the total was \$2,515,000,000. That is deflation with a vengeance.

In the face of this remarkable showing, the chief national banks of the country—807 in number—put an additional \$67,000,000 to work in developing business enterprises within the week. Further, the business men of the country added \$101,000,000 during the same period to their accounts with these same institutions. At the present time these banks have \$10,348,000,000 in deposits subject to check. This is \$350,000,000 more than the total six months ago.

The Federal reserve system alone at this time, according to the board's report, could safely extend more than \$15,000,000,000 in additional credit.

The last report of the Comptroller of the Currency shows that there were in the country on June 30, 1921, 8,000 national

banks and 23,000 State, savings, trust companies, and private banks, with credit deposits of \$48,000,000,000. It would seem that these financial institutions would be able to furnish the amount necessary to take care of this expenditure, variously estimated at \$600,000,000, the first year, if it reaches this cost. The following is taken from the report:

BANKING POWER OF THE UNITED STATES.

The banking power of the United States on June 30, 1921, represented by the combined paid-in capital, surplus, and profits, deposits, and circulation of all reporting banks, including National and State, nonreporting private banks (estimated), and the 12 Federal reserve banks, was \$48,219,900,000. Comparison of this amount with the banking power for June 30, 1914, aggregating \$24,340,100,000, discloses an increase in this 7-year period of \$23,879,800,000, or 98.11 per cent.

Banking power of the United States, June 30, 1921.

[Money columns in millions.]

	Number of banks.	Capital paid in.	Surplus and profits.	Deposits. ¹	National bank circulation, Federal reserve notes, and Federal reserve bank notes.	Total, June, 1921.	Total, June, 1920.	Decrease over 1920.
National banks.....	8,154	\$1,273.8	\$1,522.4	\$12,991.3	\$704.1	\$16,491.6	\$17,756.9	\$1,265.3
Reporting State banks, savings banks, trust companies, and private banks.....	22,658	1,630.0	1,930.3	22,858.0	.....	26,418.3	27,026.3	608.0
Nonreporting private banks (estimated).....	446	7.1	8.9	84.2	.....	100.2	209.1	108.9
Total.....	31,258	2,910.9	3,461.6	35,933.5	704.1	43,010.1	44,992.3	1,982.2
Federal reserve banks.....	² 12	102.1	242.9	2,098.0	2,766.8	5,209.8	5,989.6	779.8
Grand total.....	31,270	3,013.0	3,704.5	38,031.5	3,470.9	48,219.9	50,981.9	2,762.0

¹ Includes dividends unpaid, postal savings, and United States deposits, certified checks and cashiers' checks outstanding, but not amounts due to other banks, except deposits of Federal reserve banks, which are reported gross.

² June 29.

NOTE.—Information for nonreporting private banks has been estimated by using as a basis for the calculation statements of reporting private banks. Only such institutions as are performing the functions of a bank are included in the total number of private banks. Concerns whose business is confined to the selling of investments are not included in the list of private bankers.

It would seem from this statement that it would not be a great drain or strain upon the Federal reserve banks to supply all the money necessary to pay this compensation in cash, if need be. The Federal reserve bank is our great national banking institution. The boys fought for the Nation, and if Germany had won there is no question but what this bank would have come into her possession. And further, I am one of those who has a fixed and settled opinion that the victory was assured by our going into the war.

The bill provides five options, any one of which may be taken by the soldier:

1. To receive "adjusted service pay."
2. To receive an "adjusted service certificate."
3. To receive "vocational training."
4. To receive "farm or home aid."
5. To receive "land-settlement aid."

And in explanation of these options I insert from the report of the committee the principal provisions of the bill:

THE BILL (H. R. 10874).

The bill herein recommended by your committee proposes to permit the veteran to elect to receive the benefits of any one of the five following plans of compensation:

- (1) Adjusted service pay, where the amount of credit is \$50 or less, as provided in Title IV.
- (2) Adjusted service certificate (Title V).
- (3) Vocational training aid (Title VI).
- (4) Farm or home aid (Title VII).
- (5) Land settlement aid (Title VIII).

A "veteran" is described as any individual who was a member of the military or naval forces of the United States at any time after April 5, 1917, and before November 12, 1918; but does not include any individual dishonorably discharged therefrom, any conscientious objector, or any alien discharged from such forces on account of his alienage.

A brief description of the various provisions of the bill follows:

TITLE II. ADJUSTED SERVICE CREDIT.

The plan is predicated on an "adjusted service credit," which shall be computed by allowing the following sum for each day of service in excess of 60 days in the military and naval forces of the United States after April 5, 1917, and before July 1, 1919; \$1.25 for each day of overseas service and \$1 for each day of home service, but the total amount of the credit for overseas service shall not exceed \$625 and for home service shall not exceed \$500.

An officer holding a permanent or provisional commission or acting warrant is excluded from the benefits of the bill during the period of service under such commission or warrant, and all other officers above the grade of captain in the Army or Marine Corps and lieutenant in the Navy are likewise excluded. Other exclusions apply to commission or warrant officers performing home service not with troops and receiving commutation of quarters or of subsistence for the period of such service, individuals granted farm or industrial furloughs, civilian employees, and certain others receiving civilian pay or not subjected to hazard. The committee has endeavored to extend the benefits of the bill to the classes most deserving.

TITLE III. GENERAL PROVISIONS.

This title sets forth the five optional plans, any one of which a veteran may elect to receive.

Application for any of the plans enumerated must be made on or before July 1, 1923, to the Secretary of War, if the veteran's last service was with the military forces, or to the Secretary of the Navy, if the veteran's last service was with the naval forces.

The application must be made personally by the veteran, unless physically or mentally incapacitated, in which instance it may be made by his representative under regulations prescribed jointly by the Secretary of War and the Secretary of the Navy.

This title exempts from taxation and attachment any sum payable under the provisions of the act. It likewise makes it unlawful to attempt to charge or collect fees for assisting a veteran in obtaining any of the benefits under the act.

TITLE V. ADJUSTED SERVICE CERTIFICATE.

This title provides for the issuing by the Secretary of the Treasury of an adjusted service certificate to veterans choosing this option, which certificate will have a face value equal to the sum of his adjusted service credit increased by 25 per cent plus interest thereon for 20 years at the rate of 4½ per cent per annum, compounded annually (such value being approximately equal to 3.015 times the adjusted service credit of the veteran). The certificate shall be dated October 1, 1922, and shall be payable to the veteran September 30, 1942, or in the event of his death to the beneficiary named.

The certificate will have an immediate loan basis equivalent to the amount of the adjusted service credit of the veteran plus interest thereon from October 1, 1922, to the time the loan is made, at the rate of 4½ per cent per annum, compounded annually.

BANK LOANS.

Until September 30, 1925, a veteran may borrow from any national bank, or State bank, or trust company, a loan not to exceed 50 per cent of the loan basis of the certificate, such loan to be secured by the adjusted service certificate of the veteran on his promissory note. The bank may charge interest upon the loan, which shall mature on or before September 30, 1925, at a rate not to exceed by more than 2 per cent per annum, the rate charged at the date of the loan for the discount of 90-day commercial paper by the Federal reserve bank for the district in which the bank is located.

If the veteran fails to pay the principal and interest of the loan within six months after its maturity the bank shall present the certificate and note to the Secretary of the Treasury not earlier than May 30, or later than October 15, 1925, and the Secretary is authorized to cancel the note and certificate and pay the bank the amount of unpaid principal and interest accrued at the rate fixed in the note. The difference between 80 per cent of the loan basis of the certificate at the time it is received by the Secretary and the amount paid to the bank shall be paid to the veteran. If the veteran is deceased the amount is to be paid to his beneficiary or his estate.

In the event of the death of the veteran before the maturity of the loan, the amount of the unpaid principal and the unpaid interest accrued to the date of his death shall be immediately due and payable. In such case or in the event the veteran dies within six months after the loan matures, the certificate and note shall be presented to the Secretary by the bank and the Secretary shall cancel the note and pay the bank's claim. The Secretary shall then deduct the amount of the claim from the face value of the certificate and pay the remainder to the veteran's beneficiary or his estate.

When any loan becomes in default the bank shall notify the Secretary of the Treasury within 30 days, stating all the facts in the case. The Secretary of the Treasury can not pay any note presented by a bank unless the note is accompanied by an affidavit made by an officer of the bank, stating that the bank has not charged or attempted to collect any fee or compensation in respect to making the loan. A penalty of \$100 to be recovered in a civil suit brought by the veteran is provided where a bank or any of its officers attempt to charge or collect fees.

If a veteran's certificate is forfeited by default when he has borrowed an amount less than the maximum authorized, the Secretary of the Treasury shall pay to the veteran 80 per cent of the difference between what he has borrowed and the maximum which he was authorized

to borrow. No certificate issued under the provisions of this title shall be negotiable or assignable or serve as security for a loan except in the manner provided. Should the veteran die after making application for the adjusted service certificate, and before October 1, 1922, the amount of the adjusted service credit of the veteran shall be paid to his estate.

There is presented herewith a comparative table of the benefits to be derived under the provisions of this title with the loan values:

Loan value of certificates.

HOME SERVICE.

Days' service.	Ad-justed service pay.	Face of certificate, maturity value.	Loan value of certificates.					
			Begin-ning of first year.	Begin-ning of second year.	Begin-ning of third year.	Begin-ning of fourth year.	Begin-ning of fifth year.	Begin-ning of sixth year.
100.....	\$100.00	\$301.46	\$50.00	\$52.25	\$54.60	\$101.36	\$130.03	\$162.05
200.....	200.00	602.93	100.00	104.50	109.20	202.73	260.07	324.09
300.....	300.00	904.39	150.00	156.75	163.80	304.09	390.10	486.14
400.....	400.00	1,205.86	200.00	209.00	218.41	405.45	520.13	648.18
500.....	500.00	1,507.32	250.00	261.25	273.01	506.81	650.16	810.23

OVERSEAS SERVICE.

100.....	\$125.00	\$376.83	\$62.50	\$65.31	\$68.25	\$126.70	\$162.54	\$202.53
200.....	250.00	756.66	125.00	130.63	136.50	253.41	325.08	405.11
300.....	375.00	1,130.49	187.50	195.94	204.75	380.11	487.62	607.67
400.....	500.00	1,507.32	250.00	261.25	273.01	506.81	650.16	810.23
500.....	625.00	1,884.15	312.50	326.56	341.26	633.52	812.71	1,012.78

TITLE VI. VOCATIONAL TRAINING AID.

This title provides that the Director of the United States Veterans' Bureau shall pay to the veterans choosing this option the sum of \$1.75 for each day of his attendance on and after January 1, 1923, on a course of vocational training previously approved by the director as suitable for such veteran, but the total payment to the veteran is not to exceed 140 per cent of the amount of his adjusted service credit. The veteran must furnish proof of his regular attendance upon the course chosen, but for each day of unjustifiable absence will forfeit the sum payable for that day, and receive no reimbursement for it in any other form.

Cost of bonus on basis of (1) paying all adjusted compensation that amounts to \$50 or less per veteran (approximately 10 per cent of the men will come under this provision); (2) issue adjusted service certificates to 70 per cent of the remaining veterans; (3) 2½ per cent to receive vocational training aid; (4) 10 per cent to receive farm and home aid; (5) 7½ per cent to receive land settlement aid.

Fiscal year.	Cash (10 per cent).	Certificates (70 per cent) (no borrowing).		Vocational training (2½ per cent).	Farm and home aid (10 per cent).	Land settlement aid (7½ per cent).	Total.
		Deaths.	Maturity.				
1923.....	\$16,000,000	\$26,604,000		\$31,675,000			\$74,279,000
1924.....		26,440,000		20,000,000	\$72,000,000	\$6,600,000	124,440,000
1925.....		26,720,000		650,000	64,000,000	30,000,000	121,370,000
1926.....		26,825,000			50,000,000	60,000,000	136,825,000
1927.....		26,936,000				16,000,000	42,936,000
1928.....		27,046,000					27,046,000
1929.....		27,233,000					27,233,000
1930.....		27,415,000					27,415,000
1931.....		27,674,000					27,674,000
1932.....		27,932,000					27,932,000
1933.....		28,255,000					28,255,000
1934.....		28,600,000					28,600,000
1935.....		29,004,000					29,004,000
1936.....		29,448,000					29,448,000
1937.....		30,003,000					30,003,000
1938.....		30,593,000					30,593,000
1939.....		31,333,000					31,333,000
1940.....		32,144,000					32,144,000
1941.....		33,105,000					33,105,000
1942.....		34,251,000					34,251,000
1943.....			\$3,154,823,350				
Total.....	16,000,000	577,571,000	3,154,823,350	52,325,000	186,000,000	112,000,000	4,098,719,350

Personally I think we should fund our foreign debt, whether we use any of it for the payment of the adjusted compensation or not.

Personally, also, I think we should indorse some of the foreign bonds and put them on the market and use the money to pay this bonus. By this means it would extend the time until we could get back to settled conditions. By this means we could avoid the levy of additional taxes to raise the money. By this means, if we used a part of this foreign debt to pay the bonus, we would stop the talk and propaganda about cancellation of our foreign war debt, about which we read and hear so much.

If we used a part of our foreign debt it would not injure any man, firm, or corporation, but benefit everyone by an adjustment both of the foreign debt and of the bonus.

There can not be the semblance of a doubt about our ability to pay this bonus. I think this is conceded by everyone. We

TITLE VII. FARM OR HOME AID.

This title benefits the veteran who desires to purchase a city or suburban home or a farm, not within the limits of the land projects provided for in Title VIII, or to make improvements upon such home or farm. For such purposes there may be paid to the veteran in one payment, or in installments, an amount equal to his adjusted service credit, increased by 25 per cent. Such payment may be made directly to the veteran or to the vendor or person to whom the payment is due from the veteran, under certain safeguards, by the national veterans' settlement board created by Title VIII.

No payments can be made under the provisions of this title until July 1, 1923, that being as early as it was thought examination could be made of the applications under this provision and the property to be purchased with the funds obtained.

TITLE VIII. LAND SETTLEMENT.

Under this title provision is made for homes for veterans upon land reclaimed by irrigation, drainage, or other means. Only the amount of adjusted service credit is deducted from the purchase price of the land selected.

After such deduction has been made, the balance may be paid in full at time of entry, or by amortization payments for a period not exceeding 25 years. The installments, however, are to be so arranged that the veteran will not be required to pay any installment until two years after making the contract for the purchase of the land.

Estimate of the veterans eligible to receive the benefits provided under H. R. 10874, including days served and average number of days for which adjusted service credit would be given.

	Army.	Navy.	Marine Corps.
Service period (days), Apr. 6, 1917-June 30, 1919.....	816	816	816
Average number of days of service.....	389	470	440
Average number of days for which pay would be due.....	329	410	380
Total number of man days.....	1,443,630,000	259,062,154	33,479,224
Total number of man days in American Expeditionary Force.....	611,380,000		12,253,290
Total number of man days afloat.....		142,484,185	
Ratio of man days in American Expeditionary Force.....	0.4235	0.55	0.366
Total who served.....	4,650,500	551,738	88,101
Excluded classes.....	717,500	107,228	7,410
Number of men entitled to adjusted service pay.....	3,933,000	444,508	80,691
Total eligibles.....	4,458,199		

are the richest nation on the globe. Our national wealth equals that of all our European allies put together save Russia. And they all paid their veterans adjusted compensation.

Country.	Debt of nation.	Estimated wealth.	Per cent of debt.
United States.....	\$23,000,000,000	\$300,000,000,000	8
Canada.....	2,345,000,000	10,000,000,000	23
Belgium.....	4,670,000,000	12,000,000,000	39
France.....	50,960,000,000	92,500,000,000	55
England.....	37,910,000,000	120,000,000,000	32
Italy.....	18,650,000,000	35,500,000,000	52

The United States debt is generally estimated at only 8 per cent of its wealth.

But our greatest ability, greater than that of any nation, is in the inventive genius, efficiency, and energy of our people to

increase wealth. The annual income from our manufacturing and agriculture is estimated at \$40,000,000,000. Eventually we will have this bonus to pay. Why not now? I believe in time most of our foreign debt will be paid. No country ever repudiated its national debt and survived. Most of our allies received large stretches of domain and reparations. We received practically nothing. While we received nothing ourselves, those of our allies that received large holdings can justly afford to and ought to pay. [Applause.]

Mr. TREADWAY. Mr. Speaker, I yield to the gentleman from Nebraska [Mr. McLAUGHLIN].

Mr. McLAUGHLIN of Nebraska. Mr. Speaker, I regret that the provisions of the bill now before the House compel me to reverse my former vote on the bonus measure. This reversal of my former position is the result, first, of what appears to be, in my judgment, a rapidly growing opposition to the cash and certificate provisions of a bonus measure on the part of the people of the country. A few days ago I wrote approximately 400 constituents in the fourth Nebraska district, asking each if they were in favor of the payment of a cash bonus to able-bodied ex-service men at this time. Up to the present I have received 92 returns, of whom 80 are opposed to the cash provisions of the present bill and 12 of whom are in favor of it. These letters have come from men engaged in various occupations, a number of whom are ex-service men.

I wish it were possible by the rule under which the bill is being considered to publish a number of these letters in the RECORD, as they contain much food for thought in connection with the consideration of this subject. One gentleman in the district who is decidedly against a cash bonus at the present time says that the various schemes proposed in the present bill tending to shift the burden of payment is proof that Congress knows the country is not in position to raise the money for a cash bonus at this time, but that the future will pay dearly for it. He says, "I have four sons, all volunteers in the late war, and all of them are against the bonus. What the country needs is a return to normal business conditions, so that the ex-service men can get employment instead of a bonus."

One of the sons of this man writes the following statesmanlike words:

The bedrock of principle upon which the bonus ought to have been opposed is plain enough if one but faces the question squarely. The sacrifice which a citizen makes in simply taking the share fairly and squarely allotted to him in fighting his country's enemies it is his plain duty to endure without looking for any special material reward. Where the sacrifice goes beyond that which is entailed in the mere fact of military service, where a man suffers physical disability, impairment, or mutilation, it is right that the Government should endeavor to make up to him in material support a loss which such support, however generous, can never repair. But if the mere fact of service be regarded as a basis for a similar claim, what limit can be assigned to the demand? The country must stand on the principle that the soldier did only his duty in serving—that the Nation was entitled to his service at the rate of pay fixed by law—or else surrender itself to indefinite exploitation, carried on by what is in essence political duress. The note that should have been struck is that which was sounded with such unwavering courage by Grover Cleveland. Perhaps it is not yet too late.

My second reason for opposition to the present bill lies in the fact that the bill itself makes no provision by way of a tax levy for the financial outlay it entails. In the statement of the history of bonus legislation in the majority report we find this expression: "On May 20, 1920, H. R. 14157 was introduced containing the so-called fivefold plan of adjusted-service pay, adjusted-service certificate, vocational-training aid, farm and home aid, and land-settlement aid. It also carried provisions for raising revenue sufficient to meet the expenditures under the bill." That is the bonus bill I supported. The bill now before us carries no provisions for raising revenue for the payment of the bonus. If a cash bonus must be paid, then I contend that the only proper thing, the only courageous thing for this Congress to do is to arrange now for its payment. The certificate plan of the present bill will mean in the end the expenditure in the way of final redemption of the certificates, interest compounded and millions of dollars of overhead expenses to four or five times the amount that would be necessary now to pay a cash bonus and have it over with. I do not believe the country, even the ex-service men themselves want this great additional burden passed on to their children and children's children.

If we had the privilege of amending the bill so as to include an adequate paid-up insurance option, and to eliminate titles four and five, I would be glad to give the same my hearty support, or if even the present bill made any provision for raising the money necessary to take care of the expenditures it will incur I would be inclined to support it, even though I tremble at what my colleagues may consider the necessity of placing this great additional burden upon the country at this critical time.

The majority report emphasizes the fact that France, Italy, England, and Canada have paid some sort of adjusted compensation to their ex-service men, but the report does not call attention to the fact that American soldiers were better paid at the time of their service than any other soldiers in the world, and it does not emphasize the fact that all of the countries named, with the exception of Canada, after having paid a bonus to the veterans of the war are laboring under such a staggering debt and such adverse economic conditions that it is a serious question as to whether or not they will prove their solvency.

All of the replies to the questionnaire which I mailed out giving expression against a cash bonus at this time hasten to assure Congress that the people are anxious and glad to do everything within their power to provide for the disabled soldiers of the late war and their dependents, and it is a well-known fact that Congress has endeavored in a heroic manner to make provision for all disabled veterans. It is no doubt true that there are cases here and there where justice has not been done, but such cases are due to oversights or delays in the administrative branches of the Government and are in no sense due to lack of Congress to make ample provisions for their support. Two of the men answering my questionnaire give as their reasons for favoring a cash bonus at this time the fact that they desire to have all of the obligations incurred in connection with the late war paid off now, once and for all time, instead of allowing the matter to drag along and finally be taken care of in the way of pensions, as has been the case with the veterans of other wars, but these constituents overlook the fact that, no matter what provision is now made in the way of a bonus, multiplied thousands of the veterans of the late war will be on the pension roll of the country for a half century or more to come, and the more time elapses the greater the proportionate pension budget. If anyone believes by supporting the present measure that he is in any sense avoiding the necessity for continuing the pension policy of the Nation, he is greatly misguided.

Another one of these expressing himself in favor of a cash bonus qualifies his statement by saying that the money should be raised from the large financial interests of the country and that no portion of the tax burden should fall on the country in general. In other words, he favors a bonus, providing he is not under the necessity of paying any part of it himself; so that when these exceptions are taken into account the answers to my questionnaire are practically unanimous in opposition to the payment of a cash bonus at this time.

It is an easy matter for the soap-box orator and the demagogue to keep on ranting about making the profiteers pay the cost of the war and provide the bonus, but who is in position to put his hand on the individual profiteer and extract from him the money required. After all the bickering and passing the buck is ended, the fact remains that the people of the entire country must pay proportionately for the expenses of the war and make adequate provision for its disabled soldiers. Any added burden in the way of taxation that will cripple the development and extension of business throughout the country is not only an injustice to the ex-service men who may be out of employment, but an injustice to all of the people. The moment the factories of the Nation are operated at full capacity and the business concerns of the Nation are doing a normal proportionate business and the farmers of the Nation are receiving the cost of production plus a reasonable profit, all the unemployed men, including ex-service men, will be busily engaged at an adequate wage, which happy condition will mean far more to the ex-service men than any cash bonus that might be provided.

Notwithstanding the fact that I regard any additional tax burdens at this time as a great handicap to the Republic, as I have previously stated, if the Ways and Means Committee had provided in this bill for the raising of funds to meet the expenditures the bill requires, I would be inclined to support the bill, as I did the previous measure. At the same time, from the very beginning of the bonus talk, which originated on the floor of this House and spread to the remotest corners of the country, I have felt that it is in a sense an insult to the noble soldiery of the late war to offer them a financial consideration for the performance of a patriotic duty.

No amount of material wealth can in any way compensate a man for patriotic service in time of war, and if we are going to launch forth on a policy at this time in the history of our country to which every citizen owes in time of trouble or distress his last drop of blood, and to which he owes loyalty and obedience and thrifty service in time of peace, where, may I ask, will such a policy end and when will we reach the time that no longer will any citizen of our beloved Republic say, as

did one great hero, "I only regret that I have but one life to give in defense of my country."

If we are going to attempt to compensate the men who stood between the Nation and its enemies in a monetary way, why stop at \$50 or \$500 or \$1,000? The wealth of the entire world could not compensate one man for patriotic service rendered to his country in time of distress, and if we attempt to launch forth on this false policy at this critical time is there not danger that we will create such a false impression in the minds of the coming generation that instead of men hereafter rushing to the defense of their country as a patriotic duty the Nation will be obliged to resort to a hired soldiery, which is proven in history to be one of the last steps in a decadent nation before it sinks into oblivion.

I am in favor of the land-settlement provisions of the bill; I am in favor of provisions which will enable ex-service men to acquire homes; in favor of special beneficial insurance provisions—in fact, I am in favor of any provision that is sane and constructive and which will ultimately add to the wealth and power of the Nation and to the comfort of its citizens.

I regret that this bill could not have been brought in in such a manner as to permit its perfection on the floor of the House. The conscientious opposition that I am constrained to exert to titles 4 and 5 of the bill not only embarrass me but grieve me. In answering correspondence during the past few months from officers of certain legion posts I have assured them that I supported the previous bonus bill and expected to support the one that was forthcoming, but at that time the Ways and Means Committee was contemplating the laying of adequate taxes to raise revenue to meet the provisions of the bill. Had they continued along that line I would have supported the present measure, but having made no provision for the raising of such funds and having left the entire question of revenue to meet the requirements of the measure for future consideration, the bill appears to me as being in the nature of a sight-unseen proposition—a pig in a poke or a game of blindman's buff. Should the bill become law in its present form and the ex-service men who elect the certificate option find themselves under the necessity of going to local banks and surrendering their certificates for a loan of half of the value thereof and in the end being compelled to accept 80 per cent of the face value, I am confident that the ex-service men themselves will largely agree that the measure was a makeshift, that it rendered them no adequate benefit, and that they will find themselves and their posterity struggling under a great load of debt which will prove a burden and a menace to the entire Nation.

Mr. Speaker, it is a well-known fact that the gross waste and extravagance of the former administration in paying unheard of high wages to the men who worked in the shipyards, lumber camps, and in the munition factories and construction camps was the thing which first led ex-service men to believe that they should receive a bonus in addition to the amount paid them during the war.

The insane and reckless conduct of the former Secretary of the Treasury and Director General of Railroads, Mr. McAdoo, in paying these excessive and uncalled for wages in an effort to build up a political machine that would perpetuate the Democrats in power was one of the biggest mistakes economically and politically that has ever happened in the history of this country, and it was this huge mistake that has led to the present consideration of a cash bonus for able-bodied soldiers. I raise the question seriously, Mr. Speaker, whether we can right one great economic wrong by perpetrating another, whether we can cure one mistake by making another?

The policy that should by all means have been pursued by the administration in power during the war would have been to draft men to work in the shipyards and lumber camps and construction camps and all other places where the Government employed men, at exactly the same pay that the soldiers received. Then there could have been no possible thought or suggestion on the part of anyone of discrimination or unfair practices. Should our country ever be called to meet the emergencies of war again—and God forbid that that time will ever come—I earnestly hope that the Government, profiting by the egregious blunders of the Democratic administration, will at that time draft men for labor and construction work away from the danger zone on exactly the same terms that men are drafted for military duty.

To my mind it is far more important for the good, well-being, and prosperity of the ex-service men, as well as for the entire Nation, that we make every effort to establish a sound, economic policy during the present administration that will serve as a guiding star both from the political and economic standpoint for years to come. This is exceedingly more important, in my judgment, than is the election of any individual to Congress or

the perpetuation of any party in power. We must proceed to reduce expenditures and cut down taxes rather than increase them. We must of necessity prepare to redeem the six billions of securities that will mature within the next 15 months. Every move that we now make that will add to the burden of taxation will have a proportionate depressing influence on the business of the country in all of its branches and ramifications. Every move that we make to lessen the burden of taxation and encourage business in general to resume operations in a normal manner will have a reflex influence for good in all parts of the country. There is a limit to which both an individual and a nation can go in its borrowing, and if I have correctly diagnosed the economic symptoms of this Republic we have reached the dead line in our borrowing and must immediately begin to pay our indebtedness and continue to pay it as rapidly as possible. Such a policy on the part of this administration will restore confidence, open up the avenues of trade, put the unemployed to work, furnish a favorable atmosphere in which our beloved ex-service boys can make their well-deserved place in the community and the Nation, and result in general satisfaction and national prosperity. [Applause.]

Mr. TREADWAY. Mr. Speaker, I yield five minutes to the gentleman from Illinois [Mr. MANN]. [Applause.]

Mr. MANN. Mr. Speaker, as one of the inevitable results of the war the country has been and is now passing through an industrial depression. The strain upon the credit of the country by the passage of this bill will have a tendency to retard the emergence from that depression. We have already begun to see returning prosperity, increased industrial and business activity. Probably that will come faster or slower anyhow, but the strain upon the credit of the country by this bill will retard that return of prosperity.

What do you propose to do? Why, the boys who are working now for good pay do not need this as an emergency measure, and the boys who are out of steady work at good pay want a job. That is what they want. They want a chance to work. You want to put back the chance to work. Instead of retarding prosperity, so that all may have a chance for steady work at good pay, you propose to offer them a certificate, not a job, and you give them a chance to get into debt, and not a chance to draw pay. So much for that.

There is another feature of this bill—the reclamation part of it—which proposes to start this Government on the wildest orgy of waste and extravagance that any Government has ever started on. That is the reclamation feature, carried in the bill as an appendix, with not 20 per cent of the men in this House in favor of it, but forced to vote for it against their desire. And everyone here will be condemning Congress in a few years for entering upon this orgy of wasteful extravagance. [Applause.]

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

Mr. FORDNEY. Mr. Speaker, I yield to the gentleman from Kentucky [Mr. LANGLEY] such time as he may desire.

Mr. LANGLEY. Mr. Speaker, if I could have had my way about it, I would have had the hospital bill first, because I think we ought to take care of the sick men before we take care of the well men. However, I am for this bonus bill, and as I have said before, I would rather resign my seat in Congress than to vote against some measure for relief of our soldier boys, even though they are not now disabled. I say this not merely because I am a soldier in the ranks of the Republican Party, which is standing for this legislation, but as an American I believe we owe a debt of lasting gratitude to all of the boys as well as the heroic women who were nurses, all of whom made sacrifices in this great World War. Even though a soldier returned from the battle front unscathed, I believe he is still entitled to consideration at our hands, because he left home and family and occupation and offered his life upon the altar of his country, and millions of them went across the sea to face the instruments of death contrived by a vicious, atrocious, and scientific foe. It took nerve to do that, and the men who did it, even if they are not now disabled, deserve the grateful recognition of this Republic. [Applause.]

I believe, however, that with the exception of taking care of our disabled ex-service men that the present generation has sacrificed its full share in connection with the World War. We gave up the lives of nearly 100,000 of our boys and nearly a quarter of a million of them have returned home disabled and must be cared for. We raised money unstintingly and loaned generously nearly eleven billions of it to foreign countries. The present industry of the country is overtaxed, and I believe that the menace of the threatened additional taxes is one of the chief influences that is holding back the immediate and rapid revival of business prosperity. If this country is half as great as foreign nations evidently think it is, and being as powerful

in the affairs of the world as we know it to be, I think we ought to collect the interest upon these foreign loans and pay that money to the soldiers as a bonus, and if that is not enough I think the balance of the money should be raised by the issuance of long-time bonds. If there was any good reason for our entering the war it was to preserve the civilization and Christianity of the world, and if we by our sacrifice helped to do that—and we surely did—then I think that future generations will receive much more of the benefits of that sacrifice than the present generation will receive, and I am in favor of letting these future generations help to share the great burden that this war has entailed upon our country. [Applause.]

For 15 years the honor has been mine to represent a part of the Kentucky mountaineers in this great body. To me they are the most loyal people on earth. It is the home of patriotism and loyalty to friends. No great event has ever taken place in the history of our country in which the mountaineers of Kentucky had opportunity to participate in which they have failed to answer to the call of duty.

Back in 1813, when her sons, hearing of the approaching battle at New Orleans, a company of more than 100 of her young and stalwart men got together and walked from Breathitt County, Ky., to New Orleans in 29 days to help General Jackson fight that battle against Pakenham January 8, 1815, and the leader of that company, approaching one of the generals of the Army asked that their unarmed men be given the arms of those who had fallen in battle. This request was borne to General Jackson with a protest from the officer, who said that it would be murder to put these Kentuckians in battle who had never been trained in arms, to which General Jackson replied, "Those mountaineers need no training; all they need is a gun, and they'll shoot h—l out of the English," which they did. In the great Civil War these mountaineers responded to the call of Lincoln in such numbers that, although there were many who joined the Confederate Army, the volunteers to the Union Army alone outnumbered the total voting populations of most of the counties.

When the late World War came on and this country had finally decided to enter it the news spread from mouth to mouth until everyone knew it, and before the day had arrived for enforcing the draft more of the young men had volunteered in one county—Breathitt—than her entire quota under the draft. This county stands as the only one in the United States of America from which none of her sons were ever drafted. There are many heroes in that section of the country who won all degrees of honor across the seas, but they are modest and unassuming and but little has been said of their deeds of heroism. There is one hero, my neighbor and my constituent, from the hills of Perry County, who crowned himself with immortal honor while overseas. His name is Sam Joseph. He went over the top time and time again, and received more than 100 wounds from machine guns, shrapnel, and other missiles of that deadly war. I will insert under leave to extend my remarks a clipping from the Lexington Herald of recent date, which gives an account of his heroism. It is as follows:

SAM JOSEPH IN LEXINGTON HOSPITAL—WOUNDED WAR VETERAN AT HOSPITAL IS IN CLASS BY HIMSELF—FIFTEEN MONTHS ON FRONT UNSCATHED—THEN STOPPED 102 BULLETS—"NEVER FELT BETTER," SGT. SAM JOSEPH, OF HAZARD, ASSERTS.

Sergeant York and Sergeant Woodfill may divide honors for capturing or destroying Germans in the World War, but at the Good Samaritan Hospital is a man who is in a class by himself. He probably stopped more bullets than any man in the American armies at least, and, unsung, has a war record that vies with those of York and Woodfill.

Sam Joseph, a native of Hazard, is recovering from an operation on his foot performed last Tuesday. It was his fifteenth. Altogether 67 bullets have been taken from his arms, legs, and body. He was hit 102 times, so there must be considerable lead in him yet.

Joseph, a student at the Sue Bennett Memorial School at London, yesterday declared cheerfully that, with the exception of his foot, which has given him a great deal of trouble, "I never felt better in my life." A large man physically, he would be characterized in the vernacular as "husky."

O. K. 15 MONTHS—THEN.

Fifteen months at the front, during which he went over the top more than a dozen times without a scratch, and then to stop 102 bullets—"some" record. Fifteen of the bullets passed entirely through his body. A recital of his war experiences sounds like a history of "America in the World War."

Joseph was a sergeant in Company G of the Eighteenth Infantry, First Division. He was among the first 20,000 men who went to France, and was in practically all the battles in which the forces of the United States took part. He landed in France June 26, 1917, and after five weeks' intensive training his company was sent in the trenches with the Forty-fourth French Colonials (the "Blue Devils") on the Alsace-Lorraine front.

May 26, 1918, his company participated in the capture of Cantigny, which was after 27 days of fighting. Company G suffered a loss of 195 men in this drive out of its original 250. These 195 men were all killed by the heavy artillery fire of the enemy, which kept up a continual barrage during the entire time. The Germans counterattacked the same day, but failed to retake the town.

ONLY 57 NOW LEFT.

A month and a half after the first American battle the Eighteenth was moved to Monditaor, where they arrived at 11.30 o'clock at night, and went over the top at daybreak the next morning. They were seven days taking the town, and at the end of the week only 57 men were left.

Removed to the Somme front, he took part in the great drive at Soissons July 18, 1918, advancing 13 days continually. Joseph said that this was the first time he experienced hand-to-hand fighting, when for three hours and a half the Allies and Germans struggled hand to hand. At the end of the 13 days 1,200 men were left out of the 3,800 which had begun the fight. A captain, Joseph, and seven privates were the only survivors of the original personnel of his company.

On the Champaign front two battalions held back two divisions of the Germans until reinforcements were hurried to their aid. They were on this front 45 days and were then transferred to Mount Sept to participate in the drive for that strategic point. In this offensive the Americans suffered 50 per cent casualties, and still Joseph was without a scratch. The night before the offensive Sergeant Joseph and a patrol of seven men were sent on a scouting party in which they met up with a German patrol. Three of his men were killed and one wounded, but when the survivors returned they brought seven prisoners and two machine guns as souvenirs.

ONE OF 13 SURVIVORS.

At Chateau-Thierry Joseph was a member of a party of 117 men who were surrounded by the Germans for three days, after which 13 succeeded in fighting their way back to their own outfits. He was one of the lucky 13.

Soon after this Sergeant Joseph was hit in the back of the head by a German while on a raiding party, but outside of a 15-minute sleep and a bump on the back of his head he was none the worse for the experience.

Then his outfit was sent to the Argonne Forest, where Joseph received his wounds and was put out of the fight. It was in this fight that Hill 240 was taken, and it was within a few feet of the top of this ridge that he received his wounds. His company ran into a German machine-gun nest and he was struck by 93 balls. Soon afterwards a 4-inch shell exploded at his feet and the remainder of his wounds came from flying bits from this exploded shell. He managed to drag himself into a shallow crater made by the explosion and lay there over two days before he was finally taken to the hospital.

He was taken to mobile hospital No. 2, where his first operation was performed. He was in the hospital 28 months before his discharge, 14 of which he was not able to turn himself or even to feed himself.

That's the story as he tells it—modestly, as all who've "been there" talk. The doctors will tell you about his wounds.—Lexington Herald.

He has suffered and sacrificed without a murmur and his achievements upon the battle field challenge comparison of any other hero of that or any other war, and at the same time challenge the admiration of all mankind. I would not seek to detract the slightest honor from the just fame of those other heroes of this war like Sergeant York, of Tennessee, and Willie Sandlin, of Leslie County, Ky., but let me place side by side with them this young man of the mountains, this boy of Perry County, Ky., Sam Joseph, whose record on the battle fields of foreign lands, the number of wounds received, as far as I am advised, has no equal. It is but natural that I should feel proud of such a constituency as this, and of such as these who have made that great Commonwealth the wonder of the world. It shall be the proudest memory of my public life that I had a share in enacting legislation for the relief of our disabled soldiers, and also in recognition of all those who offered their lives in the defense of the honor of our Nation and in the preservation of the civilization, liberty, and Christianity of mankind. [Applause.]

Mr. FORDNEY. Mr. Speaker, I yield to the gentleman from New Jersey [Mr. BACHARACH].

Mr. BACHARACH. Mr. Speaker, as a member of the Ways and Means Committee who voted to favorably report this bill to the House I am going to vote for its passage, because I believe that under the circumstances existing it is the best bill that can be had at this time.

Personally I would prefer to see before us a measure which carried with it a provision to meet the financial requirements of the bill. In my humble opinion the logical and best method of financing this legislation would be through the medium of a sales tax of some sort; either a general sales tax of a very low rate or a limited sales tax, such as a manufacturers' tax or a wholesalers' tax, which, of course, would necessarily have to be at a rate high enough to raise the amount needed.

But apparently Congress has not yet sufficiently convinced itself of the wisdom of a sales tax, although there is a very general and strong demand for it throughout the country, and our efforts to have such a tax incorporated in this bill went down to defeat.

With the prospects of a presidential veto on any bill having a cash-payment feature and which carried with it any tax provision other than the sales tax—and that plan not acceptable to the majority of the committee—we had to look about for an entirely new means of meeting the situation, and the plan contained in this bill to take the place of the cash feature is the result.

When the question of adjusted compensation for our ex-service men first came before the Committee on Ways and Means in the extra session of the Sixty-sixth Congress, by

reference to that committee of the many and various bills that had been introduced in the House, I suggested the feasibility of giving to each man a life insurance policy of the 20-year endowment plan, with liberal provisions for borrowing on the policy at a moderate interest rate, the policies to be issued by the old-line insurance companies so as to save overhead cost, and so forth, to the Government. Out of that suggestion has been developed the adjusted-service certificate or insurance plan which is now the principal feature of the bill under consideration.

The opponents of this measure, both in the House and out of it, seem to have made, and they are still making, a determined effort not to let the general public get the real facts about this legislation.

This is not a cash-payment bill; it does not have any of the features of the cash-payment plan excepting as to those whose service was of such short duration as to entitle them to \$50 or less. These veterans are to be paid in cash, and it is estimated that it will require about \$16,000,000 to pay all such claims.

If every man entitled to do so should accept adjusted-service certificates and immediately, or as soon after he receives his certificate as he can do so, should borrow the full amount of its borrowing value, it would require about \$600,000,000 to finance these loans during the three years the banking institutions of the country would be obliged to carry the loans. This is less than 1 per cent of the total assets of the National and State banks and trust companies of the United States.

But it is estimated by the committee and Treasury officials that approximately only 70 per cent of the veterans will take adjusted-service certificates. If all of this number should immediately borrow on their certificates, the amount required to be loaned by the banks would be \$420,000,000.

I do not grant the assumption of the opponents of this legislation that the majority of the boys will take the certificates and immediately borrow on them to the limit allowed, wastefully squander the money, and give no further attention to their obligations to the banks.

I believe the greater number of the men entitled to the benefits of this bill are men of good sense and sound judgment, and they will appreciate the advantage of holding these certificates until maturity. Most of our ex-service men are still young in years, and 20 years hence they will just be in the prime of life, and the increased value of their certificates will be of more use to them than the small amount which they will be able to borrow on them now. In the meantime their families are protected with the additional insurance to the face value of the certificate plus accrued interest compounded at 4½ per cent.

My own opinion is that not more than one-half of those who take the certificates will borrow on them at any time during the three years in which the banks are permitted to carry the loans. That would mean that not more than \$210,000,000, at the outside, would be needed to carry these loans. There are now approximately 30,000 National and State banks and trust companies in the United States. On this assumption the average amount of loans each bank would make on this class of security, assuming that all would loan alike, would be \$7,000. As a matter of fact, I think it is safe to assume that it would not average more than \$5,000 for the 3-year period, for, even assuming that 50 per cent of the veterans borrowed on their certificates, they could not and would not all borrow at the same time. Their notes would be handled the same as any other commercial paper and would be renewed every three or four months, and certainly a large percentage of the borrowers would reduce their obligations each time the notes became due.

Those who oppose the bill try to convey the impression to the public that a veteran entitled to an adjusted-service certificate or insurance policy can go to anyone at all and sell his policy for what he can get for it, or that he can convert it into cash without the least trouble and, as they contend, go out and squander the money, if he so desires, on a "good time," and they contend that that is what most of the veterans will do.

I can not conceive of any bank, no matter how large or how small, to which a veteran might come to borrow money on a policy, whose officers would not ascertain from him the purposes for which he wanted the money, and unless he could give a definite statement and a good reason as to the necessity for making the loan it is very likely that he would have considerable difficulty, and properly so, in getting a loan on his certificate.

It must be remembered that the banks are not compelled to make these loans, and they could not be subjected to criticism for refusing to make a loan where it is clearly shown that the veteran had no need for the money and wanted it just to squander away. It would be in the interest of the veteran's welfare as well as in the interest of good banking business to decline to make a loan under such conditions.

While it would be true if the banks should loan money on these certificates promiscuously to be wastefully squandered by the owners, these loans might be considered as "frozen credits," it is equally true that if the money borrowed goes into useful channels such loans could no more be considered as "frozen credits" than loans made to merchants for commercial purposes or to individuals for improving their property or for any other useful need.

These insurance certificates are of the very essence of thrift; and if those who are inclined to borrow on them are properly educated as to the value of the certificates as a means of starting a savings account which will be available to them in later years for the purpose of home building or engaging in business, this legislation will be the means of starting many young men on the road to prosperity and happiness.

In so far as the veterans are concerned, the certificate plan incorporated in this bill offers greater advantages to them than the cash payment plan. Let us take the case of a man who has a service record in home territory which would entitle him, to the maximum of 500 days, or \$500.

Under the cash plan he would be entitled to \$500, payable in 10 quarterly installments, or at the rate of \$200 per year. Under the adjusted certificate plan he will receive credit for 500 days, or \$500, and if he wishes to borrow on his certificate the day after he receives it, it has a borrowing value of \$250. Under the cash plan he would have to wait for more than a year's installments before receiving that amount of money.

It is true that he would have to pay the bank interest on his loan, but in the meantime his certificate is drawing compound interest at the rate of 4½ per cent, so that the loan would cost him the difference between that and the current rate of interest, which in most instances would not be more than 6 per cent. If he holds his certificate intact until maturity it will be worth approximately \$1,500.

If that is a "gold brick," as contended in the minority report, there is certainly considerable gold in it which will be of real use in the building of homes or in many other uses which the veterans may have for it in the future.

I most strongly and vigorously resent the charge of the opponents of this legislation that this is an attempt on the part of Congress to pay our veterans for their patriotism. The country owes to the young men and women who entered the service and who fought and died on the field of battle a debt of gratitude which is immeasurable in its immensity and which can never be repaid by a monetary or other material consideration.

This legislation is just what the bill says it is; nothing more, nothing less. It is to "Provide adjusted compensation for veterans of the World War." In other words, it is an effort on the part of Congress to more equitably adjust the compensation which we paid to our soldiers, sailors, and marines while in the service, as compared with the wages paid to those who, by reason of age or other conditions, were not compelled to go into the camps and the trenches, but who remained at home in safe employment at never before heard of wages.

That Congress is justified in its attitude it seems to me is clearly demonstrated by one of many incidents which occurred in my own district, of which the following is typical:

Shortly after we entered the war a young electrician was working at Camp Dix as a civilian. He soon became imbued with the spirit of patriotism, resigned his job, returned home and enlisted in the Army. He was later ordered to Camp Dix, and upon his arrival there he was put to work as an electrician doing the same work that he had been doing as a civilian but with this difference: As a civilian he was getting about \$121 a week, but in the uniform of a soldier he was paid at the rate of \$1 per day, or \$7 per week.

It is well known that Congress has appropriated billions of dollars to reimburse contractors for the cancellation of contracts which were terminated by the signing of the armistice; to reimburse the railroads for losses sustained by them during the operation of the roads under Government control; to reimburse contractors for the erection of post-office and other Government buildings for losses sustained by reason of the increased cost of materials and labor.

If it was right and proper for Congress to do these things—and the business interests of the country who are now opposed to this legislation did not oppose that legislation—is it not equally right and proper for us to reimburse our soldiers in some measure for the financial losses which they sustained when called upon to take up arms and go to war whether they wanted to or not?

If the country was financially able to meet the demands made upon our Treasury to pay these tremendous sums to private corporations so that they would not sustain any financial loss

by reason of their working for the Government—and we are still the wealthiest nation in the world—is it fair, just, and reasonable to contend that we are too poor to reimburse those boys who went to fight and die, if necessary, for their country? It seems to me that such an argument is pusillanimous in the extreme and not worthy of one who calls himself an American citizen.

Are war contractors and war profiteers who were reimbursed for contracts terminated by reason of the ending of the war entitled to more consideration and sympathy at the hands of Congress than the soldier boy who gave up a good position, who sacrificed the comforts of home and separation from those he loved, to live for months and months the almost inhuman life of the trenches?

Mr. Speaker, I can not forget that I was one of the Members of this House who voted for war knowing full well all that that meant. Neither can I forget that I voted for the selective service act which sent millions of our best young men into the training camps and across the seas to the front-line trenches to fight and die for their country, while cognizant of the fact that I would not personally be subject to military duty.

As long as I live the scenes in this House on the night of April 2, 1917, when the President of the United States came before us and asked for a declaration of war against the Imperial German Government; and then, a few days later, when, after a session which lasted all night and long into the hours of the next morning, we finally adopted the resolution declaring a state of war to exist between the United States and the Imperial German Government, shall ever remain vividly in my memory. Nor will time eradicate the awful horrors of the war through which our brave boys fought on and on until victory crowned their magnificent efforts.

With these momentous days and events in the history of our Nation once again called freshly to mind by the consideration of this legislation, which seeks in a very small way to give recognition to the just claims of our ex-service men, I feel it to be not only my duty but a solemn compulsion to vote for this bill. [Applause.]

Mr. FORDNEY. Mr. Speaker, I yield to the gentleman from Illinois [Mr. SPROUL].

Mr. SPROUL. Mr. Speaker, I desire to read into the RECORD a resolution passed by the city council of the city of Chicago, as follows:

Whereas the United States has collected in the neighborhood of \$400,000,000 per year in taxes and licenses from Chicago; and

Whereas there are pending in Congress soldiers' bonus bills affecting thousands of boys in Chicago who served in the World War: Therefore be it

Resolved, That the city council go on record in favor of Congress passing a liberal bonus bill at once, and the mayor is hereby directed to appoint a committee of five, of whom our colleagues, Alderman Chris Jensen and Alderman Dorsey Crowe, shall be members, and the said committee shall go to Washington as the direct and official representatives of the city council and urge the passage of the soldiers' bonus bill at the earliest date.

STATE OF ILLINOIS, County of Cook, ss:

I, James T. Igoe, city clerk of the city of Chicago, do hereby certify that the annexed and foregoing is a true and correct copy of a resolution in favor of soldiers' bonus bill, adopted by the city council of the city of Chicago on the 8th day of March, A. D. 1922, original of which resolution is on file in my office, and that I am the lawful custodian of the same.

Witness my hand and the corporate seal of said city of Chicago this 20th day of March, A. D. 1922.

[SEAL.]

JAMES T. IGEO, City Clerk.

Mr. FORDNEY. I yield one minute to the gentleman from Michigan [Mr. BRENNAN].

Mr. BRENNAN. Mr. Speaker, there seems to be little purpose in making speeches upon this bill to-day in so far as the effect those speeches will have upon the action of the House. The bill will pass, as it should, by an overwhelming majority. Thus a certain measure of recognition, belated and inadequate though it may be, will be accorded to the services of our war veterans, which can never be valued or compensated with cash, or certificates, or land, or training. But there may be another purpose in the addresses made to-day. Technically and formally the responsibility of the House ceases with the roll call to-night; but in fact ours is a continuing responsibility until this measure or a similar one is adopted by the Senate and approved by the President. The opposition in the Senate will not be directed against adjusted compensation on its merits, but will be directed to the fact that there is no money in the Treasury at the present time with which to finance the bonus, and eventually the House itself will be asked to grapple with this problem and to solve it, or our action to-day will be but an idle gesture.

Mr. Speaker, as a member of the Michigan State Senate I voted in favor of ratifying the eighteenth amendment to the Constitution of the United States. I voted in favor of a strict

prohibition law. But, in view of the failure of prohibition, as defined by the Volstead Act, and in view of the eventual requirement of new revenues, I ask that the Senate, and at a later date, the House, consider the advisability of legalizing and taxing nonintoxicating beer of a mild alcoholic content as the most practicable method of financing the bill which we will pass to-day. [Applause.]

Mr. OLDFIELD. Mr. Speaker, I yield two minutes to the gentleman from Kentucky [Mr. THOMAS].

Mr. THOMAS. Mr. Speaker, no doubt, as the gentleman from Massachusetts [Mr. GALLIVAN] has declared, this is a day that the Lord made. But I am satisfied that the Lord was not consulted by the Republican members of the Ways and Means Committee when they drafted the pending bonus bill. [Laughter.] I shall vote for this bill [laughter], because a part of loaf is better than no loaf at all. I voted for the bonus bill before, and we were assured then that it would pass the Senate right away. And more than a month ago the chairman of the Ways and Means Committee [Mr. FORDNEY] assured this House that a bonus bill would be introduced and passed within 10 days. This bill will be passed here, but it will die in the Senate, as the other bill did. I resent the imputation of some Members who intimate that any Member of this House is voting for this bill in order to secure votes for himself. [Laughter.] Perhaps they are measuring other members' corn in their own half bushel.

The SPEAKER. The time of the gentleman has expired.

Mr. OLDFIELD. Mr. Speaker, I yield two minutes to the gentleman from Mississippi [Mr. COLLINS].

The SPEAKER. The gentleman from Mississippi is recognized for two minutes.

Mr. COLLINS. Mr. Speaker, this is a bill to adjust the compensation for veterans of the World War. During the war the Government paid them about \$30 per month, or \$1 a day, for their services, and in many cases, after insurance premiums and one or more allotments had been deducted, the boys received only \$5 or \$6 for their month's services. Every fair-minded person has long since been convinced that a Government rich in resources and with an indebtedness less than 7 per cent of its wealth should deal more justly with its defenders, and the Nation generally had demanded that Congress pay what is justly due these valiant men. When war was declared they were in the fields and the factories and in the colleges scattered over this land of ours, beginning their careers. The Government needed them and they were taken away. War meant much to them. It seriously broke into their plans, and their chosen work was given up without any time for calculations for the future. They risked everything—health, property, and life. Many were the families, too, that were left without help, and these loved ones at home were made to endure many hardships because of the absence of the ones in the service. The soldiers themselves could render but little help toward the family upkeep on account of the meagerness of their own compensation. Those of a similar station in life who remained at home were paid many times the amounts received by the soldiers. Prices mounted. Profiteering became the order of the day. Big industries profited and made their swollen millions, not only during the war but up to and long after its ending. The boys, however, shared in none of this. They were losers by it. When they came home they found their old jobs gone or filled by others. They were compelled to pay large prices for all of the necessities of life, prices which had increased many times in their absence, and many of these soldiers are now on the brink of want because they are without jobs. Mr. Taylor, of the American Legion, testified that the number of ex-service men without jobs now is between 600,000 and 900,000. A just Government should make it possible for these men to work. It should not permit them to wander over the country without employment or to labor in employment far below their abilities.

The Government has dealt most generously with other classes. Every Government employee making less than \$2,500 a year was taken care of not only during the war but up to the present time, a bonus of \$20 a month being given every one of them. The railroads, landlords, shipbuilders, and business interests generally were given everything they wanted, and after the war was over they came back to the Congress, not satisfied with the millions wrung from the people, and demanded more, and Congress has acceded to their demands in nearly every case. The railroads came and were given several billions of dollars. War contractors came, and they were given about three billions, and those others came who merely claimed that the Government owed them something, claims for goods never made or delivered. They asked for billions, and Congress authorized payments to the extent of a billion and a half. The shipowners came, too, and have gotten theirs. They are not through. It is

proposed to sell to them for a song our fleet which cost us billions of dollars, and they will get it, too, and about \$30,000,000 a year besides as a subsidy or as a bonus. Mining interests came and have been tenderly cared for. All of the rich who have made claims, real or imaginary, have been caressed and fondled by a willing Congress. These concerns doubtless rendered some service to the Government during the war, but in comparison with the service rendered by the veterans their service was puny indeed. In addition to the huge sums given these big interests, billions have been poured into the lap of Europe, much of it after the war was over. Two hundred and forty-one millions have been expended in keeping an American Army on the Rhine River for the benefit of European nations. So I say that no fair-minded man can deny that the ex-service men are entitled to everything in the bill and more too. We owe them a debt of honor and ought to pay it. It should have been paid more than two years ago. It is long past due.

The provisions of the bill:

The bill under consideration provides compensation for those who were in the service from April 5, 1917, to July 1, 1919, at the rate of \$1.25 per day for oversea service and \$1 per day for home service after having deducted 60 days. This deduction is made because all ex-service men have already received \$60 extra compensation. The total amount, however, for oversea service shall not exceed \$625 and for home service not over \$500, and no extra compensation is provided for commissioned officers above the rank of captain in the Army or lieutenant in the Navy and similar ranks in other branches of the service. There are five options provided, and a veteran is permitted to avail himself of any one of them, but only one.

THE ADJUSTED COMPENSATION PAY OPTION.

The veteran can not choose this plan if the amount of his service allowance is more than \$50.

THE ADJUSTED SERVICE CERTIFICATE OPTION.

This plan provides for the issuance of a certificate to the veteran by the Secretary of the Treasury upon certification by the Secretary of War or the Secretary of the Navy, according to the branch of the service of the veteran, of the face value of the adjusted-service credit, increased by 25 per cent, and further increased by interest for 20 years at the rate of 4½ per cent per annum compounded annually. This makes the value of the certificate 3.015 times the adjusted-service credit of the veteran. These certificates are dated October 1, 1922, and are due September 30, 1942. In other words, they are paid-up 20-year endowment insurance policies. Certain loan provisions are permitted on them, the first being a loan within three years from the date of the issuance of the certificate. This loan must be made at a bank or trust company, and the veteran is not permitted to borrow over 50 per cent of the amount of the adjusted-service credit plus interest thereon from October 1, 1922, to the date of making the loan at the rate of 4½ per cent per annum compounded annually.

If a loan is made after September 30, 1925, and before October 1, 1928, then the veteran is permitted to borrow 85 per cent of the sum of the adjusted-service credit plus interest thereon from October 1, 1922, to date of loan at 4½ per cent per annum compounded annually. If a loan is made after October 1, 1928, then the veteran is permitted to borrow about 88 per cent of the adjusted-service credit plus the interest thereon from October 1, 1922, at 4½ per cent per annum compounded annually.

VOCATIONAL TRAINING OPTION.

This plan provides for vocational training. Certain courses will be mapped out by the Director of the United States Veterans' Bureau, and a veteran will be paid while taking this training at the rate of \$1.75 for each day's attendance so long as his compensation will permit, and here his compensation may be increased by 40 per cent. In other words, if his adjusted service credit is \$500 and 40 per cent is added to this, which may be done, he will receive \$200 more, or a total of vocational training aid to the extent of \$700, paid at the rate of \$1.75 per day.

THE FARM OR HOME PAY OPTION.

Under this option a veteran is permitted to draw his entire service credit, just so he applies it to the improvement of his home or farm or toward the purchase of a home or farm or in making payment on a home or farm already purchased.

THE LAND-SETTLEMENT OPTION.

Under the land-settlement option certain reclamation, irrigation, drainage, and other projects will be inaugurated and developed solely for the benefit of ex-service men, and these lands will be divided into units and veterans will be permitted to make a choice of one of these units. If the unit chosen, however,

amounts to more than the compensation allowed the veteran, then he is permitted to pay the balance within a period of 20 years upon an amortization plan.

GOOD FEATURES AND BAD ONES.

I shall vote for the bill because it is the best I can get; besides, it has some very good features. I think the vocational training plan is a very fine one, also the farm or home aid plan, and if a veteran needs insurance, the adjusted service certificates plan is good, too; but with 900,000 ex-service men out of work and many others in need of ready money, it is a great pity that the veterans who need the money are not permitted to get the cash if they want it. When war contractors presented their claim bills you did not issue to them insurance policies. Nor did you give the railroads a due bill for the amount they claimed the Nation owed them. You gave them the cash, and you did not owe them a dime; but when it comes to the veterans who fought the war and to whom we really owe something, you bring in a bill which may suit many of them who are not in need, but which will not suit any that are without work and who need the everyday necessities of life. You did not stop at this. You bring in a rule which prevents me or any Member of this House from offering amendments. We have to take the bill as it is or none at all. We are simply gagged, so that those of us who want to deal justly by the soldier who is in need are not permitted to do so. Why do you give to the soldier who saw only a few days' service the cash, and deny it to those who went into service at the very beginning? Why do you deny it to those who saw long service and lost most? Why give those who need the money now certificates redeemable in 20 years drawing 4½ per cent interest? This is an attractive proposition for a service man with means, but to the poor fellow out of employment it is not what he is entitled to. He should not be made to accept less than his more fortunate fellow service man. He can borrow only 50 per cent of the face value of his adjusted service credit, and if he needs the money within three years he must borrow this at a bank and pay 2 per cent more for it than commercial paper pays at Federal reserve banks.

This means that he will pay from 6½ per cent to 8 per cent interest, and if at the end of three years he is unable to redeem his certificate the Government will pay the bank the amount advanced and the interest thereon and will give the soldier the difference between 80 per cent of the face value of his adjusted service credit and the amount paid the bank. Mind you, the Government does not pay him the difference between the amount of his adjusted service credit and the amount due the bank, but only 80 per cent of his adjusted service credit less the amount due the bank.

Why give the unfortunate soldier only 80 per cent of the amount he is entitled to and give his more fortunate brother 100 per cent, or, as is the case with the vocational training option, 40 per cent more than the face value of the adjusted service credit? This is a species of unfairness toward the poor man which ought not to be tolerated, and if I could amend the bill I would certainly change this provision of it. But you will not permit me or anybody else to amend it in this or any other particular. Your obnoxious rule forbids this. You heap injustice after injustice on the poor man; you have drawn the bill so that it is doubtful if loans can be obtained at all upon these certificates. If you had drawn it so that notes secured by the certificates would be eligible for rediscount in the Federal reserve banks and provided that said banks should make a special credit to its member banks on this paper, so as not to interfere with the regular line of commercial credit allowed the member banks, the financing of loans to soldiers would be simple and without embarrassment to the banks. The Federal reserve on yesterday was \$1,610,157,350 in excess of lawful requirements. Federal reserve notes could be issued to two and one-half times that in addition to those now outstanding, or \$4,025,392,000 of additional notes could be issued and 40 per cent reserve to all notes be maintained. This would inflate the currency, it is true; but this will happen anyway if all or a large number of the veterans borrow on their certificates. Besides, I think inflation is very much needed now.

Also, you do those boys who were killed or who have died before the passage of this bill a great injustice. Many of them had dependent relatives, and they should have fared as the others. A discrimination against a boy who gave up his life on the battle field ought not to be tolerated; yet, gentlemen, you have made such discrimination in this bill, and you are also unfair enough to prohibit me or anyone else the right to amend the bill so as to blot out this injustice.

I am not at all pleased with the land-settlement provision. I am afraid that many million dollars will be wasted in buying cut-over lands and in reclamation schemes in various parts of

the country which will be of no benefit whatever to the veterans of the war. I understand that they themselves do not want this feature, or at least that there was no demand on their part for it, and I see no reason why it should have been put into the bill unless at the behest of big interests who may want to dispose of acres of worthless lands.

CERTAIN INTERESTS OPPOSED TO ANY COMPENSATION BILL.

Certain large financial interests and their newspapers and journals think it is an awful thing for this Congress to pass this or any other bill calculated to benefit the soldier. They are bitter in their denunciation of every Congressman who recognizes the soldier's claim. They do not stop at criticizing the Congress; they say that the veterans themselves are blackmailers; that patriotism is for sale. They cry, "Shame," and wring their hands and say to Congress, "Don't pay." The Harriman National Bank advertises to defeat any bill. The plutocrats who got their billions out of helpless peoples at war now pretend that it is a crime for the poor service man to get a small pittance more for his service. Their methods of attack are twofold. First, they exaggerate the cost to the Government of adjusted compensation, and, second, they would load it down with all sorts of outrageous tax scheme that they know in advance will not find approval with Congress or the people.

As to the cost, experts connected with the War Department say that a cash compensation to all those connected with the Army would amount to \$1,273,000,000. Experts with the Navy say that a cash compensation to those serving in the Navy would amount to \$207,308,418, and experts connected with the same department say that a cash compensation to those serving with the marines would amount to \$30,563,330, or a total for all branches of \$1,510,871,748, an amount infinitely less than has been paid either to the railroads or war contractors. The plutocrats, however, have no figures on the cost, and they do not want any. They care nothing for facts. They merely want to scare the public and the Congress. Some of them estimate the cost of this bill as high as \$50,000,000,000. Just any amount that sounds big they use. This country's total indebtedness is about \$24,000,000,000 and the wealth of the country is estimated at \$350,000,000,000. In other words, the indebtedness is less than 7 per cent of total wealth. France's indebtedness is 87 per cent of her wealth. Great Britain's is 53 per cent of her wealth; Italy's is 85 per cent of her wealth; Belgium's is 80 per cent of her wealth. Still France has given to her soldiers a bonus of \$233.53, England has given a bonus of \$189.54 to her enlisted men, Italy has given a bonus of \$73.34 to her enlisted men, and Belgium has given a bonus of \$492 to her enlisted men. Canada, our nearest neighbor and a country with less population than New York State and not nearly the wealth, has given a bonus of \$624.40 to her enlisted men. Certainly with nearly all of the world's gold, the richest nation of the earth, with an indebtedness as small as we have in proportion to our wealth, our country is in no great financial danger if our debt to our soldiers and sailors is paid them.

As to obnoxious taxes, this second way of scaring us, the profiteers suggest a tax on all sales. They say the consumers of the country should pay the cost of an adjusted compensation. They do not want to tax persons in proportion to their wealth or according to their income; no. They want to tax the poor and needy to the same extent as the rich man. They want to make the poor man with a small income pay the same tax as the richest man on earth. This is their idea of justice and fair dealings. They know this scheme is unpopular and so suggest that it be hooked on to an adjusted compensation bill. Others of them suggest the enactment of a law permitting the sale of light wines and beer, and that a large tax on the sale of these articles be authorized as a means of raising revenue to pay the extra compensation for ex-service men. They know this scheme is unsound, too, and will be defeated, and along with it a compensation bill to which they would attach it, and this is the reason they suggest it. Similar wild and impractical schemes are suggested and for similar purposes. They want to get an adjusted compensation bill in bad company, like "old dog Tray," so that all good people will shun it.

I see no necessity for adding a tax bill to an adjusted compensation bill. No other bill authorizing an appropriation or making one has ever provided for the raising of the revenue to pay it. It has never been done or even suggested heretofore, and I do not think it should be done in this instance. After the bill becomes a law, then it is the duty of Congress to raise sufficient revenue by appropriate legislation for the costs of its administration if it is found that additional revenue is needed. For that matter a reenactment of several provisions of the recently repealed revenue law would raise ample funds, and in a very short time, to finance even a cash compensation to all ex-

service men. At least \$450,000,000 could be raised from excess profits alone, \$60,000,000 additional from income tax, \$26,000,000 on soft drinks, \$25,000,000 on jewelry, \$6,000,000 on perfumes and extracts, \$4,000,000 on sporting goods, \$8,000,000 on seats, berths, and staterooms, and \$1,300,000 on chewing gum, and if it is found that more is needed we can materially increase our tax on inheritances, and then it would be a lower tax than is levied in England. For that matter sufficient money can easily be saved on appropriations for the Army and Navy to more than pay the entire cost of the present bill.

The ex-service man knows these facts. He knows, too, that the fear of just taxes on vast profits and large estates is one reason that he is opposed. He knows, too, that there is fear in certain circles that if he is paid some of the dishonest claims now pending will not be allowed. He knows, too, that his is a just claim. He knows that in every State where the people have spoken an overwhelming majority registered their approval of additional compensation—that 21 States have provided for some form of adjusted compensation for their soldiers. He wonders why Congress seems not to consider his point of view. He wonders why the international bankers want to give to the countries of Europe the \$11,000,000,000 that we loaned to them, and why the same international bankers are not willing to give to him the paltry sum that is his due. He knows that he saved the international banker and the capitalist from ruin, and their ingratitude amazes him. He knows that he is not a blackmailer. He knows that he was not a hired mercenary. He knows that he does not deserve the mud that has been plastered on him, and there is bitterness in his heart.

I appeal for a fair and equitable compensation for these men that they may know that real, true Americans appreciate their unselfish service and desire to deal fairly with them.

Mr. TREADWAY. Mr. Speaker, I yield to the gentleman from Connecticut [Mr. TILSON] such time as he may desire.

The SPEAKER. The gentleman from Connecticut is recognized.

Mr. TILSON. Mr. Speaker, it is a very unpleasant duty for me to vote against this bill. Every natural impulse urges me to favor its aims and purposes. I sincerely wish that its provisions were of such a character that I could support it. I feel constrained, however, to vote against it because, in my judgment, if enacted into law it would prove far more harmful than beneficial. Measures in which ex-service men are peculiarly interested have uniformly received my most cordial support, and shall continue to receive it so long as their interest does not conflict with the higher interest of the people as a whole, the ex-service men themselves included. I believe, however, that the bill, if enacted into law, would do more harm to the people of the country, the veterans themselves and their families included, than it will do good to the individual beneficiaries.

During the last year the Treasury Department has been engaged in formulating plans for refunding the Victory loan next year and for taking care of the other large financial undertakings that must come within the next few years. These plans have been worked out in a manner and to a degree that command the admiration of those who have kept informed in regard to it and should have the support of all. For one I am proud of the record made by the Treasury Department during the last year and believe that if given a fair chance it will solve in a manner advantageous to the taxpayers, to business, and to all the people the many difficult financial problems immediately ahead of us.

The passage of this bill as it is written would produce an effect upon these plans comparable only to that produced by throwing a large monkey wrench into a finely constructed, delicately adjusted, and rapidly moving piece of machinery.

It has been said that the Republican platform pledged the party to the enactment of this legislation. This I most emphatically deny. Had it been the intention of the framers of that platform to promise this kind of measure they would of necessity have omitted some of the other promises contained in the platform. Two things the Republican platform adopted at Chicago did declare for without ambiguity and with great emphasis, and these were a decrease in public expenditures and a reduction of taxation. The fulfillment of these two promises the party has entered upon with earnestness and energy and thus far has attained a fair degree of success. The passage of this bill will make it impossible for us to reduce expenditures and will make it necessary for us to increase taxation. [Applause.]

The proposed method of having the banks of the country loan to a very large number of men—one can only guess how many—a sum aggregating no one can tell how much seems to be about as unsound economically and unfortunate from every point of view at this particular time as could possibly be devised. It is

claimed by some that no considerable number of men will avail themselves of the immediate cash provision. If they are correct, it should be eliminated from the bill as a dangerous and unnecessary provision. It is contended by others that the banks will not make the loans provided for. If so, the provision becomes a dead letter and of no avail in the hands of the confiding veteran and Congress becomes guilty of attempting to impose upon him. On the other hand, if a very large portion of the 4,500,000 ex-service men avail themselves of the borrowing provision to secure immediate cash, as is quite generally believed by the veterans themselves, then the matter of providing the necessary cash becomes an important one.

The figures of the Actuary of the Treasury show that the maximum amount of immediate cash obtainable under the bank-loan provision is about \$750,000,000. Some of the most ardent advocates of the scheme profess to believe that \$300,000,000 will be about the amount required. The actual amount would probably be between these two sums. Accepting the lower figure and disregarding the very considerable sums that will doubtless be paid out of the Treasury directly under the home and farm aid provision, the cash to be paid at once to those receiving less than \$50, and the enormous cost of administering the law, it is a sum sufficiently large to cause apprehension among those who are expected to raise this sum, as well as those responsible for administering the financial activities of the Government. Secretary of the Treasury Mellon characterizes the scheme as "an abuse of Government credit," and the loans provided for as in effect forced loans. He states positively that in the end it would be better for the Government to borrow the money and make the loans directly, but this method has been rejected by the committee. I do not feel justified in disregarding the expert advice of the Secretary in this matter.

Comptroller of the Currency Crissinger is quite positive that in the present financial condition of the country it would be unfortunate, and in many cases impossible, for the banks to assume the additional burden. The amendment adopted at the last moment does not overcome the objection that this form of loan is not desirable for banks in that if such assets are not "frozen" in the original loaning bank they will be in the bank accepting them from the original loaning bank. By those in the best position to judge, it is believed that the carrying out of such a provision at this time will make more difficult the refunding of the Victory loan next year; that it will increase the interest rate necessary to be paid on a very large sum through a long period of years, and that it will materially halt the progress now being slowly and painfully made toward the return of normal prosperity.

Whatever uncertainty there may be as to the amount required to finance the bank loans provided for during the first three years, it is beyond all doubt that in 1925, when the banks are required to cash in their loans at the Treasury and the veterans are authorized to borrow directly from the Treasury 85 per cent of the full amount of their adjusted service credit plus interest, there will be a demand upon the Treasury for a very huge sum of money. The maximum amount possible is over \$1,200,000,000. One guess is about as good as another as to what the actual amount will be. No one can foretell, not even the veterans themselves, what their financial exigencies will be three years hence. Half of the maximum amount, or \$600,000,000, is probably an unduly conservative estimate of the amount that will be required to take up the bank loans and to make new loans directly to the veterans.

The bill carries no provision for raising by taxation or otherwise any portion of the sum required. It should carry a proper taxing provision to raise the necessary revenue to pay the expense. Even \$600,000,000 is a considerable sum to be raised over and above current revenue requirements; and if necessary to be raised in a single year, or even two years, would doubtless prove seriously inconvenient as an additional burden. The only reason for the subject matter of this bill being referred to the Committee on Ways and Means was the necessity for raising revenue to pay the obligations created; in fact, by the rules of the House, jurisdiction of this committee attaches by reason of this fact only. When payment is finally provided for, as it must be, this House must first consider and act upon the legislation. Why not now? It should be a part of this legislation in order that it may begin as soon as possible to produce the necessary revenue. To fail to do so, in my judgment, evidences a want of wisdom and courage to squarely face and honestly deal with a perfectly obvious situation.

We know now that if this bill becomes a law a very large sum of money will be needed just three years hence to meet its provisions. The next session of Congress will last just three months—too short a time to carry through both branches any

large hotly contested legislation. Barring unforeseen circumstances requiring an extra session, the next Congress will not meet until December, 1923, and no taxation measure can be enacted before the spring of 1924. If any kind of income or corporation taxes should be levied, they would be upon the 1924 income, and collection would be begun in March, 1925, only a few months before the unusual payments are to be made. Borrowing on a large scale, with all of its attendant evils, would have to be resorted to.

If we are to receive the credit due for dispensing liberally the public revenues, we should be willing to accept along with it the responsibility for laying the necessary taxes to provide the funds. Explorers are still searching the remotest corners of the earth for a race of men who like to be taxed. The American people do not like especially being taxed, but we tax them and must continue to do so unflinchingly to the extent necessary to meet all just obligations and to keep the Treasury in such sound condition that it may economically and advantageously serve the people.

Title VIII of the bill—the so-called reclamation feature—is dangerous in the extreme. It is vague and uncertain at the best, and of itself should be a sufficient reason for the rejection of any bill carrying it, even though the measure were in all other respects unobjectionable. Neither the experts of the Treasury nor anyone else has been able thus far to compute or even to intelligently estimate what this provision of the bill will cost. It has received comparatively little serious consideration upon the assumption that only an inconsequential number of men will choose this plan. If this assumption is well founded the bill should be amended and this provision should go out as unnecessary as well as dangerous. There is a firmly grounded belief, however, in the minds of many that this provision has been saddled upon this bill with the hope and expectation of carrying through Congress on the sturdy backs of the veterans a measure so fraught with dangerous possibilities and uncertainties that it would receive scant support if forced to stand alone in the open on its own merits. It will be a continuing reproach to the veteran that he has thus been made the innocent vehicle for carrying through Congress a vicious measure which he neither desires nor approves.

Party loyalty is in nowise involved in the passage of this bill. No political party has placed in its platform a plank declaring for or against such legislation. Staunch advocates as well as opponents of the bill are found in both parties. The credit for enacting the legislation can not be rightfully claimed by any political party. Such credit or blame as may attach by reason of support of or opposition to this bill rightfully belongs to the individual Member in each case.

In estimating the political effect of the support of this bill, however, I believe that a rank injustice is being done the intelligence and patriotism of the ex-service men. It seems to be assumed that because each individual veteran is to receive a slight pecuniary reward, therefore he and his friends will in return politically reward those who vote for it and punish those who do not, regardless of what the effect of the legislation upon the country as a whole may be. We believe this to be unjust and untrue. It is not the spirit in which the veteran enrolled to serve under the flag in a foreign land. It was America first then, not his own individual gain. He has the same spirit and the same love of country now. If, upon careful consideration of this bill, he concludes—as I believe he will—that if passed in its present form it will work serious injury to the country as a whole, then no miserable pittance it may carry for him personally will purchase his approval.

Mr. TREADWAY. I yield three minutes to the gentleman from New York [Mr. HUSTED].

The SPEAKER. The gentleman from New York is recognized for three minutes.

Mr. HUSTED. Mr. Speaker, I think nothing has happened during my entire service in Congress of which I feel quite so proud as the action of four American Legion posts in the twenty-fifth congressional district of New York, the district which I have the honor to represent. Those Legion posts adopted resolutions opposing the payment of a cash bonus to able-bodied ex-service men, and they requested me to carry out their wishes. One of those posts was in the largest city of my district, the city of New Rochelle. Another post was in a residential town, and one of those posts was in Rockland County, in a mill town, where the members were largely the sons of mechanics working in the mills.

Those men do not want me to vote for that kind of legislation, because they believe it belittles their patriotism and their manhood. Those men went to war to defend their country; not for wages, but because they realized that service was the

price which they paid for their citizenship, and they were glad to fight to defend their country, which has shed so many blessings upon them and upon all of us.

And particularly they did not want a bonus paid to them when there are 100,000 ex-service men in this country who can not obtain compensation, although they are disabled, because they say that this disability can not be traced to service origin. And they do not want to be paid a cash bonus when they know that sooner or later taxes to make it up will be imposed upon the fathers and the mothers and the sisters of men who died in France or who are disabled in this country. [Applause.] And the members of these posts were undoubtedly looking forward to the day when their comrades shall have passed the meridian of life, and through age or physical ailments will really need assistance. They feel that if the gratitude of the Nation is ever to be expressed in dollars that then will be the time, not now, when they are able-bodied and fit for life's battles. They do not want anyone, when that time shall come and this relief is sought, to be able justly to say, "while you demand Government aid you have no moral right to make demand, because when you were young and strong and healthy, in your early twenties, you preferred to settle with your country on a cash basis." I agree absolutely with the stand these men have taken. I shall not vote for any measure which belittles their patriotism and manhood. I will not support any bill which sanctions the barter of a glorious inheritance for a miserable mess of pottage. I will not vote to authorize commutation of a Nation's gratitude for this miserable pittance.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. TREADWAY. Mr. Speaker, I yield seven minutes to the gentleman from New York [Mr. MILLS].

The SPEAKER. The gentleman from New York is recognized for seven minutes.

Mr. MILLS. Mr. Speaker and gentlemen of the House, I indorse every word said by the gentleman from Illinois [Mr. MANN] as to his reasons for opposing this bill.

The committee rejected a cash bonus and the tax plan because we could not stand any more taxation. They rejected a bonus financed by Treasury borrowing because it would interfere with present refunding operations, and they finally brought out a bill which contains all the evils which they thought to eliminate and adds a few more, because they now propose to involve the banks of the country in the unscientific and uneconomic plan they present to this House.

Mr. Speaker, I do not believe there is any real moral issue involved in this question, but if there be one I hold the proposition that men are entitled, as a matter of right, to a cash reward for defending their country to be untenable. If, then, there be no such obligation, this measure must find justification on one of two theories: Either we are voting billions of dollars to our veterans because they are in need, and it is unthinkable that the country should remain indifferent to their misery, or else, as a mark of appreciation for services rendered, the country proposes to give its former soldiers a gratuity. May I interject at this point that the proposed rewards differ radically from the cash bonuses paid by other countries to their soldiers at the time of demobilization, in that the latter were intended to assist the soldier during the interim between his discharge from the army and his resumption of the normal activities of a civilian, and included the cost of civilian clothes. Such a payment obviously stands on a very different footing from those here proposed.

Turning now to the first of the two alternative theories to which I have referred, no evidence of need has been presented, and admitting that many ex-service men are now out of employment, far from limiting its benefits to those who are in want, this bill actually discriminates against them. The well-to-do veteran can hold his certificate and will receive an increase of 25 per cent over his adjusted compensation, plus compound interest at 4½ per cent for 20 years, while the man who is up against it and is obliged to borrow loses not only the 25 per cent increase and compound interest, but is compelled by a grateful country to accept 80 cents on the dollar of that "adjusted compensation" which proponents of the bill hold he is morally entitled to.

On the other hand, assuming that we are actuated solely by a feeling of national gratitude, I could find much merit in such an argument had we a surplus in the Treasury or could the vast expenditures be financed without imposing too great a burden on all of the people, including, of course, the service men themselves. I decline to segregate the latter; I decline to divide the Nation into two groups—those who served in the Army and Navy and those who did not. I reject as wholly unsound the argument that the former defended the latter and that it is now

up to those who remained in civil life to reward their defenders. The 2,000,000 men, more or less, of the American Expeditionary Forces and their companions in the Navy did defend those at home; but in doing so they defended their country, not some one else's; they defended their home, not some one else's; they defended their mothers and fathers and wives and children, not some one else's; and those at home did not just go to the depot and wave good-by, as has been suggested by the chairman of the Ways and Means Committee, but to the whole measure of their strength and ability assumed their share of the war burden. To the young men, of course, fell the arduous and dangerous task of fighting. But what of it? The whole Nation was at war, and the whole Nation responded, with very few exceptions. No, no! We were one people then and we are one inseparable group now, and what is bad for the country is bad for the veteran, and no man looking at the proposition from a broad and fundamental standpoint can maintain at the same time that the measure will benefit the veteran, though it hurt the country. If it hurts the country it can not benefit the 4,500,000 alleged beneficiaries. The only question, then, to be determined is whether the effects of this measure are likely to prove harmful. That question must, in my judgment, be answered in the affirmative, and I am prepared to give my reasons.

To understand the character of the problem it is necessary to make a rapid survey of the financial status of the Government. For the current fiscal year the Budget estimates indicate total receipts of \$3,968,000,000, as against total expenditures of approximately \$3,992,000,000, or an apparent deficit of \$24,000,000. For the next fiscal year total receipts are estimated at \$3,345,000,000, as against total expenditures, as estimated by the Budget Bureau, of about \$3,512,000,000. I understand that the Committee on Appropriations has so reduced the estimates of the Budget Bureau as to give reasonable expectation of a balanced budget for the fiscal year 1923, though this is on the assumption that Congress does not make any additional appropriations for purposes not contained in the appropriation bills. But no man, however optimistic, has ventured to suggest that there will be a surplus this year or next year or for the next few years. The public debt amounts to almost \$23,500,000,000, of which about \$5,000,000,000 fall due within the next 15 months, over \$2,500,000,000 in the form of Victory notes, over \$1,600,000,000 in the form of Treasury certificates, and nearly \$700,000,000 in the form of war-saving stamps. In addition, within but a little more than a year later, there will mature an additional \$800,000,000. There will be maturities as large, or larger, in the succeeding years up to 1928, when about \$3,500,000,000 of the third Liberty loan matures. These obligations can not be paid off; in large part they must be refunded. How great a task this is may be appreciated when we recall that the first and second Liberty loans together amounted to only \$5,800,000,000, and that even with the patriotic stimulus of war it required the assistance of several million people, devoting the better part of their time for several months, to assure the successful flotation of the offering. It is essential that the Treasury conduct these operations with the minimum of financial strain and interference with the normal demands of business and industry and that it should borrow at the lowest possible interest rate, so as not to disorganize the general level of interest rates on other obligations and securities. To provide for an orderly refunding of this \$5,000,000,000 debt which will fall due within the next 15 months the Treasury has worked out a plan under which it has and will from time to time offer short-term notes in moderate amounts with maturities of from three to five years, thus distributing the short-dated debt over a longer period of years and providing for more convenient maturities. To date some \$1,900,000,000 of these short-term notes have been successfully floated at lower interest rates than have prevailed for a long time. But it must be noted that the one special factor which has facilitated the Treasury's public-debt operations has been that the operations since 1919 have been accompanied by a gradual retirement, and it is obvious that the whole problem becomes enormously more complicated if, as contemplated in this bill, this policy is reversed and refunding operations are no longer favored by a decreasing debt but impeded by a very material increase.

The bill in question provides for a cash payment to those who served for so short a time that their total adjusted pay would not amount to more than \$50, the total being estimated at about \$16,000,000. It provides in addition for four other plans, including farm and home aid, land-settlement aid, and vocational training, but the principal bonus plan is contained in Title V under the head of "Adjusted service certificates." These adjusted service certificates are, in effect, paid-up endowment insurance policies issued by the Government to mature at the end of 20 years or upon the death of the veteran. The

maturity value of these policies is calculated on the basis of the so-called adjusted service pay plus an increase of 25 per cent, with interest on the combined figure at the rate of 4½ per cent, per annum compounded annually for 20 years. They are nonnegotiable, except that national and State banks and trust companies are authorized to make loans to holders of certificates up to 50 per cent of their base value, with interest to the date of the loan, until September 30, 1925, after which date the policyholder may borrow directly from the Government up to 85 per cent of the sum of the adjusted service credit plus interest thereon from October 1, 1922.

If the veterans who borrow from the banks fail to repay the loans within six months after maturity or before September 30, 1925, the Government must redeem the certificates in cash upon demand at 80 per cent of the adjusted service credit, plus interest, and apply the proceeds of such redemption first to the payment of the bank loan, with principal and interest, and then any balance to the veteran or his beneficiary.

It is well-nigh impossible to estimate just what this measure will cost the Government, because no man can tell what proportion of the veterans will elect each one of the five plans submitted to them. But, assuming that 70 per cent will choose the certificate plan, 23 per cent the farm and home aid plan, 5 per cent the vocational training plan, and 2 per cent the land-claiming plan, the Government actuary estimates that the direct cost to the Government will be nearly \$1,200,000,000 within the next 3½ years, and a total of approximately \$3,000,000,000 extended over a period of 20 years, with a payment of \$1,173,500,000 falling due in 1943. In addition to which there may be obligations running into hundreds of millions if the land-settlement plan is appropriated for and carried through. The figures for the first three years are, I believe, an underestimate, because they assume that only 50 per cent of those borrowing will default. My own judgment is that it will be nearer 80 than 50 per cent, and if this be so, the amount due in 1925 must be increased by approximately \$200,000,000. Moreover, in my judgment, more than 70 per cent will elect the certificate plan, for it is only under that plan that immediate benefits may be received. Farm and home aid has been postponed for a year, while the reclamation benefits can be claimed only in even a more distant future. But by electing to take a certificate and by borrowing on it, the veteran may obtain cash immediately and will not be under obligations to pay one cent of interest for three years. My guess is—and it is only a guess—that 90 per cent of those claiming a bonus will take certificates; and how many of these do you think are likely to have the cash to repay the loan with interest three years hence, when there is no penalty attached for defaulting, and when, in spite of defaults, the veteran will still be entitled to additional cash from the Government?

I confess that I am unable to understand the estimates given in the majority report. The table contained on the last page of that report gives the total cost to the Government for the next four years as \$456,914,000, but the estimate makes no provision whatsoever either for repayment of loans to the banks or for direct loans by the Government. This omission is apparently explained by the statement contained on page 3 of the report in which it is pointed out that few of the veterans will let the certificates lapse because after "October 1, 1925, the veteran can obtain a loan from the Government more than sufficient in amount to take up any loan that he has obtained from the bank," plus 20 per cent. It does not seem to have occurred to the majority of the committee that whether the Treasury repays the bank or whether the veteran borrows from the Treasury and then repays the bank, in either event money comes out of the Treasury, and that under the latter method the amount paid is likely to be 20 per cent more than if the Treasury repaid the bank. This slight error will account largely for the difference of nearly \$700,000,000 between the Treasury estimate and that worked out by the committee.

The bill violates the very fundamentals of sound government finance by making no provision whatsoever for meeting these obligations, whether in the form of sinking fund, amortization, or other reserves against the liability that will be thrown on the Government in 1925, the liability on the certificates at the end of 20 years, or to meet the payments which will accrue from year to year on account of the death of the veterans, the \$16,000,000 adjusted service pay claims, vocational training, home aid and land settlement, or the great administrative expenses connected with administration of the act. If there be an obligation, why do not we raise the money and discharge it? No government in good credit settles its obligations by issuing promissory notes, and no wise government issues promissory notes without making provision for their payment.

Last year we established a Budget system and have rightly claimed credit for doing so. It is difficult to overestimate its value to the country or to overemphasize the importance of its accomplishment up to date; but the very life of the Budget system depends on the recognition that expenditures for which no provision is made in the Budget must be accompanied by revenue measures adequate to meet them. Otherwise the Budget system becomes a farce and the alleged balancing of the Budget but a means of misleading the taxpayer. Viewed in this light, the present bill constitutes a direct attack on the Budget system, and as such must be condemned.

The argument that we need not make provision for raising the money two or three years in advance is captious. Men responsible for the financial policy of a great country can not live from day to day, but must look ahead, must lay out and adhere to a program. To do otherwise is to invite confusion in Government finance and uncertainty and hesitation in the business world. Even if we accept the committee figures which omit the two principal items of direct obligation, to wit, repayment of bank loans and direct Government loans, it appears that the measure will cost \$456,914,000 by 1926, which, if we include administrative expenses, will exceed \$500,000,000. Where is this money coming from? And how is the Government going to meet in cash in a single year the stupendous sum estimated by the majority of the committee at \$3,154,000,000, if Congress declines to provide a sinking fund, an omission which can only be explained on the theory which led Louis XV of France to exclaim, "After me, the deluge"?

Originally two methods were suggested for paying the bonus. One was by means of additional taxes, the other by Treasury borrowing. Such serious objections were raised to these plans that both were abandoned by the Committee on Ways and Means, which now presents to the House a bill which seeks to avoid the evil effects of direct Treasury borrowing by issuing nonnegotiable Government obligations and providing that they may be discounted by the banks of the country. The Secretary of the Treasury has pointed out that every objection that can be urged against direct Treasury borrowing can be urged with equal, if not greater, force against the proposed measure. For my part, it seems to me that direct Treasury borrowing would be infinitely preferable. The adjusted-service certificates constitute a direct obligation of the Government and have no value whatsoever as collateral, except in so far as the Government credit is behind them, yet they are not to be issued under Government control, and when redeemed by the Government the latter will be called upon to pay an interest rate much higher than it would pay on its certificates of indebtedness. Moreover, they will tend to prove a most disturbing element in the investment market at the very time when the Treasury refunding operations are in full swing. How much they will interfere with those operations it is difficult to estimate, but it must be obvious to everyone that when the Government is refunding obligations amounting to \$5,000,000,000 falling due inside of 15 months by means of notes with maturities ranging from one to five years, the difficulties of the operation must be enormously increased, when within that period of five years you impose on the Treasury an additional obligation of over a billion without making any provision for raising the funds to meet that obligation.

Turning now to the banks, let us consider the part which they are expected to play in carrying out this plan. According to the Treasury figures, if 70 per cent of the veterans should select the certificate plan and 85 per cent, which I believe is a moderate estimate, should borrow, the banks would be called upon to loan some \$479,000,000. I do not assume that most banks will desire to loan on this form of certificate, but public opinion will probably compel them to do so.

The very essence of good banking practice is to have liquid paper in the bank portfolio, and obviously a certificate which can neither be sold nor discounted can not be classified as liquid paper. Should, however, the banks make the loans, one of two results must follow: Either they will loan the amount from available funds, and that will necessarily reduce the amount available for business and commercial purposes by some \$500,000,000, with a consequent restriction of credit and increased interest rates, or else they will rediscount eligible paper in that amount with the Federal reserve bank, against which Federal reserve notes or credit currency will be issued, and that means inflation, with all of the evils with which recent events have made us so thoroughly familiar. Such an issue of notes constitutes inflation, because by issuing them we are not increasing the wealth against which securities and money are issued. The result may be an artificial stimulus to business, a temporary increase in prices, but both will be followed by the depression which inevitably succeeds these upward movements resting on

no firmer foundation than that afforded by the printing press. It has been stated that compared with the total outstanding loans and discounts of all banks, \$500,000,000 represents a sum altogether too small to produce far-reaching effects. But let me remind the gentlemen that during the great period of deflation which we have just gone through, loans and discounts of all commercial banks which report to the Comptroller of the Currency, decreased from approximately \$27,600,000,000 on June 30, 1920, to approximately \$25,600,000,000 on June 30, 1921, or but by \$2,000,000,000, and that \$500,000,000 is 25 per cent of this decrease; that the earning assets of the Federal reserve banks that have been so widely held responsible—unjustly, I believe—for price deflation and restricted credit, decreased from approximately \$3,270,000,000 on July 2, 1920, to \$1,176,000,000 on March 8, 1922, and that \$500,000,000 represents approximately 25 per cent of this decrease; that from January 2, 1920, to March 8, 1922, Federal reserve notes in actual circulation decreased but \$971,000,000, and that if \$500,000,000 of Federal reserve notes are now issued, over 50 per cent of that decrease will be offset; that during this great period of deflation about which we have heard so much, total money in circulation decreased from July 1, 1920, from approximately \$6,000,000,000 to approximately \$5,400,000,000 on March 1, 1922, or but \$600,000,000, and that \$500,000,000 of Federal reserve notes is over 80 per cent of the decrease. These figures demonstrate clearly that \$500,000,000, even in so great and rich a country as ours, is not a negligible amount, and that whether you arbitrarily divert these millions from the business and commerce of the country to nonproductive purposes, or whether you inflate our currency by printing half a billion of notes, in either event the economic consequences are bound to be far-reaching, and, if business judgment and experience be worth anything, harmful.

Finally, it is evident that whether the money be first obtained from the banks or by Treasury borrowing, or by whatever other means may be devised to postpone the settlement, ultimately these charges must be met out of taxes. Let there be no illusion, then, on the floor of this House or among the people of the country. If this bill becomes law, all hope of early relief from existing tax burdens disappears. We may have to increase taxes; we certainly can not reduce them. This is all the more disappointing because this administration and this Congress had made such splendid progress with the program of drastic economy and reduced taxation that, in spite of our heavy annual fixed charges, it was not too much to anticipate a \$3,000,000,000 budget in the near future; and when annual expenditures reach a maximum of \$3,000,000,000 the remaining war taxes can go, high income-tax rates can be reduced, and I am satisfied that we can work out a well-rounded system that will not weigh too heavily at any one point and will not constitute too great a burden for us to bear. You are going to vote that hope away to-day. You are going to wipe out all that the President and you yourselves have accomplished in the last year, and you are going to serve notice on the merchants, the manufacturers, the farmers, and the workingmen that if a business revival is to come it must come without the help of this Congress, which by passing this measure irretrievably commits the Government to a policy of increased expenditures and continued war taxes.

I hope I have overdrawn the picture and exaggerated the consequences; but surely the dangers are sufficiently patent to warrant prudent men accepting the President's advice and postponing action. [Applause.]

Mr. FORDNEY. I yield one minute to the gentleman from New York [Mr. SIEGEL].

Mr. SIEGEL. Mr. Speaker, the people of the State of New York, by a vote of over 3 to 1, have declared themselves in favor of the soldiers' bonus. [Applause.]

On the occasion of the memorial services held on the 26th day of July, 1918, at La Ferte, France, when the Twenty-sixth Division came out of Chateau-Thierry, I told those boys over there that the great moral obligation which the American people owed them would be paid some day. The day of payment has now arrived. It is here, and this Congress is going to show to the country and to those boys who fought for us so bravely under most trying conditions that we remember the obligation and that we are going to give them that which we promised them. We have not forgotten and we never will forget them. [Applause.] It took courage to face the enemy over there, but it takes no courage to refuse to vote these boys a fair deal. Patriotic Americans are always ready to pay their taxes, and especially so to compensate our heroes to some extent for the sacrifices they have made.

Mr. Speaker, the whole country during the war praised the heroism and gallantry of the famous "lost battalion" of the

Seventy-seventh Division, made up of East Side boys from New York.

It was a time when the ordinary unknown soldiers showed their courage under trial.

As Col. Charles W. Whittlesey, of the famous "lost battalion," said on November 11, 1920:

They were in a forest in northeastern France in a cold and damp October, without rations, without surgical attention, cut off, as they supposed, from the notice of their fellow men; they gave to the day's hardships and duties a courage and plain human kindness that will always make one proud of the record of the American soldier. Such achievements are not attributable to any officer or group of officers or leaders. They arise from brave men working unselfishly together with faith in the cause which they serve. When an individual shows courage under stress we feel a thrill at his achievement, but when a group of men flash out in the splendor of manliness we feel a lasting glow that is both pride and renewed faith in our fellow men. And as a member of such a regiment, for which I feel deep affection, I feel a bond of understanding and fellowship for the American soldier in every place and time, doing his job simply and finely, asking neither sympathy nor praise. May the armistice be lasting and these great qualities find their true place in peace.

Colonel Whittlesey, unable to see the sufferings of the disabled men who were unable to obtain hospitalization or proper compensation, decided to end it all and drop into the sea. His memory lives for all time, because he is now one of those "up there."

In his battalion was a buck private whose name was L. C. McCollum, who wrote a poem which expresses the views of the ordinary private who saw service on the other side, entitled:

THE PRICE.

Now listen here, old pal of mine,
I've fought from the Vesle clear up to the Rhine,
At Chateau-Thierry and in the Argonne Wood,
I did my bit as best I could.

Why, I've cut my way through an ocean of wire,
And stood the test when under fire;
I've lain in the cold and the rain all night,
Fought like hell for what I thought was right.

I've marched to the band, and felt mighty proud
Because I was one of that fighting crowd.
Now I'm back in this land of ours,
And will be in my civies in a few short hours.

But somehow or other it all seems bare,
And I feel like hell when people stare,
For some are thinking of loved ones lost,
And others of how much we're going to cost.

And that's the bunch I'm sore about,
The patriot who was so willing to shout,
Then turn us out when we came home
On two months' pay in the world to roam.

If I had the time, I would repeat what I said on May 29, 1920, as to why I voted for adjusted compensation for the veterans at that time. I then said on the floor of the House as follows:

Mr. SIEGEL. Mr. Speaker, I voted for war. I voted for the selective draft. I saw thousands of young men, making up the manhood of America, leave our shores to go to France to fight to uphold that which we maintained must be upheld regardless of expense, namely, the freedom of the seas. Later on I saw these same boys in battle upon the other side. I had been probably the only Member of the House of Representatives who had actually seen and been on board one of the first ships which left our country to carry America's best to the other side. That was two months after we had declared war. Later, I saw thousands of other men who had either volunteered or answered the call of duty under the selective draft law leave our shores. In Europe I saw how our boys in many instances made the supreme sacrifice, and my eyes will never forget those terrible scenes of men wounded, others crippled, and others being buried.

There are some people here whose sole underlying thought while the war was on was the accumulation of wealth. Many of their next of kin found soft places at home. On the other hand, there were sons of great men who gave to the Nation all that they had when the war was on. Many voices were raised urging our people to buy Liberty bonds, encouraging patriotism, and arousing others to herculean efforts to help win the World War. Upon the lips of men one could hear the constant cry that when the boys came back there would be nothing too good for them.

Others who went through the struggle and came back found that many of their pals, friends, and relatives who had not answered the call, or who for some reason or another had been permitted to continue work in factories and shipbuilding yards, had grown fat with prosperity, while the veteran had given even his life for a dollar a day.

Our brave boys entered the service with only one thought—that was to give their lives to save the Republic. Solemn as their duty was and fully recognizing that they might not return, they showed courageous faces when saying good-by to their next of kin. They felt that surely while they were in the dugouts of France those who were being left in America would be prepared to make sacrifices, the same as they were making.

Upon their return home what did they—our brave boys—find? They discovered that the cost of living had been permitted to rise beyond comparison; that every tax which had been laid upon a manufacturer, middleman, and retailer had been passed on to their next of kin, with an additional profit. They beheld, also, that nobody at home had had any other thought, apparently, except to see how much money could be had from the Treasury of the United States.

No wonder, then, their amazement grew into wrath. They felt that they were the only ones who had given their most to the Republic.

In addition, the Government failed lamentably in taking care of the wounded, the crippled, and the maimed. Its lack of efficiency in paying allotments had become a public scandal. All of those things made the ex-soldiers feel that they had been unjustly treated.

Not every veteran will apply for the adjusted compensation. Each man must determine this question for himself. I do not believe that this is the fairest bill either to the veteran or to the taxpayer. No one likes to pay taxes. Our method of taxation has never done justice and never will. Our methods of taxation were failures during the war, as we can readily see by the 33,000 millionaires that the war created.

I am firmly of the opinion, and I say so advisedly, that the attempt made through this legislation to satisfy in some small degree the men who are the mainstay of our country will be a very small cost compared to the feeling of dissatisfaction which the failure to enact it is bound to cause.

Let some of those who are opposing this legislation answer the question as to whether they themselves would have made the sacrifices upon the fields of France in the face of the most terrible conditions and under the grave hardships which our men underwent, and ask themselves whether they do not believe that those men are getting a small recompense compared to what men got who remained here. They did not fall in the time when we needed them, and we must not fail them now. [Applause.]

Mr. OLDFIELD. Mr. Speaker, I yield five minutes to the gentleman from Massachusetts [Mr. TAGUE].

Mr. TAGUE. Mr. Speaker and gentlemen of the House, a great deal has been said here to-day for and against the passage of this bill. Some criticism was made of the minority report. I signed that report and I would not retract a single word of it, especially after what has happened here to-day. [Applause.] Mr. Speaker, you placed me upon the Committee on Ways and Means, and when I joined that committee it was with the expectation of taking part in the legislation referred to that committee. What has happened? Your committee has had one meeting, and one meeting only, upon the subject of this bill, and that was one week ago last Tuesday when the majority of the committee brought in the measure and immediately made a motion to report it to the House.

It has been claimed that this bill is satisfactory to the ex-service men. No, Mr. Speaker; it is not. It is not the bill they asked for. It is not the bill they want. But, like the Members of the House who are in favor of a bonus, the veterans must take what they can get, and we of the minority party are obliged to vote for a bill which was prepared and presented by the majority party in the committee without consulting its Democratic associates.

Mr. Speaker, I believe this bill is an insult to the intelligence of the veterans of my country. Yet I must vote for it. I coincide and agree with the statement the chairman of this committee made in a speech a few days ago in the western part of the country, when he criticized those who are opposing this bill. He told his audience in effect that the people of the country cheered the boys when they went to the war and in their minds and hearts promised them everything within the gift of the country if they came back from "over there." And up to the present time, although the activities of war ceased three years ago, we, the people, have done nothing more than praise their work.

The chairman of this committee was right in his statement, and while this measure is not all that its title suggests or what I believe is due the veterans of the war, I must vote for it because it is the only thing presented for my consideration.

As a member of the committee I have yet to have one man or one Legion post or one camp of Veterans of the Foreign Wars in my district ask me to vote for this bill. I have talked with members of the Legion, for I wanted their views, and without exception they have said to me, "Give us something and we will pray for justice at the other end of the Capitol; they can see what the Members of the House can not see, and will give to the men who have served their country at least a fair consideration."

The gentleman from Kansas claims that the Democrats never appropriated money for the soldiers when that party was in control of the Government. Mr. Speaker, every dollar appropriated for the war was voted in this House regardless of party; when the war was on and the men for whom this measure is to pass the House to-day were being shipped to the fields of France there were no party lines, and this is not the time to make war expenditures or war appropriations a party issue.

For three years the Republican Party has had control of the legislative branch of this Government, and in that time this House has passed a bonus bill. That bill was defeated and laid aside in the Senate by the vote of a Senator who has been charged with purchasing his seat.

Mr. CLARKE of New York. What?

Mr. TAGUE. Yes; and the country knows it.

Mr. COPLEY. Give us the evidence.

Mr. TAGUE. The evidence is on file in the Senate. Mr. Speaker, this criticism of what the majority has said and done is justified when to-day I, as a Democratic member of the Committee on Ways and Means, must go to the Republican side

of the House to get a few minutes in which to express my views on this bill.

Who are opposed to the bill? Who have called on Congress to defeat it? The only people who have approached me, and the only ones who have requested me to vote against this bill, are the men who rolled up their wealth while the boys were fighting in the trenches in France. They are the ones who should pay the bill and would be compelled to pay had you not enacted into law their exclusion. Those who by their excess profits accruing from pilfering and profiteering on everything essential to the successful prosecution of the war almost destroyed the great work and service performed by the soldiers, sailors, and marines of the country. [Applause.]

Mr. FORDNEY. I yield 12 minutes to the gentleman from Ohio [Mr. LONGWORTH].

Mr. LONGWORTH. Mr. Speaker, the gentleman from Kansas [Mr. CAMPBELL] this morning had something to say about the Democratic minority report. I have something more to say about it, particularly in view of the statement made by the gentleman from Massachusetts [Mr. TAGUE], who has just left the floor, that he is proud of it and would not withdraw one word. I say to you gentlemen that if anything was necessary to absolutely justify the course the Republican Party to-day has taken in providing for the consideration of this bill, it is to be found in the report signed by five out of eight of the Democratic members of the committee. I say to you that in all the years I have been in this House never before have I seen a report or document here submitted so cheap, so fatuous, so wantonly vulgar, so disgraceful as is this report. I absolve my friend from Georgia, Mr. CRISP, from any complicity in the writing of it. He had the manhood to say that he did not approve of many things in it. Other gentlemen seem to be proud of the fact that they have at least given their O. K. to the report whether they may have written it or not.

Now, my friends, in what situation do you find yourselves?

The gentleman from Arkansas is about to vote for a bill which he himself describes as "an insult to every war veteran." The gentleman from Georgia supports a measure which he has described as "a shameful discredit to Congress and the Nation." The gentleman from New York in his zeal to reward the war veteran is about, using his own words, to "stab him in the back," and the gentleman from Massachusetts, while professing imperishable love for the service man, is about, according to his own statement, to give him a "gold brick." [Laughter.] There is consistency for you. I am going to read one sentence from this report, and while I dislike to besmirch the CONGRESSIONAL RECORD, I think the country ought to know some of the things that have been written by these five gentlemen, or at least O. K'd by them. I read from page 3 of the report:

So we are presented with the shameful spectacle of the party that aborted the war, divided our country's war associates, disgraced the peace, deluded the people, deceived the veteran, deserted the wounded, relieved the profiteer, reduced the millionaires' income tax, repealed the excess-profits tax on the profiteers, and which still maintains a blasphemous, bibulous bootlicker at the Court of St. James to besmirch with his drunken banquet babble the high war purposes of the American people and the inspiration of the American soldiers, now offers to redeem its reckless campaign pledges with an I O U, designated a "certificate," which the administration has, in advance of its issue, fatally impeached and discredited.

[Applause on the Democratic side.]

In spite of the applause by some gentlemen on that side, I characterize this as the most disgraceful, the most vulgar language ever contained in a report submitted to the American Congress. [Applause on the Republican side.] I am not here for the purpose of defending, and I do not intend to defend, the gentleman at whom this gross insult is leveled; but I say this, that it will not hurt him more than it will hurt the President of the United States to be described as you gentlemen describe him in this report as a "briber."

You say the Republican Party "aborted" the war. That means, if it means anything, that the Republican Party stood for adequate preparedness for war and tried to force your side to make such preparation, but you were so intent upon winning the coming campaign on the issue "He kept us out of war" that you would not pay heed to us.

The gentleman from New York [Mr. CROWTHER] yesterday used a colorful phrase. He referred to "the stinking cheese of pacifism." That is the ration you fed to the American people during that campaign.

I am proud that it was my party which urged preparedness. I was proud to follow the two great pioneers in their insistence, day in and day out, for preparedness. I refer to our beloved former colleague in this House, Maj. Augustus P. Gardner [applause], and to one of the greatest of all Americans who ever

lived. I am going to do something now which I never have done before and read a portion of a letter from him. This was written to me a few days after the death of Gus Gardner, and the sentence which I wish to read to you is as follows:

Poor Gus! He was the first advocate of military preparedness and efficiency and the first victim of military unpreparedness and inefficiency.

It is signed "T. R." [Applause on the Republican side.]

You say that the Republican Party has divided our ex-war associates and disgraced the peace. What party was it that brought together our war associates only a little while ago in the city of Washington? What party was it that has made possible the passage of a number of treaties which are going to secure the peace of the world? [Applause on the Republican side.]

Many of you were sitting in the gallery when Mr. Harding's great Secretary of State, Mr. Hughes, in his opening speech did more in 20 minutes to secure a lasting peace of the world than Bryan or Wilson ever did in 20 years. [Applause on the Republican side.] You say we shamed the peace. What we did was to see to it that that un-American monstrosity, the League of Nations, was beaten in Congress; and that its defeat was indorsed by a popular vote of 7,000,000 majority. [Applause on the Republican side.]

You beseech us in this report to "treat the boys white." What would happen if you had the opportunity to amend this bill in the way you announce in the report that you would amend it? You would restore the cash bonus and you would pay it out of a reenacted excess-profits tax and a reenacted tax of 73 per cent upon the higher incomes; but you know that if such a measure could pass, which God forbid, it would be vetoed at the other end of the Avenue. You talk about a gold brick. You know that your proposition would be to "hand the boys a gold brick."

Mr. COCKRAN. Mr. Speaker, will the gentleman yield?

Mr. LONGWORTH. Yes.

Mr. COCKRAN. Could the gentleman assure us now that this measure will be approved at the other end of the Avenue?

Mr. LONGWORTH. I shall answer the gentleman frankly. I have read every statement, written and oral, that has been made by the President of the United States on this subject. I have conversed with him repeatedly, both before and since he has been President, upon this question; and while I do not assume for a moment, as no man should, to speak for the President, I say from my knowledge of what I believe to be his views that this bill meets the fundamental objections he had to House bill No. 1. Furthermore, if the bill should pass the Senate in substantially its present form, as I believe it will, I shall be very greatly surprised if it does not receive the approval of the President. Do I answer satisfactorily the gentleman from New York?

Mr. Speaker, I concede that this bill is not ideal. Personally, I should have been glad if House bill No. 1 could have been passed carrying with it a provision to raise by a small rate of taxation, spread over a very large sphere of taxable objects, the money necessary not only to pay the cash that might be at once needed but enough in addition to furnish a sinking fund which should wipe out the entire obligation. But that is impossible, and everyone knows it is impossible under present conditions and in the present temper of Congress to enact a sales tax.

There was but one way to meet the objection of the President, the objection that the Treasury could not afford now to pay out a large sum of money with no means of taxation to provide it. That objection is met in this bill. This bill is not a cash bonus bill, and comparatively nothing will be necessary in the next three years with which to finance the bill.

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. FORDNEY. Mr. Speaker, I yield three minutes more to the gentleman from Ohio.

Mr. LONGWORTH. Mr. Speaker, I have no quarrel with those gentlemen who conscientiously believe that it is wrong to pay an able-bodied man a financial reward for service, pure and simple, but the fact remains that every other country has done it and that this country has invariably adopted that principle at some time after every war. I am rather impatient with some of the arguments we hear. I have seen in newspapers, I have heard through the mails, that it is immoral to admit the principle of bestowing upon able-bodied men any financial reward.

Yet my own State last fall by a vote of more than 4 to 1 indorsed that principle, and while it does not necessarily mean that those who so voted are in favor of a Federal compensation law, yet it means that they favor the principle of the payment of financial reward to able-bodied men. If I were a man of

big business, with real vision, I should be glad to see the veterans of this war given an opportunity to pursue vocational training, to be given an opportunity to settle on farms and to build homes. I should be glad to see a great majority of the ex-service men in possession of an insurance certificate running for 20 years. If there is anything in the world that will prevent an organized and successful demand within the very near future for a pension based on service alone, a demand which would cause the sums carried in this bill to pale into insignificance, this bill will do it. If any man objects to this legislation because, perchance, he will have to pay some part of the cost later on, it seems to me that the objection is shortsighted. I do not believe the bill will interfere with the return of prosperity. I do not think that it is going to hurt the banks of this country to lend less than eight-tenths of 1 per cent of their assets on a security that is as good as gold. The only objection offered by the Treasury Department from the banking point of view is that this bill as originally offered would create assets that would be "frozen" for three years. That objection, it is conceded, has been obviated by the amendment adopted by the Ways and Means Committee and now a part of the bill. [Applause.]

The SPEAKER. The time of the gentleman from Ohio has again expired.

Mr. GARNER. Mr. Speaker, I yield myself two minutes. Mr. Speaker, I agree with the gentleman from Illinois that it is sometimes dangerous for a Member of Congress to criticize a measure for which he intends to vote. But the minority views expressed by my colleagues on this side are not the only ones that come within that objection. I heard a gentleman stand on the floor of the House this morning and defend this measure, and it was somewhat of a surprise in view of his declared position no longer than the 17th day of this month. Here is what the gentleman is reported to have said, and I understand it was in his own handwriting:

There is little merit in the proposed bill. It is entirely too indefinite and uncertain in its provisions.

Viewed from any angle, the Treasury Department faces a very difficult proposition to solve its financial problems, and it is unfair for the House to impose any greater hardship.

That statement was made by the chairman of the Republican congressional committee, the gentleman from Ohio [Mr. Fess].

Mr. FESS. Will the gentleman yield?

Mr. GARNER. I do.

Mr. FESS. That statement was not made by Mr. Fess. The statement that I made was that the loan feature of the bill was indefinite, and I did not like that feature of it. I said to the gentleman to whom I was talking that I did not favor that feature of the bill.

Mr. GARNER. Mr. Speaker, the minority criticized that feature of it that the doctor is reported to have criticized also, so they are not entirely inconsistent with this statement of our Republican friend, Dr. Fess. I do not know whether the doctor made this statement or not. All I have is from the New York Herald, a Republican paper. [Laughter.] Oh, it is; you may repudiate it now, but it is.

The SPEAKER. The time of the gentleman has expired.

Mr. GARNER. I yield myself one additional minute. Mr. Speaker, it is at least put down in the category of Republican newspapers and quoted as such, and the young man who furnished me this paper and who took the interview from the doctor assured me he was correct, or else I would not have read it into the CONGRESSIONAL RECORD. Now, it is a question of veracity between the doctor and the Republican correspondent of a very distinguished Republican newspaper; but I take the doctor's view of it, and I beg pardon if the gentleman—

Mr. FESS. Will the gentleman yield just a moment? The gentleman stated it was in my handwriting. I never submitted a written interview to any correspondent of any newspaper.

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

Mr. GARNER. I yield myself one additional minute. Does the gentleman deny that he is the writer of this interview in the New York Herald?

Mr. FESS. I most certainly do.

Mr. GARNER. That is sufficient.

Mr. FORDNEY. Mr. Speaker, I yield such time as he may desire to the gentleman from New York [Mr. FAIRCHILD].

Mr. FAIRCHILD. Mr. Speaker, it is to be regretted that sufficient time has not been accorded for debate upon this important question of adjusted compensation for the American soldiers who served in the European war. Adequate time should have been allowed to permit discussion in orderly fashion here upon the floor of this House by each Member having views to express. Four hours for debate with a membership of 435 is

not sufficient. The effort to crowd the debate into four hours has created here the usual farcical spectacle too frequently witnessed on this floor. Debate has degenerated into one minute allotment of time, schoolboy fashion, to many Members, with little or no opportunity for debate to any.

I have no fault to find with my genial friend from Michigan [Mr. FORDNEY], the chairman of the Ways and Means Committee. I feel instinctively sure, with my knowledge of him, that he endeavored to obtain sufficient allotment of time for orderly debate. The fault lies with the rule just adopted and with the sponsors for that rule. I would have voted the more willingly for the rule if it had given a time for debate appropriate to the importance of the subject.

The rule does not permit amendments to the bill, but no fault should be found with it on that score. It has been too well understood that the desire to offer amendments rests with the advocates of excess-profits tax, increased surtaxes, and other pet forms of additional taxation of the kind that stifles business enterprise and injures mostly not the rich but the struggling men and the unemployed. It was very proper not to permit the adjusted compensation bill to be used as a vehicle to exploit additional taxation schemes harmful to the business life of the Nation. But the rule should have permitted more time for debate.

Mr. Speaker, although for the reason indicated I voted reluctantly for the rule, I shall vote very, very willingly for this bill when it comes to a vote. [Applause.] I have purposely refrained until now from making this announcement. To neither advocate nor opponent of the bill have I committed my vote in advance. Of this, my correspondents on both sides of the question can bear witness.

Although I, myself, am a firm believer in the principle of adjusted compensation for the returned soldiers, I have felt it due to each constituent desiring to communicate with me on the subject to hold myself as near as humanly possible open-minded for the consideration of any argument or suggestion that might be presented. Every communication has been personally read and properly considered by me.

When letters from opponents of the bill have mirrored the misrepresentations of the press, I have fervently wished that there could have been opportunity to discuss with these correspondents the various features of the proposed legislation. I have realized that unfortunately the active business man has little opportunity for independent investigation and is therefore of necessity dependent upon the press and becomes the unconscious victim of lying propaganda.

And I may say in passing that the gross misrepresentations of the press opposing this proposed legislation have equaled if not exceeded in mendacity any previous instance within my experience and observation.

Mr. Speaker, I have also been unwilling to be committed for or against the particular bill under consideration until I had opportunity to sufficiently acquaint myself with its provisions. It is one thing to favor the principle of adjusted compensation. It is quite another thing to approve any and every proposition advanced for the purpose of accomplishing a desired result. I am free to say that if the adjusted compensation bill had come before this House saddled with any of the injurious forms of taxation which recently so aroused the righteous indignation of the business public, I would have been compelled to vote in the negative. I am rejoiced that the committee has reported out a bill for which I can cheerfully vote.

I have spoken of the mendacity of the press. In that portion of the press opposing this legislation it has been repeatedly suggested that Members of this House are being subjected to threats, coercion, and undue pressure upon the part of those who favor this legislation. I have received letters from good, sincere friends at home, misled by this false propaganda, urging me not to surrender to "the threats of bonus propagandists." Mr. Speaker, upon my solemn oath, up to the present moment I have yet to receive the slightest hint of a threat from those who favor this legislation. I have received from them appeals and arguments upon the merits, but not the slightest semblance of attempted pressure or threats.

It is true that I have received threats; that I have been subjected to attempted coercion; that a considerable number of communications have attempted to influence my vote on this measure, with threats of loss of votes for me on election day. But, Mr. Speaker, communications of this nature have been limited exclusively to those who have written in opposition to any adjustment of compensation for the boys who were taken away from opportunities in life and sent to the battle front at one dollar and one dollar and a quarter per day. From those who have sympathized with these boys, with their lost opportunities, with their present lack of employment, with the uncertainties

of their future, has come no word of threat, not even a word of protest. Only kindly appeals have come from them. The intolerant demands, coupled with threats, have come only from their nonsympathizers.

For the great majority of those who have thus threatened, no one should have other than a kindly thought. It is evident that they have been misled, carried away by the false notion that the alleged "bludgeon" was being used by the proponents and therefore should be offset. How little they have realized that they themselves were misled into being exclusively guilty. Already I have received an apology from one who, unprompted, has taken a second thought and has been willing to believe the truth that the legislators here in Washington have been conscientiously endeavoring to arrive at a just conclusion uninfluenced by threats or attempted coercion from any source.

To those who have attempted to influence my vote against this adjusted compensation bill, not by argument but by threats of reprisal, let me suggest that ever present before me in my home there has stood for years, in a frame, these inspiring words of the immortal Lincoln:

I am not bound to win, but I am bound to be true. I am not bound to succeed, but I am bound to live up to what light I have.

Mr. Speaker, in the war Congress I voted for the declaration of war, and I voted for the selective service law that took these boys from their jobs, from their opportunities in life, and sent them to the battle front. You will recall, Mr. Speaker, the burden of responsibility felt by all in this House at that time. There was no lack of understanding. We fully realized what it all meant.

We could foresee the great loss of American lives, and, if life was spared, the sacrifices required of our young men who would return home disabled not only in health and limb, but also in lost opportunities in life's struggle. We could foresee all this. And we could foresee the great burden of indebtedness under which this country must struggle for many years to come. It was no easy task. The thought of the boys who would be torn from their homes brought tears to the eyes of many as they voted for war. Those were days burdened with heavy responsibilities, from which there was no escape. I for one am glad to be here in this Congress on this day to vote for some measure of recompense to the disabled boys—to those disabled physically something additional to what they are now receiving, and also something to those disabled in lost positions and lost opportunities in life.

One good neighbor wrote me recently in opposition to the proposed legislation. He wrote feelingly of the loss of my only son in the war. In his reference to adjusted compensation legislation I take the liberty of quoting from his letter:

No one could give more than you gave to the war—your son. And I am quite sure that if he were living to-day he would feel that money offered to him for the service he did could only place those services on the same plane and the same basis as other things that can be bought with money.

To this suggestion I could only reply that—

I appreciate deeply what you say in regard to my son. You are quite right. I am sure that if my son were living to-day he would not accept the bonus if offered. He would not need it. I am also quite sure that if he were here his lack of need for himself would not prevent him sympathizing with the many who have returned from the war in need and disabled through the loss of position and opportunity. That thought is one of the elements which I feel bound to consider in my efforts to reach a right conclusion.

Mr. Speaker, this reference to my personal loss took my mind back to 1917, and to a thought in my mind when in the spring of that year my son graduated at Yale in the class of 1917. I recall how rejoiced I then felt that my boy had finished his college course before the war came to take him away. Then, Mr. Speaker, my thoughts turned to the boys who had to be taken from college before graduation. They would be too long away to make it possible ever to retrieve the lost ground. Those of the class of 1917 were fortunate. But how about those of the later classes in the colleges of the land? No hope for them.

And, Mr. Speaker, what about the young men who were then just starting in a business of their own with thrifty savings all invested in the venture? The selective service law for which we voted permitted no exemption because of loss of business. The business had to be sacrificed in each case when the young man was taken. His accumulation, with his life's ambition, was destroyed overnight to meet the exigencies of war.

And how about the boys taken from jobs that meant more than the then job? In the great corporations where many were employed the job meant a life's opportunity. How about them when they returned to find the places filled by those who had not gone to the war? Is there nothing to be said for these when it is proposed to readjust to some small extent the pit-

tance of a compensation accorded to them under the exigencies of war by our votes when they were taken away?

Accorded to them by our votes! I recall, Mr. Speaker, the debate on the selective service law when the \$1 per day was agreed upon. We named \$1 per day, and then later \$1.25 for overseas duty. We dared not name more because we did not know how long the war would last. If we had then named \$2 per day and \$2.50 for overseas duty, no voice would have been raised in protest, and it would have been little enough. No one would have called it "placing a dollar mark on patriotism." Patriotism impels the young man to go, but patriotism requires of us who could not go that some just consideration be accorded to those who suffered the sacrifice.

Let me quote from one of the speeches of the day—April 28, 1917—when we adopted what legislation termed the "selective service" law and the newspapers designated "conscription":

Back of it all I want to see this Government, great and rich and resourceful as it is, furnish the means to pay the men who go to the front to fight its battles for it at least as much money as men can earn at home who are left out of danger to continue in the vocations that will furnish their prosperity not only for the present but after the war is over, when the soldier boys are out of their jobs.

This sentiment met with applause, but the soldier boys were voted only \$1 per day. Now we propose to readjust this compensation with \$1 per day additional and \$1.25 per day additional for overseas service. There is no element of gift, no element of gratuity, in performing this act of justice.

I, for one, can not understand how any Member of this House who then voted to conscript these boys at \$1 per day under the exigencies of war can now fail to readjust the compensation on the basis of \$1 a day additional. These boys by their valor shortened the war. If the armistice had been delayed one month, the additional cost to our Government would have been far greater than the total involved in this readjusted compensation. Every other country associated with us in the war has since the close of the war granted additional compensation to the returned soldiers. Is this country of ours, the richest country of them all, to be the only country to refuse readjustment of a pitifully small pay to the soldiers who have sacrificed so much to gain the victory for our flag?

And what will be the total cost of this readjusted compensation? One New York paper, which I have read daily since my maturity and shall continue from habit to read, notwithstanding its present despicable misrepresentation, has repeatedly reiterated the falsehood that it would cost \$5,000,000,000, intending to mislead its readers with the thought that on a cash basis, paid now, the Government must raise additional taxes to that amount. The fact is that under the provisions of this bill no additional taxes will be required. In place of a present cash payment the bill offers a 20-year paid-up endowment insurance policy. The total 20 years hence, with all the 20 years of interest accumulation, provided every soldier continues his policy, would then amount to not more than \$4,500,000,000. The average adjusted service pay for each man amounts to \$374, and with the 25 per cent added, as provided in the bill, to \$467.50. With 4,000,000 men in the service, the present actual value of the settlement amounts, therefore, to less than \$2,000,000,000, a difference of more than \$3,000,000,000 between truth and newspaper falsehood.

Mr. Speaker, I have yet to meet a man from home opposed to this bill who has the faintest conception of its provisions, so flagrant have been the published misrepresentations. Many have been aroused by fears of additional taxes when no additional taxes will be required. This Congress has reduced ordinary expenditures more than \$1,000,000,000, more than 30 per cent, for the current fiscal year to date. This will mean a saving of more than a billion and a quarter dollars for the complete fiscal year, and a substantial reduction in taxes. A little later on the public will become advised of these material facts. In the meantime we can expect a continuance of the misleading propaganda against the adjusted compensation bill until it has been enacted into law by action of the Senate and the signature of the President. Then and only then will the misrepresentations cease. The public will then have discovered that no increase in taxes has resulted, no dislocation in business, no disturbance in finances, and no injurious frozen credits in the banks.

The savings banks and trust companies can easily absorb all paid-up policies presented for loans. If loans by the banks to the limit permitted by the bill were made upon the maximum total of paid-up policies that can be issued under its provisions, the total loans would not amount to more than eight-tenths of 1 per cent of the total assets of the banks. How absurd is all this talk of frozen credits.

Mr. Speaker, the more I have studied the provisions of this bill the more willing I have been to give it my support. The substitution of paid-up insurance policies in lieu of cash will

tend to encourage thrift and will provide immediate cash payment for the full amount of the policy to the loved ones in case of death. It presents a splendid solution of a difficult problem, and it is my hope and belief that it may soon receive the concurrence of the Senate and the approval of the President.

Mr. TREADWAY. Mr. Speaker, I yield to the gentleman from New York [Mr. SNYDER].

Mr. SNYDER. Mr. Speaker, I realize that it will be impossible for me to discuss very many things upon this matter in the limited time I have. I am not a member of the Committee on Ways and Means, and therefore I do not perhaps visit as frequently with the President as some of those members. The gentleman from Ohio, who has just left the floor, was asked the question as to whether the President would sign this bill. I think that question that was put to him by the gentleman from New York was rather evasively answered. I want to say that within a week I had a talk with the President about this bonus bill, and I shall be exceedingly surprised, if we pass this, if he signs it. [Applause.] In that I differ with the gentleman from Ohio.

Mr. Speaker, this question of a cash bonus for able-bodied veterans of the World War seems to me one embracing not only our present welfare but the welfare of this Republic for years to come. I believe that it is a claim founded not on solid ground, but on a principle which, once established, will lead to results dangerous to the solidity of the Republic.

I was amazed at the claim of the men behind this movement. I had hoped that they themselves, after careful consideration and after sensing the disfavor in the country with which their demand was received, would withdraw that demand and coincide with the majority, that their course was not only unjust but unpatriotic. If this bill is enacted it will put to shame our theory that the men of the United States are patriots, and go far to prove that they are mercenary and rendered their great service—a service which can not be repaid with money—on a sordid and unworthy purpose.

If this measure is enacted, the "flag of the free and the home of the brave" will become only a memory, and the defense of the country will hark back to the Roman era, when men of wealth and standing hired mercenaries to wage their battles, that their sons might escape peril.

The very principle of our freedom and continuity as a nation is against measures such as this bill contemplates. Some of these men served voluntarily; some of them were drafted; all fought well. All earned the praise and the plaudits of the Nation, but it is fair to say no one expected a demand of this character from them. It is un-American and almost unbelievable. With America in peril, what we were proud to point to as "the flower of our manhood" were called to war. They were transported overseas and fed and clothed as no Army ever was. They fought valiantly; many of them died in battle, and others are with us to-day, maimed and possibly helpless.

From the date of their embarkation, both east and west, this Government cared for these men better than any other nation ever cared for its armies. Our service of supplies, food, and clothing was never equaled on any field, and our ministrations to the wounded was not only beyond criticism but beyond that of any other country at any time—far beyond that of the Civil War veterans, who, by the way, were glad to uphold the Stars and Stripes and weld America into a solid dominion, free and untrammelled, without demand for extra recompense.

To-day, it seems to me, gentlemen, that America is being asked to pay a premium for loyalty to the country. This bill, should it be enacted, would open the doors to demands which could not be met; the country would sink to the lowest level, as far as patriotism and love of the flag is concerned, and only the question of price for valor would remain. Such a situation was never contemplated by our forefathers, who suffered that we might found a Nation of our own, men who fought to retain that Nation "one and indivisible." When we give way to sentiment, when America's men place themselves upon a mercenary basis, then will follow a disruption of the land, and those upon whom we rely as defenders of the country in time of stress or peril will themselves attempt to fix a price for their services. America is not founded on this crumbling pedestal. It demands now, and will continue to demand, the unpurchasable and untarnished loyalty of its men and women.

However, to my mind a situation is before us for which we are responsible and which we should at a near-by date correct. From the pay of an enlisted man in the Army with dependents at home—members of his family dependent upon him for support—there was regularly subtracted from his Army pay \$15 per month. That \$15 became known as the allotment which was taken from the soldier's pay and sent to his dependent family; and, at the same time, the Government matched that

amount with \$15 directly from the Treasury, and with additional amounts at the rate of \$10 for the first child and \$5 for each additional child. In any event, every soldier who went into the Great War in defense of the United States, and who left behind him dependents in his family, had taken from his Army pay \$15 per month.

I believe that when soldiers volunteer or are drafted to defend their country the Government should assume the entire burden of maintaining their actual dependents at home. Therefore I believe that the Government should pay back to those men the allotments they were compelled to make out of their pay, and balance the debt with them by that action, and assume the entire obligation for the care of dependents, as it should have been assumed in the first place.

I do not believe that the citizens of this country really appreciate what a very small minority of the ex-service men are really enthusiastically supporting and urging the passage of this measure. For example, I recently received a letter from Little Falls Post, No. 31, American Legion, of Little Falls, N. Y., which is a city of about 15,000 inhabitants, where I reside. The letter stated that at a recent meeting of the post a resolution was passed unanimously in favor of the adjusted compensation bill. In going further into the matter the following facts were disclosed: First, there are in the city of Little Falls approximately 750 ex-service men. Of this number only 110 belong to the American Legion. Of this 110 only 50 were present at the meeting and voted on the resolution. In other words, only one-fifteenth of the ex-service men in my home city have expressed themselves. I believe that this proportion holds true all over the country. In my opinion, the result indicated by the vote in this particular case is very significant. I do not believe that the majority, or anything like a majority, of ex-service men in the United States are so lacking in the fundamentals of patriotism and duty to country as to be in favor of this measure.

For the patriotic reasons that I have outlined above I am opposed to this legislation. But there are further economic reasons which to my mind make it impossible for the Government to carry the additional tax burden that will be put upon it eventually by this enactment, should this bill become a law. And if we are to believe the Secretary of the Treasury, the Comptroller of the Currency, and the Governor of the Federal Reserve Board, not one out of ten of those who would receive these loan certificates would ever be able to turn them into banks for cash; and I know of no reason why we should not take absolutely into account the facts which they have laid before us. It would be very ill-advised to put this additional burden upon the people of this country. Everyone with any sort of common sense must know that if we are to pay out of the Treasury within the next few years even \$4,000,000,000, it must be paid into the Treasury by somebody from somewhere in some form of taxation. And when we consider the fact that the country is now carrying a loan burden of \$24,000,000,000, with the business of the country at almost the lowest ebb in the history of the country, and only just now beginning to start back on the road to normal, I can not see my way clear to be a party to continuing that process any further, and I am certain, after a careful study taking into consideration all of these economic conditions—and I know that this is the belief of many honest, honorable, far-seeing men—that any additional burden put upon the business of this country would continue the depression of the country to such an extent that these able-bodied men who are out of jobs would continue out enough longer to more than offset any gain they might receive by reason of the small amount of money which would come to them through the proposed legislation.

And it is my further belief that the bill before us as now proposed will not be accepted by the President, and there are not enough votes in the Congress, in either the House or Senate, to pass the bill over his veto.

I am absolutely opposed to subterfuge or camouflage in legislation of every form; and I am convinced that there is not one out of ten of the men in this House who are to vote for this measure who believe that it will ever become a law in the form that it now appears. If we owe the able-bodied veteran additional compensation, there is just one thing to do, and that is to create whatever burden is necessary to be paid into the Treasury, by some reasonable form of taxation, and to pay off that obligation to the veterans of the World War in actual money worth 100 cents on the dollar, that will be current for his expenditures on the day that he receives it. This bill does not pretend to do anything of the sort, and therefore for this and other reasons which time does not permit me to state, I am unalterably opposed to it. [Applause.]

Mr. OLDFIELD. Mr. Speaker, I yield to the gentleman from Maryland [Mr. LINTHICUM].

Mr. LINTHICUM. Mr. Speaker, I voted for the last bonus bill, which died in a Republican Senate. I shall vote for this bill with the hope and aspiration that it shall fare better than the last. I believe we ought to have paid the boys at this time the cash we propose to give them and relieve them of high interest and difficult financing. [Applause.]

It is a sad commentary upon the operations of this, the greatest legislative body in the world, representing the interests of more than 110,000,000 people, that it should be absolutely hamstrung, hobbled, and fettered through a rule of this House, by which it is impossible not alone to amend but to even dot an "i" or cross a "t" in a measure which will mean eventually an expenditure of over \$4,000,000,000.

It is hard to realize that Members of this House, of 435 men, elected from every section of this country, representing people in the large cities, the villages, and the country districts, should be assembled here and compelled to either vote for or vote against a measure prepared by less than the Republican membership of the Ways and Means Committee, consisting of 17 men.

The Hon. Champ Clark, former Speaker of this House, during many speeches of his lifetime, said that "a Member of this great legislative body had a just right to be proud of his membership herein, selected from a constituency of more than 200,000 people." I wonder how proud he would be if he were here to-day and found himself voting upon one of the greatest measures which has ever confronted this body, and without the chance of doing anything except talking upon the subject and voting without an opportunity to improve the bill.

I had hoped that when we came to appropriate a sum of money as an adjusted compensation to the boys who wore the khaki and the blue that it would be done in a spirit of freedom from all contention, and with a deliberation in which every Member of this House might express his gratitude that he had an opportunity to do justice unto those who had done so much for America; those men who offered themselves for the defense of civilization, for the enforcement of those rights and privileges of which every American should feel proud; for those men who were willing and those who did fight the battles and brought glory and honor to the American arms.

Certainly no one will contend that under the provisions of this bill we are doing very much in cash adjusted compensation for the American veteran of the World War. We are passing a measure by which we issue to him a certificate of indebtedness upon which he should be able to exercise the fullest freedom and have access to the same financial institutions that the poorest in this country, with proper security, have access to, and yet, as a warning, and in the face of the issuance of such certificate, the Republican Comptroller of the Currency notifies them that the great national banks of the country will be closed to loans upon their security. I do not believe these great financial institutions will stand for such orders.

We have given too much thought, however, as to the cash payments under this bill and previous suggested bills, and too little to the other advantages which will be derived under the bill before us. There are four options, all of great benefit, and each of more benefit to the veteran who can wait than a cash payment would be. For instance:

Option 1. A cash payment in cases where the amount due is not more than \$50.

Option 2. Vocational training on basis of \$1.75 for each day's attendance at the school, the total payment not to exceed 140 per cent of the adjusted service credit of the veteran.

Option 3. Aid in purchasing homes or farms to the extent of the amount of compensation due plus 40 per cent (immediately available).

Option 4. A certificate of insurance for the amount to increase by 25 per cent. This certificate would be due in 20 years from October 1, 1922, and to draw interest at $4\frac{1}{2}$ per cent per annum compounded annually.

The vocational-training feature will be of wonderful value in that it gives the man a trade by which to earn a competent living, and is worth much to him and the Nation in producing men of ability and skill in various lines of endeavor. The insurance feature speaks for itself. There is not a man who does not know the value of insurance. I say, therefore, that aside from the cash feature of this bill, the other three objects will be of wonderful advantage in the upbuilding and stability of the Nation.

It will be noted that the option giving the veteran the full amount of his money with 40 per cent additional with which to purchase a home or farm is a cash payment, and will materially strengthen our country in that it will provide homes and farms for the veterans, which makes good citizens and strong advocates of a stable government. This provision alone is worth the whole bill.

Many persons have said that if the Government would take care of the sick and wounded it should be enough. May I remind that, in the language of Representative Poy, we do that much for the greatest criminal and the worst pauper in the country. If a criminal or pauper becomes sick or wounded, the hearts of the people immediately go out to him and adequate and often luxurious hospitalization and care is provided. Certainly this is not enough for our veterans. The Government is, however, doing everything possible by appropriations for the sick and wounded veterans, as evidenced by the table which I append and which speaks for itself:

To 299,879 men: Vocational training.....	\$212,724,533.37
To 381,717 men: Compensation.....	300,141,766.52
To 150,171 men:	
Insurance.....	283,286,606.04
Marine and seamen's insurance.....	35,084,378.48
Allowances.....	282,049,110.33
To 206,037 men:	
Medical and hospital service.....	99,566,243.00
Administrative.....	47,078,092.25
Total.....	1,259,930,729.99

Much has been said about the effect the passage of this measure will have upon Government bonds by reason of the extra burden upon the National Treasury and the increased taxes it will occasion. It is strange, but true, that since it has become a certainty that this bill will pass the House of Representatives Government bonds have really increased in value, showing that the investors in Government bonds have no fear of an adjusted compensation act.

I do not believe the passage of the bill will increase Government taxes in the country. It has been estimated if all the veterans keep their insurance certificates intact and do not forfeit any of it by borrowing and defaulting that their maturity value would reach the maximum of \$4,000,000,000 by 1943, but we must realize that this vast sum is distributed over a period of 20 years. If all the veterans were to borrow cash from the banks at once to the full limit permitted by the bill, and should all default upon their notes, it might cost the Government \$1,200,000,000 about two years hence by reason of the Government assuming these obligations, but that is the very extreme limit and one which is not likely to happen; certainly will not happen.

I believe the funds necessary for this adjusted compensation can be met without additional burdens. Great Britain has already begun to reduce her domestic debt and has announced that she will pay to the United States \$50,000,000—over \$200,000,000—as interest upon her debt to us, which is now being arranged for in her budget.

The saving by the reduction of the Army and Navy will amount to more than \$200,000,000. These items were not contemplated in the Budget and will more than produce sufficient for the expenditures under this adjusted compensation bill.

The War Finance Board will begin liquidation about July next and release millions to us. It is quite apparent that the demands will be met without additional taxes, and this obligation which must be assumed will be disposed of without further delay.

Many persons think it remarkable that our Government should attempt to adjust the compensation with these World War veterans, and some are even fearful that it will financially wreck the country. Certainly these very persons if the war had kept up another three months would not have said that we could not meet the necessary expenditures, but would have aided in meeting them with the greatest enthusiasm. It was these veterans who brought the war to a close by their valor and bravery, and saved us that expenditure in money, and what is more important in lives. If we could have carried the war on longer, we can with much greater ease compensate these men who fought it to a close. Note what the two dominant political parties had to say in their platforms about the soldiers.

The Democratic Party, in its platform adopted at the San Francisco convention held in 1920, said:

We pledge our party to the enactment of soldier settlements and home-aid legislation which will afford to the men who fought for America the opportunity to become land and home owners under conditions affording genuine Government assistance, unencumbered by needless difficulties of red tape or advance financial investment.

The Republican platform adopted in the Chicago convention, held in June, 1920, reads as follows:

We hold in imperishable remembrance the valor and the patriotism of the soldiers and sailors of America who fought in the Great War for human liberty, and we pledge ourselves to discharge to the fullest the obligations which a grateful Nation justly should fulfill in appreciation of the services rendered by its defenders on sea and land.

Is it for us to say that we can not do as much for our men as Canada has done? Canada has about 12 per cent of the

population of the United States, and 10 per cent of her population enlisted in the war. In 1919 that country paid to her veterans \$164,000,000, and that was immediately after the close of hostilities. If this country should pay her veterans in the same proportion according to our population, it would amount to \$2,000,000,000, and would have given to the men the cash payment which was provided in the original bill and left a balance in the Treasury of \$500,000,000.

The following table will show what has been done by other nations with whom we were associated in the war for their soldiers:

Country.	Maximum payment to enlisted men.	Debt of nation.	Estimated wealth.	Per cent of debt.
Canada.....	\$634.40	\$2,345,000,000	\$10,000,000,000	23
Belgium.....	492.00	4,670,000,000	12,000,000,000	39
France.....	233.53	50,960,000,000	92,500,000,000	55
England.....	189.54	37,910,000,000	120,000,000,000	32
Italy.....	73.34	18,650,000,000	35,500,000,000	52

The United States has paid its soldiers \$60 each, and its debt is generally estimated at only 7 per cent of its wealth. Comment on this comparison is unnecessary. It speaks for itself.

Then, again, let us take into consideration the national wealth of the various countries involved in the great struggle, as shown by the following table, in which the \$11,000,000,000 loaned by the United States to our allies has not been calculated:

Country.	National wealth. ¹	National debt (Austin).	Percentage of debt to wealth.
France.....	\$58,500,000,000	\$51,000,000,000	87
Great Britain.....	70,500,000,000	37,910,000,000	53
Italy.....	21,800,000,000	18,650,000,000	85
Belgium.....	5,840,000,000	4,670,000,000	80
United States.....	226,000,000,000	23,000,000,000	* 8

¹ By Bureau of Foreign and Domestic Commerce.

² National Bureau of Economic Research.

³ Approximate.

It has been said that it is unusual for this Government to grant adjusted compensation, commonly called a bonus. It has perhaps been overlooked that during the war the Government paid a bonus of \$240 a year, or \$20 per month, to each of its civil employees drawing less than \$2,500 per year, to which no complaint was made though it cost the Government millions of dollars and did no more than justice to the employees. When the Dent Act was passed, which authorized settlement with war contractors whose contracts had been suddenly discontinued when the armistice was signed, \$3,000,000,000 was appropriated to settle with them, and there was not a murmur of complaint, though they were paid out of the general resources of the Treasury and no definite taxes were assigned.

In the adjustment of claims of the railroads, the enormous sum of \$1,550,000,000 has been paid to them alone, and in addition to that an amendment to the bill provided that the Interstate Commerce Commission should allow them such rates as would guarantee 6 per cent upon the value of the properties.

How can the Government, in the face of these expenditures, refuse to adjust the compensation of the veterans who served at \$1 per day for home service and \$1.10 per day for foreign service, while in all walks of civil life people were receiving enormous salaries and the great financiers and merchants of the land were enabled to lay aside immense fortunes by virtue of high prices during the period of hostilities.

I am of the opinion many people look upon adjusted compensation as some do upon doctors' bills. When sick they want the doctor to come as often as he chooses, and charge what he thinks his services are worth, but when they are well and the bill is presented, many wake up for the first time to believe the doctor came too often and charged too much. When our boys were charging at Vimy Ridge, when they met the onrush of the Germans at Chateau-Thierry and Belleau Woods, drove them across the Marne and back toward the River Rhine; when they fought the great battles in the Argonne Forest and cleared the sector about St. Mihiel; when they were distinguishing themselves for their valor and bravery, and spreading glory upon the Stars and Stripes, while they withstood the machine guns, bombs, and shrapnel, there was nothing too good for them. Certainly now, after a brilliant victory and peace restored, and the United States recognized as the leader of the world, we

should not lessen our ambition to assist them in every possible manner our resources and our love for them will permit.

Much has been said as to what Washington would do not alone in reference to treaties, leagues, and so forth, but even on the question of adjusted compensation, commonly called bonus. For that reason I quote from data which has been compiled by Mr. E. K. Meade, of Boyce, Va., as follows:

Washington warmly advocated "bonuses," and either largely or entirely through his own efforts secured these for the American Armies of the Revolution: (a) Payment by the Continental Congress of \$100 cash in 1779 to each man who had enlisted for the war prior to January 23, 1779; (b) payment of five years' full service pay, in addition to all back pay, to all commissioned officers, voted by the Continental Congress in 1783; (c) payment of one year's full pay, in addition to all back pay, for every enlisted man, voted by the Continental Congress in 1783; (d) gift to all enlisted men of their arms and accouterments, voted by the Continental Congress in 1783.

The Sun indorses as a true statement this: " * * * there is not a single line written by him [Washington] in which he advocates extra presents for his men."

The facts: There are scores of Washington letters containing literally hundreds if not thousands of such lines. See Marshall's "Life of Washington"; Irving's "Life of Washington"; volumes 5 to 9, inclusive, of "The Writings of Washington," by Sparks; also the Journals of Congress from 1778 to 1783, inclusive.

Washington accepted 15,000 acres of land in Ohio for his services in the Indian War.

Washington accepted a cash payment of £300 for his services and losses in Braddock's campaign. He declined to accept any "bonuses" for his personal benefit following the War of the Revolution.

Washington's men shared according to rank in the land distribution following the Indian war. Washington had no command in Braddock's campaign. The "bonuses" received by "his men" after the Revolution have been enumerated. See Irving's "Washington," volume 1, pages 220, 211, chapter 31, also page 389; Washington's letter to Reuben Slaughter, dated "Philadelphia, 25 February, 1792"; his letter to John Witherspoon, dated "Mount Vernon, 10 March, 1784"; his letter to Presley Neville, dated "Philadelphia, 16 June, 1794."

Further proof: Irving in his "Life of Washington," volume 3, page 376, writes:

"He [Washington] recommended not only that their pay should be increased, but that there should be a provision for their future support by half pay and a pensionary establishment, so as to secure them from being absolutely impoverished in the service of their country. This last recommendation had to encounter a great jealousy on the part of Congress, and all that Washington could effect by strenuous and unremitting exertions was a kind of compromise by which officers were to receive half pay for seven years after the war and noncommissioned officers and privates \$80 each."

From Washington's letter to Governor Livingston, dated "Headquarters, 19 February, 1780," this:

"Congress, at my instance, were pleased to order a gratuity of \$100 to all men enlisted for the war prior to the 23d of January, 1779." (See also his letters to the board for war in 1779.)

Washington wrote the President of Congress from "Headquarters, Newburg, 18 March, 1783," this:

"For if beside the simple payment of their wages a further compensation is not due to the sufferings and sacrifices of the officers, then have I been mistaken, indeed; if the whole Army have not merited whatever a grateful people can bestow, then have I been beguiled by prejudice and built opinion on the basis of error."

From his headquarters at Newburg on the 8th of June, 1783, Washington addressed a farewell circular letter to the governors of all the States, to be read to every State legislature. "A sacred regard for public justice," says he in his letter, "is essential to the existence of the United States as an independent power," and he proceeds under this heading to urge the States to levy taxes to make good the "bonuses" voted the troops by the Congress.

Space alone prohibits the almost indefinite offering of further proof. All here given and much more is available to any person sufficiently interested to look it up.

Mr. OLDFIELD. Mr. Speaker, how much time have I left?
The SPEAKER. Six minutes.

Mr. GARNER. I will yield the gentleman two minutes, if he desires it, out of my time.

Mr. OLDFIELD. I thank the gentleman. Mr. Speaker, while I shall vote for this bill [applause], I want to say that the certificate plan of the bill is just what we said it was in the minority report. It is a gold brick to the soldiers of this country, and I think I can prove it to you. There are other things in this bill except the insurance-certificate proposition. I am in favor of the home-aid provision, Mr. Speaker. I am in favor of the farm-aid proposition in this bill. I am in favor of the vocational-training proposition in this bill, and then I agree with the gentleman from Ohio [Mr. LONGWORTH] on this proposition—that is, if we had our way about it we would substitute the cash provision of House bill 1. The gentleman from Ohio [Mr. LONGWORTH] spoke of the offensive terms of certain language in the minority report, but he did not say the minority report did not tell the truth.

He called attention to the fact that we allege in the minority report that you repealed the excess-profits tax. He did not deny that that was true. He also calls attention to the fact that we allege in this report that you relieved the multimillionaires of high surtaxes to the amount of \$90,000,000 annually, and yet he does not deny that that is true. Now, gentlemen, this bill ought to have been passed just like we passed it

a year or more ago. We ought to have had the cash provisions of that bill in this bill, and I offered an amendment in the committee, and would offer an amendment here to-day substituting the cash provision of H. R. 1 for this certificate provision if you had not adopted this rule cutting off all amendments. And is there a man in this House who doubts that the American soldier, the war veteran, would be thankful if the House would do that thing? Do you not know that you are not going to please the soldiers? Certainly you do, gentlemen. But you hope to do what? You hope to put this thing off until after another election, as you did two years ago, because this thing is not operative until after October, 1922, just a month before the election, and it will be impossible for these soldiers to get returns or know what they are going to get until after the next election. That is the reason you place this thing in here. You think you can get by another election. You said to the soldiers before the last election, "We have passed the bonus bill in the House and we are going to pass the bill in the Senate after the election," but you did not do it. Now, you hand them this thing, gentlemen.

I want to say to you that if you would reenact the excess-profits tax and pay these soldiers a cash bonus and get the money in that way, and reenact the high surtaxes, four-fifths of the people of America would agree with us and all the soldiers would agree with us. [Applause.] But we lost \$450,000,000 when we repealed the excess-profits tax, according to Secretary Mellon's estimates, and according to what the Treasury Department says. We lost, according to the estimates, \$90,000,000 when we repealed the high surtaxes on the multimillionaires' incomes, if you please—\$540,000,000 in all, which is more than necessary to pay the soldiers a cash bonus. That is the kind of an amendment we would offer if we had an opportunity. That is the reason we were opposed to this rule. That is the reason the Members in this House, who believe in the mass of the people, in the plain people, would so vote if given an opportunity. And I say that the reason the leaders of the Republican Party in this House had this rule adopted preventing amendments to this bill was because they were afraid that some of the Republicans would join with the Democrats and reenact the excess-profits taxes and high-incomes taxes. [Applause.] That is the reason we did not have an opportunity to vote on this proposition.

What does this do—this makeshift you have here, this gold-brick proposition? It gives the soldier a certificate, say, for \$200. He can go to a bank and borrow 50 per cent of that \$200 certificate, or \$100, provided the bank will lend him the money; and the Comptroller of the Currency says he will advise the banks not to lend one dollar on these certificates. Of course, he would have to pay 8 or 9 per cent on this money for three years. Why did not you gentlemen, if you wanted to save the soldiers as much expense as possible, have the Treasury Department, which is borrowing money to-day, and borrowed yesterday, and will borrow to-morrow, at 4½ per cent, borrow it and lend it to the soldier at 4½ per cent? But you want to charge the soldier 8 or 9 per cent interest, which will cost them from two hundred to five hundred millions of dollars in the next three years in interest charges. Is that a fair proposition? Is that anything else than a gold brick?

There are a few corporations in this country that in the five years from 1916 to 1920, inclusive, made over \$37,000,000,000 after all the taxes—State, county, and municipal—had been paid. In other words, the corporations of the country, and especially the big corporations, during the war made \$40,000,000,000 in the five years, or \$8,000,000,000 a year, and those same corporations had never made exceeding \$3,500,000,000 in any prewar period. Why not tax these big profiteering corporations on their excess profits and pay the soldiers the cash bonus instead of handing them this gold brick? [Applause.]

Mr. TREADWAY. Mr. Speaker, I yield three minutes to the gentleman from Oregon [Mr. McARTHUR].

Mr. McARTHUR. Mr. Speaker, although I voted for the soldier bonus bill which passed the House on May 29, 1920, I can not vote for the pending measure. Present conditions are vastly different from those that existed two years ago, and the American people simply can not stand the additional taxes which will result from the enactment of this legislation. The country is staggering under an enormous burden of indebtedness, and further taxation now or in the immediate future, means more unemployment, more industrial depression, and more economic disorders. Such conditions would more than counterbalance the financial benefits which this bill proposes for the World War veteran, for he, along with everybody else, would feel the depression. The country is beginning to see prospects of better business conditions, but these will disappear very quickly if

Congress authorizes additional taxes or passes legislation which will necessitate such taxes.

If the pending bill should become a law, it will afford only a small measure of financial relief to the individual beneficiary who elects to accept the certificate option and borrow on the same at a bank, but the sum total of the money which the Treasury Department must raise to redeem these hypothecated certificates on October 1, 1925, will, according to reliable estimates, amount to \$650,000,000, and the immediate cash payments and expenses of administration will amount to not less than \$80,000,000 additional. The eventual cost of the legislation to the taxpayers of the United States will be not less than \$5,000,000,000.

The Republican platform of 1920 pledged Congress to a program of economy, and a good beginning has been made, but all the good work will be undone if this additional burden is authorized. With a national debt of over \$23,000,000,000, with interest and running expenses of the Government amounting to \$5,000,000,000 annually, with maturing obligations amounting to \$5,000,000,000 during the next 15 months, and with the slim prospect of receiving any substantial payments on our foreign loans, Congress should continue its program of economy rather than pass legislation which will increase the burden of taxation.

The Republican Party is not pledged, either directly or impliedly, to the enactment of this legislation. The Chicago convention pledged continued support to our disabled and infirm veterans of the World War, but not a word was said about a bonus or adjusted compensation. Congress has already appropriated more than \$1,500,000,000 for the disabled and infirm, and has done so whole-heartedly and ungrudgingly. The country is squarely behind Congress in fulfilling every obligation to the disabled and the infirm, but I venture the opinion that the country does not look with favor upon the pending measure. What the country has a right to expect of this Congress is rigid economy in the expenditure of public funds and a reduction in the running expenses of the Government, both of which were promised in the Chicago platform. The increase in taxation—national, State, and local—has reached alarming proportions, and the people in every section of the country are demanding retrenchment along all lines.

This bill is open to a number of serious objections. The first is the danger of loading the banks of the country with non-liquid assets. Every dollar tied up in such paper withholds a dollar from the channels of business, industry, and agriculture—channels where money is badly needed at the present time. This objection has been ably and forcefully presented by Hon. Andrew W. Mellon, Secretary of the Treasury, and by Hon. CARTER GLASS, former Secretary of the Treasury.

The measure is also faulty in that it provides no sinking fund or amortization plan for the redemption of the adjusted-service certificate in 1925. This means that the necessary funds must be raised by additional taxation; and, in the final analysis, the burden will fall upon the backs and stomachs of the consuming public. It is useless for gentlemen to deny this, for it is as inevitable as the rising and setting of the sun. Gentlemen may talk glibly about our great national wealth, but money does not grow on trees; neither can wealth be created by running the Government printing presses. For every appropriation made by Congress there must be a tax in equal amount on the people of the country.

Another serious objection is the attempt to satisfy both the World War veteran and the taxpayer until after the next congressional election. The veteran will receive a certificate upon which he can raise only a portion of the money allowed him by the proposed law and the taxpayer will not feel the burden until after the polls close next November. Proponents of the measure may imagine that they are doing something clever in this respect, but the average veteran will not be satisfied with his small amount of cash and the taxpayer will place responsibility where it belongs.

The President of the United States has suggested that the proposed bonus legislation be financed by a sales tax or postponed until the country is better able to stand the increased burden of taxation. The country is apparently opposed to the sales tax, particularly when it is proposed as an additional rather than a supplemental tax. It would seem, therefore, that the only proper alternative is a postponement of the measure in accordance with the President's suggestion. For my part, I intend to uphold the President's hands and vote against the passage of the bill. I have been told that such action will cost me my seat in Congress, but this consideration will not sway me from what I believe to be the pathway of my plain and positive duty.

I have the greatest respect and admiration for those who wore the uniform of our country during the World War and have consistently supported legislation in their behalf, but I feel that this ill-advised and untimely measure will result in no real benefit to them. [Applause.]

Mr. CHANDLER of New York. Mr. Speaker, I am amazed at the number of Members of the House who are opposed to this bill, who believe and assert that it is positively bad and that still declare that they will vote for it.

Of course, we, friends and colleagues here, understand the devious mental processes and the mainsprings of motive of each other. But a stranger sitting in the gallery, a visitor from a foreign country, might be led to ask if it were a habit of the American Congress to think one way and vote another. He might also be led to ask the cause of the phenomenon and to seek the reason for the discrepancy between thoughts and votes.

One of the most distinguished and highly respected Members of this body has just devoted his entire speech to a denunciation of the bill as a miserable makeshift, a fraudulent proposition, a legislative hoax. The climax of denunciation was reached when he declared that the bill was a "gold brick" which the Republican Party was seeking to hand to the people of the country generally and to the ex-service men particularly. And then, to my bewildering astonishment, he declared that he was going to vote for the measure.

The honorable Member from Arkansas is certainly not alone in this strange and incomprehensible attitude of inconsistency and contradiction. I have listened to the debates of an entire day without hearing a single speech of unqualified, uncompromising advocacy and championship of the pending bill. It is probable that no measure ever came before the American Congress that was more completely damned by faint praise than this.

In all the history of congressional action, of parliamentary debate in America, it is probable that no more amazing, disheartening, and disgusting proceeding has ever been witnessed than the filing of the minority report on the measure by five Democratic members of the Ways and Means Committee.

The report deals out scathing, withering criticism of the bill, its plans, methods, and objects, at times employing language approaching billingsgate that is wholly unjustifiable in congressional action and debate.

Permit me to quote a single paragraph, one of the most moderate in character and expression, that typifies, in a way, its entire context, tone, and tenor. In the report we find the following paragraph:

The due-bill, rain-check, borrow-money bonus mode of payment, as provided by the bill, is an insult to every World War veteran and a shameful discredit to Congress and the Nation. By the bill the veteran is given a scrap of paper and told to go out and hawk it from bank to bank in the hope, after being held up for a high rate of interest, of getting a little cash on it, not, however, to exceed 50 per cent of what the bill confesses the Government now justly owes him.

And this is the concluding sentence:

When his country called he—the veteran—offered life and limb. What do you now offer him—a "gold brick"?

Candidly, my colleagues, I am convinced that there is much truth wrapped up in the report, and especially in the paragraphs cited. The chief criticism to be offered upon the report itself is the reckless use of unparliamentary language to be found in certain passages, language wholly out of place in enlightened parliamentary debate, and wholly unworthy of the distinguished gentlemen whose names are signed to it.

The great censure to be passed, however, is upon the gentlemen themselves, upon their unpatriotic motives and cowardly conduct in denouncing in such unmeasured terms the bill as bad, and then voting for it. The American taxpayer whose money must pay the bills created by the passage of this measure, the healthy minded American citizen, who has no terror of elections, that does not hold an office and would not hold one if you would give it to him, will naturally ask with indignation and disgust: Why did these men vote for the bill if it were so wretchedly bad as they said it was? What motives prompted them to do it? Were they animated by such bitter partisan hatred of the Republican Party that they were willing to denounce a good bill as a bad one because the Republicans proposed it? Or were they determined to support an admittedly bad bill because they feared outside influences and were willing to save their political jobs at the expense of their honest judgment and at the complete sacrifice of all conscience and manly scruple?

When the vote has been taken the record will show that the Democratic floor leader, Mr. KITCHIN, was the only Member who signed this report that had the courage, conscience, and manliness to square his vote with his convictions by voting against the bill.

In denouncing this minority report and the motives that inspired it, I am certainly not influenced by partisan feelings. The CONGRESSIONAL RECORD of this day's proceedings will reveal insincerity, vacillation, and cowardice on the part of Republicans as well as Democrats. The same record will tell the country that certain brave, conscientious Democrats have refused to sacrifice the Nation's interest to party prejudice and passion or to sinister and threatening influences from without.

The entire proceedings will reveal to the people of the Republic a recreant and time-serving Congress, a majority of whose Members have either privately or publicly denounced this bill as bad and have then voted for it to their own personal shame and to their country's hurt and damage. Shades of the Revolutionary fathers and of the iron-hearted defenders of the Union, shades of Ulysses S. Grant, who vetoed a bonus bill, has the American Congress fallen so low in statesmanship and grown so cowardly in conduct that a majority of its Members are willing to declare a certain measure bad and pernicious and then vote for it because of menacing voices from without threatening them with defeat?

In one of his revolutionary speeches Patrick Henry is said to have exclaimed: "Is life so dear or peace so sweet as to be purchased at the price of chains and slavery?" Paraphrasing, may we not ask to-day: Is a seat in Congress such a precious thing that we can afford to crush honest judgment, stifle conscience, trample upon all the charities of the heart, surrender manliness, and betray the best interests of the people in order to procure or retain it?

The shortest and one of the best speeches in all the debates upon this subject was pronounced by the gallant gentleman from Mississippi [Mr. Sisson], when he resumed his seat after having declared in a single sentence, "Neither my seat nor any other seat in Congress is worth the price that this bill proposes to pay for it, and I shall vote against the measure." I extend congratulations and greetings across the aisle to the brave and conscientious Democrat who uttered this fine and splendid sentiment.

The appalling menace of this measure, my colleagues, is not to be found in the provisions of the bill itself that would saddle billions of dollars of unjust and unnecessary taxation upon the American people. The Nation is strong enough to stand the strain of money pressure and still survive. The great danger to the Republic is in the degradation of American public life as manifested by the conduct of the Members of this House, whose judgment and conscience point one way and whose votes are cast another way.

The historian of the future in scanning the debates of this day will inevitably contrast the timid and vacillating language of Congressmen with the brave and splendid utterances of the heroes of our history.

Listen for a minute:

I have not yet begun to fight! (Paul Jones.)
 Don't give up the ship! (Lawrence.)
 I would rather be right than be President! (Henry Clay.)
 We have met the enemy, and they are ours! (Perry.)
 Millions for defense, but not one cent for tribute! (Pinckney.)
 I regret that I have but one life to give my country! (Nathan Hale.)
 In the name of the Great Jehovah and the Continental Congress! (Ethan Allen.)
 If any man attempts to pull down the American flag, shoot him on the spot! (John A. Dix.)

These were the brave words, the patriotic sentiments of Americans of other days, men of blood and iron, whose voices in the Senate were those of Stentor, and whose hearts upon the battle field beat like kettledrums.

Now, contrast for a moment, if you please, this language with the declarations in private conversation and in public debate of the Members of this House upon the pending measure:

The bill is an insult to every World War veteran, a shameful disgrace to Congress and the Nation, but I will vote for it.

I do not believe that the measure is a good one, but the soldier boys at home want it, and let them have it.

I know that it is a bad measure, but I have made a pledge to support it, and I shall have to keep the pledge.

Any man who votes against the bill will be defeated. I shall vote for it.

It may be statesmanship to oppose this bill, but there is such a thing as a statesman without a job. Excuse me.

The bill is damned bunk, but the Legion demands it.

These are almost verbatim quotations of language that I have heard from Members in hotel lobbies, in the lobbies of the House, and on the floor of this Chamber. And these are but specimens of scores of others that I have heard.

I repeat that this spirit of cowardice and surrender on the part of the people's chosen Representatives, the legislative guardians of their national rights and interests, is more dangerous to the Republic than the worst possible industrial and economic consequences of the bill if it becomes a law.

The proceedings are too serious and the time is too limited to enter into an academic discussion of personal traits and

qualities of Members of Congress, but I submit that the Nation's welfare is as much dependent always upon a proper and timely exhibition of personal and political courage as it is upon personal and political wisdom and intelligence. It is hard to tell which should occupy the order of precedence in the character of a Congressman, courage first and then wisdom, or wisdom first and then courage. As a matter of fact, the true order should be a hand in hand and breast to breast accompaniment of the two great qualities and virtues in every great crisis of both public and private life. In any case it can not be denied that the absence of either quality constitutes a fatal defect in the qualifications of a Member of this House for public service.

There is inherent in the highest and noblest of the human species a quality of courage which knows no fear; that prefers death and annihilation to dishonor and disgrace; that believes with Caesar that it is better to die at once than to live always in fear of death, and with Mahomet, that paradise will be found in the shadow of the crossing of swords. This quality of courage is peculiar to no race of men and to no form of civilization. It has existed everywhere and at all times. It causes the spirit of man to tread the earth like a lion and to mount the air like an eagle. To this sentiment of courage, which is natural to man, the proceedings of this day are in bold antithesis, in flat contradiction.

I do not wish, however, to transgress the rules of decorous congressional debate. I certainly do not intend to offend anyone who honestly holds views upon this subject different from my own. For the opinions of my colleagues, who sincerely believe that this is a good measure, I have nothing but feelings of indulgence and respect. Broad-minded tolerance of opposing opinions is absolutely essential, not only in the debates of the Representatives of a free people in Congress assembled, but also in the ordinary social intercourse of private life in matters of friendship and good will. My feelings of resentment have been aroused, my indignation excited, and my denunciation directed against those only that have insulted and outraged themselves personally and have betrayed their country's highest interest politically, by boldly declaring an intention to vote for a bill which they themselves have asserted to be both worthless and wicked.

I am opposed to this bill and shall vote against it, because I believe that it is bad, very bad. I shall square my vote with my judgment and my conscience if it is the last act of my political life. I have served long enough in Congress if I have to stultify my brain and degrade my conscience in order to secure votes for reelection. A congressional mantle becomes a dirty and filthy thing, a Nessus shirt of dishonor and of shame, when purchased at the price of the sacrifice and surrender of political independence and manly self-respect.

But I want it distinctly understood that in voting against this bill I intend no unfriendliness whatever to the ex-service men who served the Republic and the flag so bravely and so well. My admiration and love for them and their great achievements are without limit.

When the hosts of freedom were arrayed in solid masses against the hordes of monarchy upon the battle fields of Europe, our brave boys were there. Great, strong-limbed, ruddy-faced youths in khaki, they surpassed all our expectations and filled our minds and hearts with unbounded joy and pride and exultation. Their heroic deeds shook the very thrones of Europe's tyrant kings and filled their hearts with terror and despair. They met face to face in battle the proud Prussian Guards, the boasted invincibles of the Kaiser, and in terrific hand-to-hand combat conquered and destroyed them. They taught the military despots of Germany that an ounce of freedom in the heart is worth a ton of discipline in the ranks of tyranny. They taught all the European critics of America who have called us merchants, peddlers, and pawnbrokers that we are not only fond of money making but that when freedom calls we derive exceeding great joy from the deafening roar of cannon and from the fierce rapture of a bayonet charge. They wept and broke rules of discipline when refused immediate chance to lead the van and mingle in the awful mêlée, and when finally summoned to the field of battle they sent to generations yet unborn and to centuries yet to come a message of sublime decision and deathless valor.

The grand achievements of our soldiers at the battle front in France are worthy of all our past and prophetic of our future. And when the historian of the Great War describes the mighty conflict and pays fitting tribute to all the splendid nations that waged it, he will say: The Americans were among the greatest, grandest, and bravest of them all. American Cavalry illustrated superbly the dashing chivalry of mankind; American Infantry drove bayonets through columns that never before yielded to the shock of carnage; American Artillery sent unanswered anthems to the god of battles.

The results of the Titanic conflict will be of lasting benefit to all mankind through all the ages that must follow. The great struggle was fought to a finish and the decision was definite and final. Freedom won, despots and tyrants were vanquished, exiled, and executed. Thrones were overturned, and the theory of the divine right of kings was displaced forever by the doctrine of the majesty and sovereignty of the people of the earth. Never again, in my humble judgment, will a few men gathered in Bundesrath or Star Chamber be permitted to imperil the lives and fortunes of the whole human race.

This experience has been the bitterest and the most awful that the world has known. The youngest and best and bravest of 20 nations were offered as a bloody sacrifice to the criminal ambitions of two royal houses of Europe. The possibility of a repetition of this experience is a thing not to be imagined, unless mankind is to abandon reason, repudiate all the teachings and tenets of pure religion and sane philosophy, and relapse permanently into savage and barbaric night.

There has been an awful reckoning with tyrants and despots, but the reckoning must be made complete. There must be no aftermath except the absolute triumph of freedom and the permanent establishment upon the earth of the inalienable rights of man. The recent abortive attempt of Charles of Hapsburg to regain his throne and the mutterings of the monarchists of Germany should put freemen everywhere on guard. To allow a vestige of Prussian militarism and autocracy to remain would be to mock the manes of all the slaughtered dead of every battle field of Europe. To allow monarchy to dictate even one term of peace would be to slander the lives and insult the memories of Washington and Lincoln, and of all the martyred dead of every race and time who made willing and heroic sacrifices of their lives for the freedom of mankind.

If the results of the Great War have been at once colossal and beneficent, if the world has been made safe for democracy by the destruction forever of militarism, absolutism, and imperialism, if a sorely afflicted race has been disciplined and chastened in the trials and sufferings of a horrible catastrophe, if the dawning of a better and grander day is at hand for all the children of men, then our own brave boys who contributed so valiantly and so substantially to the sum total of all these things must not be neglected or forgotten. To them must be decreed not only the laurels that adorn the victor's brow, but to them also must be given, sooner or later, the substantial rewards that a grateful and loving Republic has to bestow. Nothing too good can be said, no praise too high can be pronounced upon all the veterans of the Great War, able-bodied and disabled alike. They carried our flag to victory on bloody battle fields of Europe and covered themselves and their country with glory at Chateau-Thierry and in the Argonne Forest. A grateful Republic should compensate them one and all at the proper time. But that time is not now in the case of able-bodied veterans, who can afford to wait for a more favorable period in the Nation's industrial life and strength.

I am opposed to the bonus bill and shall vote against it for the following specific and enumerated reasons:

(1) Because the bill provides gratuities for able-bodied soldiers whose duty it was to serve their country from no other motive than love of country and flag, and because in the Great War liberty, humanity, and civilization demanded it.

Because to compensate able-bodied men by a cash bonus or by a gratuity of any kind for having served their country in a supreme crisis of its history would have a tendency to degrade American manhood and place a stigma upon American soldiery by branding both with the dollar mark.

I may add in this connection that it was some 30 years after the Civil War before anything in the way of bonus or pension was given to the able-bodied veterans of that war. The relief extended before that time was intended only for disabled veterans. Our young soldiers of the Great War, gallant descendants of the heroes of Gettysburg and Antietam, should feel too proud to tarnish the inherited record of their brave ancestors for patriotic and self-sacrificing service in war and battle, by demanding a few hundred dollars cash at this time for the great work they did in Europe. They should rather emulate the fine spirit and example of the saviors of the Union, many thousands of whom never applied for a pension, even in old age, until they found themselves sick and disabled and had to call upon the country for help.

(2) I am opposed to the bonus bill, because our first duty is to the sick and disabled, and if we cripple and paralyze the tax-producing, revenue-yielding energies of the country by giving millions and billions of unnecessary money to the able-bodied, we shall be compelled, as a matter of national financial necessity, to show at least partial neglect to the weaker, more unfortunate, and more deserving of our soldier boys.

We are now spending more than \$1,000,000 daily, about \$500,000,000 annually, for these disabled men. We have already appropriated more than \$1,500,000,000 for them, and we should appropriate and spend many millions more, if need be. In other words, for the sick and infirm veterans of the Great War we should do everything possible. In the language of the street, the sky should be the limit. But the able-bodied veterans, if they claim compensation at all, at any time, should be content to wait until we have had time to readjust the Nation's finances, rehabilitate the Nation's industries, and re-create national prosperity. They should not at this time make demands that would depreciate every Liberty bond in the Republic, if bonds should be adopted as the means of raising the necessary amount of money to carry out the purposes of the bill, or that would destroy business and create unemployment if direct taxation of any kind should be resorted to.

(3) I am opposed to the bonus bill and shall vote against it, because of its inherent absurdities, inequalities, and iniquities. It is malformed and deformed in almost every feature.

The compensation provided by it is nowhere commensurate with services rendered or with risks of battle incurred. It is meanly discriminating at times against the bravest and most deserving. The man who went abroad and bared his breast and brow to the bullets of the Germans gets no more under four plans of the bill, and very little more under the remaining plan, than the man who stayed at home. The man without a job gets no more than the man with a job. The pauper veteran gets no more than the young millionaire veteran, and, in the nature of things, under the certificate plan, will not receive as much. For, as the minority Republican report truthfully says, the well-to-do veteran can hold his certificate and will receive an increase of 25 per cent over his adjusted compensation, plus compound interest for 20 years, while the man who is obliged to borrow and is unable to meet his note when due, not only loses the 25 per cent increase and compound interest but is compelled to accept 80 per cent on the dollar of that compensation, which proponents of the bill claim he is morally entitled to.

And as a climax to the absurdity, inequality, and injustice of it all, the great majority of the brave women who served the Republic well in its hour of trial and anguish have been completely ignored by its provisions.

It is true that a small number of enlisted women, yeomanettes, so-called, will receive the benefits of the measure. But their number is insignificant when compared with the multitude of other women who crossed the seas to serve the country as members of the Red Cross, Young Men's Christian Association, the Jewish Welfare Board, the Salvation Army, and as women workers of the National Catholic War Council. All these women were as brave and as self-sacrificing as the men themselves.

And let us not overlook the significance or fail to understand the injustice of this omission to include these women under the benefits of this bill. The War Department informs me that they were given a certain military status by Army rules and regulations; that they were compelled to wear a uniform peculiar to their organizations under these rules and regulations; and that they were subject to discipline under the second article of war.

Let us also not forget that the duties of these women were not merely clerical, whose performance was free from danger and privation. Many of them, and especially Red Cross nurses, were in zones of danger within the firing lines. Many of them went with their ambulances across battle fields among the dead and dying, with shells bursting above and all around.

Gentlemen of the Ways and Means Committee, was your sentiment of chivalry, as well as your sense of justice, dead when you failed to include these brave women under the benefits of this bill? Gentlemen of the Rules Committee, was your sentiment of chivalry, as well as your sense of justice, dead when you brought in a rule that prevented an amendment to the bill that would have included them within its benefits? Gentlemen of the House of Representatives, are your sense of justice and your sentiments of chivalry so dead that you will vote for a bill introduced into this House and sought to be passed under gag rule that discriminates meanly against brave and deserving women of our country? What would you say to an American Red Cross nurse who, amidst shot and shell, with eyes beaming grandly and heart beating wildly for flag and country, helped to carry wounded American boys from the battle fields of France, if she should ask you why you gave to an able-bodied American male veteran who stayed at home a bonus for services never rendered and denied one to her? Would not the flush of shame mount to your cheeks, would not your tongue cleave to the roof of your mouth if you attempted to answer her?

It is bad to perpetrate a wrong upon men. It is infinitely worse to perpetrate it upon women.

(4) I shall vote against this bill because the country's business conditions and the state of its finances will not justify the payment of bonus gratuities to able-bodied veterans at this time.

The Great War fell like a curse, like a blight upon the human race. The garnered wealth of centuries of peaceful industry in many lands was sacrificed for naught. Economic and industrial paralysis, political chaos, moral degradation, and mental despair have been the horrible results of the mad orgy of the criminal ambitions of the crazy rulers of the houses of Hapsburg and Hohenzollern.

Our own dear country has been and is still a sufferer in common with other countries that participated in the gigantic struggle. We spent billions of dollars and lent still other billions to our allies, until now our national debt has reached the enormous figure of upward of \$23,000,000,000.

In addition to the annual interest and ordinary running expenses of the Government, amounting to nearly \$5,000,000,000 annually, we shall have to meet maturing obligations of this public debt, amounting to nearly \$5,000,000,000, within the next 15 months, for within that time Victory notes amounting to some \$2,500,000,000, Treasury certificates aggregating something more than \$1,000,000,000, and war-savings stamps amounting to nearly \$700,000,000 will fall due. Within a year from the expiration of these 15 months an additional \$800,000,000 of public indebtedness will mature, and each succeeding year will see the maturities of equal or larger amounts until the year 1928, when the third Liberty loan will fall due and the Government must pay \$3,500,000,000.

The difficulties of the Treasury Department are certainly great enough at the present time, for it must suggest itself to you that these obligations can not be completely paid off as they mature but must in large part be refunded. Yet, in spite of all this, you propose by this measure to still further tie the hands and increase the difficulties of the Government by voting additional billions of public indebtedness during the very months and years in the immediate future when the strain of the general public debt is heaviest and when refunding operations intended to lighten the burdens of taxation have just begun.

Nobody can tell exactly how many billions of dollars this bonus bill will cost if enacted into law, and where nobody knows everybody has a right to guess. It will depend of course, upon the proportion of the more than 4,000,000 veterans who adopt the different plans. In this connection the opinion of Secretary Mellon, the Government's great financial expert, is more than pertinent. In his letter of January 24, 1922, addressed to Hon. J. W. FORDNEY, chairman of the Committee on Ways and Means, he wrote:

It is difficult to estimate how much additional taxation would be necessary, for the last bonus bill considered was S. 506, reported by the Committee on Finance of the Senate on June 20, 1921. From the report of the committee and the estimates of the Government actuary it would appear that the total cost of the bonus under this bill would be about \$3,330,000,000, of which at least \$850,000,000 would fall in the first two years of its operation, with varying amounts over intervening years, and an ultimate payment in the twentieth year of over \$2,114,000,000. The minimum cost would apparently be about \$1,560,000,000, in case substantially all the veterans should take the cash plan, and the maximum cost about \$5,250,000,000 in case substantially all of the veterans should elect to take the certificate plan in lieu of cash. If an unexpectedly large proportion of the veterans should choose cash, the cost within the first two years might run well over \$1,000,000,000. It would seem reasonably certain, however, that at least one-half would elect the cash-payment plan, in which event the cost in the first two years would be about \$850,000,000, and the total cost would fall between the two extremes, or at about \$3,330,000,000. These estimates take no account of expenses of administration or the possible cost of vocational-training aid, farm or home aid, or land-settlement aid to veterans who elect such benefits, which would involve substantial additional cost. The expenditures involved, moreover, would be in addition to already substantial expenditures on account of veterans of the World War, chiefly for relief to disabled veterans, which amount to about \$450,000,000 a year, according to the estimates for 1922 and 1923. The Government's obligation to the disabled veterans is continuing and paramount, and heavy expenditures for their relief will be necessary for many years to come.

The most reasonable supposition, under all the circumstances in the case, is that the maximum cost would be about \$5,250,000,000, as suggested by Secretary Mellon, although he stated in another letter, which was given to the press, that if all the veterans should choose to select the plan of land-settlement aid the ultimate cost to the Government would approximate \$18,562,500,000.

In any event, any of the possible maximums named would be a crushing addition to the burdens of taxation already imposed and soon inevitably to be imposed upon the American people.

These considerations force me to oppose the bill, because I am thoroughly convinced that everybody would be hurt by the passage of the measure, and no one more than the service men

themselves. The placing of a burden of possibly \$5,000,000,000 additional taxation at this time would create business stagnation and industrial paralysis by forcing capital into investment in tax-exempt securities as a means of evading taxation for bonus purposes instead of allowing it to flow naturally in channels of trade and industry, thus developing national prosperity through abundant production of all the products of farm, factory, and mine and through universal employment of all classes of labor, including the labor of the service men themselves.

The veterans should remember, in this connection, that if unemployment comes as the result of business depression and industrial paralysis, from whatever cause, they themselves will be the first victims. They should be reminded that a few hundred dollars of bonus money will not compensate them for months of unemployment in which enforced idleness will cast its baneful influence not only upon their pocketbooks but upon health, morals, and character as well. They should be further reminded that the bonus money will do them no permanent good; that it will not establish them in business; that it will not buy a farm, create a profession, or secure an education. At best, it can be only temporary in its enjoyments and benefits, and they will be the great losers if the final operations of the bill should result in commercial disaster and industrial panic. We have heard much of killing the goose that laid the golden egg. We have also read about Samson, who pulled down the pillars of the temple upon himself as well as others. Let the ex-service men not fail to profit by these suggestions and reflections.

(5) I am opposed to the bonus bill and shall vote against it because I am personally and politically pledged to the people of my district to do everything possible at Washington to reduce Federal taxation to the lowest possible level consistent with efficient administration of the Government. I personally made campaign pledges to that effect.

Besides, the Republican national platform of 1920, upon which I stood when elected, pledged me personally and the Republican Party generally to a program of economy, of retrenchment, and reform. I believe that a political platform is a covenant with the people, a sacred thing, to be observed loyally and executed faithfully by every representative of the people who stood upon it when elected. Regardless of what others may do, I shall earnestly and zealously try to fulfill my platform pledges to the people.

The Republican national convention, assembled at Chicago in 1920, adopted a platform which said not one word about any bonus or adjusted compensation. It did pledge continued support and ample aid to our sick and disabled veterans, and that pledge has been kept so far as national finances and the circumstances of the times would permit. I myself pledged to the people of my district my best efforts in Congress in behalf of our infirm veterans, and I have lost no opportunity in fulfilling that pledge. On the other hand, I told the voters of my district candidly in every campaign speech that I made that I would not favor a bonus for able-bodied veterans by voting billions of dollars that would increase the burden of taxation and render difficult the return of national prosperity.

The Republican Party has faithfully kept its pledge to reduce national expenses and to administer the Government economically and well. But can we continue to fulfill our national platform pledges in this regard if we vote a possible \$5,000,000,000 additional taxation upon the people at this time? I think not.

(6) I am opposed to the bonus bill and shall vote against it because of the confidence that I have in the business and official judgments of the Secretary of the Treasury and the Comptroller of the Currency, both of whom have warned both the Congress and the people repeatedly against the disastrous consequences of the proposed legislation.

I am well aware, of course, that the executive and legislative branches of the Government are distinct and independent and that we are not necessarily bound by the advice of Secretary Mellon. Nevertheless, I feel that there should be close cooperation and teamwork between the two branches for the good of all the people. Indeed, the fathers of the Republic seem to have intended that it should be so, else they would not have required the President by constitutional provision to deliver an annual message conveying advice and information to the Congress upon the state of the Union.

In any case the advice of Secretary Mellon is valuable as that of an eminent expert whose patriotic impulses and high sense of official responsibility have caused him more than once to sound an alarm in regard to the bonus and to warn of its evil consequences as a sentinel upon a tower signals the approach of an enemy and warns of impending danger. I am

opposed to this measure for the reason, among other things, that you have ignored his advice and derided his warning in the framing and passage of the bonus bill.

(7) I am opposed to the bonus bill and shall vote against it because it makes no provision for raising the revenue with which to carry out the purposes of the measure and because in the failure to do so the advice and expressed wish of President Harding are completely ignored.

The President has very plainly and pointedly advised the Congress to incorporate a provision for a sales tax in the bill or to postpone the legislation to some later date. He has virtually informed us that he will veto the measure if the bill is passed at this time without the sales-tax provision. The gentlemen of the Ways and Means Committee have seen fit to ignore his advice and warning completely, and for this reason, among others, I am opposed to the measure.

The psychology of the situation that has been created by the failure to incorporate the sales tax in the bill is strange and bewildering. The mystery of motives is both puzzling and fascinating. It is easy to understand why certain Members oppose this form of taxation, because they have made themselves understood by clear and emphatic declarations both in private conversation and in public debate. But the motives of the vast majority it is impossible to understand when they tell you that the sales tax is a good one but that they are opposed to it. When asked for the reason of their opposition, they generally look tired and bored, yawn and gape, and then remark about the state of the weather and the approach of spring.

Since the question of the sales tax arose in connection with the bonus I have worked hard to fathom motives and classify reasons for the opposition of Congressmen to the advice and expressed wish of the President. I would not be ungenerous or uncharitable toward my colleagues, but the truth must be told. I must make public the results of my studies and investigations. The fatal classification must be made.

I find that the opponents in Congress of the sales tax in its relation to the bonus may be divided into two main classes:

First. Those who have no well-defined or deep-seated convictions upon the sales or any other kind of tax.

Many of these gentlemen will not hesitate to admit that the sales tax may be a just and equitable form of taxation, but that they are glad that it was omitted from the bill, because its final defeat will be realized in the veto of the President. They will tell you that they are going to vote for the bonus measure because of the critical situation in which they find themselves in their districts, but that they sincerely trust that it will never become a law. Many of them prophesy and express the hope that the Senate will save the country, and, having so prophesied, they then heave a deep sigh of patriotic relief.

The honorable members of this class of statesmen and patriots will pardon me if I inform them that I shall find it impossible to join with them in the program of bluff and buffoonery, fraud and deception, born of their fears and prophecies, hopes and aspirations.

Second. Those who have well-defined and deep-seated convictions concerning the sales and many other kinds of taxes.

The members of this class of opponents of the sales tax are more numerous, more serious, more capable, and better informed than the members of the other class. The members of the first class may be dismissed with derision and contempt. The members of the second class are more dangerous and must be dealt with seriously and with gloves off. They are dangerous because of almost fanatical attachment to local interests and because of strong proletarian tendencies that at times characterize their public conduct. In their covert as well as their open assaults upon capital and the business interests of the country, in discussing the sales tax, they are not content with merely proclaiming the rights of the plain people, rights that nobody denies; they insist, as a cover to hide their demagoguery, on invoking the great name and using the mantle of the great emancipator by speaking of "Lincoln's plain people."

To be more concrete and specific, this class of Congressmen are willing to admit that the sales tax would be just and proper as a form of taxation if everybody were poor or only moderately wealthy. But they contend that it is hopelessly bad and objectionable in a republic where the profiteer must be murdered and wealth be made to pay all the taxes. I agree with them that the profiteer should be murdered, if we can locate him and identify him as a profiteer, but I object to including honest business men in an indiscriminate slaughter because they happen to have been successful and to have accumulated wealth. Nothing would please me more than to take money out of the pockets of the profiteers and place it in the pockets of the veterans, if I could locate and identify the profiteers. But I object to pulling

down the pillars of the Nation's industrial temple by an indiscriminate assault upon business interests in the name of profiteer chasing, and I despise the hypocrisy and demagoguery that inspire the assault.

We are all agreed that the profiteer is a bad character, that he should never have been created, and that he should be destroyed now that he has been created if we can locate and identify the criminal. But when Democrats turn their patriotic gaze across the aisle toward the Republican side, their great eyes in fine frenzy rolling, and their voices hoarse with declamation in defense of the people and in denunciation of Republican profiteers, the spectacle is one to split the sides of all the gods at once.

What is a profiteer anyway? The Democrats have defined him as a war contractor who took advantage of his country and countrymen and their necessities during the Great War and became enormously rich illegitimately and illegally. Very well and good as a matter of definition. But under whose administration, by whom, and to whom were these contracts given? Were the Democrats not in complete control of all branches of the Government? Were the heads of departments and Cabinet officers whose duty it was to make and draw war contracts and ratify them after they were made and drawn, were these men not chiefly Democrats? And if the truth were known is it not a fact that the criminal contractors, the profiteers themselves, were chiefly Democrats? Ah, my Democratic friends, practice your demagoguery back at home on the stump, but spare us here, for we know you well, your purposes and methods.

When the President suggested a sales-tax provision as a necessary part of the bonus bill, the proletarian guard arose at once in wrath and opposition. They declared that it could never be, because it would be taking the burdens of taxation from the shoulders of the rich and placing them upon the backs of the poor. They have never explained to any clear-thinking, strong-minded man how it would happen. They have merely contented themselves with declaring that the consumers of the country would, under this form of taxation, be compelled finally to pay the bills, and they are probably right. But, in the name of all the Republican and Democratic gods at once, who are the consumers of the country if they are not all the people of the country? Is there a single living man, woman, or child in the United States who is not a consumer of something—clothing, food, tobacco, milk, or liquor? And is it not right and just that taxation should be borne by all the people of the country?

Gentlemen in their sophistry and sectional blindness would have you believe that under the sales tax the selling would be done by the East and the buying and consuming by the West, when, as a matter of fact, North and South, East and West, all sell and buy and all are consumers. We in the East sell you our manufactured goods and you sell us your raw material. We sell you our clothing and manufactured articles and you sell us your cotton from the South, your beef cattle from Texas and New Mexico, your wheat from Nebraska and Minnesota, your lumber from Maine and Wisconsin, your automobiles from Detroit, your fruits from California and Florida, and please do not forget that you charged us profiteering prices for all of them during the war. In our patriotic resignation and self-sacrifice we never once protested. And now come gentlemen of the proletarian guard with loud cries about prices and profiteering.

The fact of the matter is that, when the mask has been torn away, when camouflage and demagoguery have been brushed aside, you have simply defied the President, whose big heart and brain suggested the sales tax as an equitable one, because you knew that under it all the people of the country in all the States would be compelled to pay the tax, and that is not what you want. You want all the taxes paid, as far as possible, by one section of the country and chiefly by one State, the State that I have the honor in part to represent—the State of New York. These motives and desires caused you to fear the influence of the President and the results of free and untrammelled debate on the subject of a sales tax. You were therefore willing to bring in a gag rule that would shut out the possibility of amendments that might have shown the justice of this form of taxation in the debates upon them.

I have had something in my political system ever since I have been in Congress, and I am going to get it out now. I have never believed, and I do not now believe, that the great State of New York is fairly treated in the matter of Federal taxes, and I serve notice upon everybody, Republicans and Democrats alike, that I will support no more revenue bills in this House that are not national in their scope and equitable in their distribution of tax burdens among the States of this

Union. I serve notice further that the lash of party discipline has no terrors for me, and that I will obey no dictates except those of my judgment and my conscience.

I represent a brave and intelligent, a proud and patriotic, people who love their country with passionate devotion and are ready at all times, in peace and in war, to make supreme sacrifices for the glory of the flag and for the honor and safety of the Nation. They are more than willing to meet the full measure, even to overflowing, of their financial obligations to the Republic in times of peace. They ask no prouder privilege than to lead the victorious column of the States on the battle fields of the world in defense of flag and country. But they are getting very tired of being regarded as the people of a conquered Province, to be fleeced in matters of Federal taxation by the various legislative blocs of the West and South.

In order that you may understand that this is not mere declamation, let me furnish you with a few facts and figures. Mr. White, of the Treasury Department, has furnished me with the following statement from the Treasury records:

Total receipts of the Federal Government from all sources of internal revenue for the fiscal year ending June 30, 1921, in round numbers, was \$4,595,000,000. The amount that was credited to the State of New York was \$1,125,000,473, which is equal to 24½ per cent of the total internal revenue.

Mr. White suggested that these figures included New York's share of national income taxes, but did not include New York's proportion of either postal or customs revenues. Indeed, it is practically impossible to tell the exact proportion of either postal or customs revenues that is to be credited to any one State, since these revenues are in their very nature essentially national. But when we consider that the port of New York is the great port of entry of foreign goods, and that the merchants of New York City are the great importers of the country, it is not unreasonable to credit New York State with a large proportion of customs revenues. Furthermore, when we consider the enormous quantity of letter postage used by the people of New York, it is not unreasonable to credit to the people of that State a very large percentage of the postal revenue.

In any case, a most conservative estimate of New York's proportion of postal and customs revenues, a figure believed to be ridiculously small, would be such a percentage that, when added to the 24½ per cent proportion of internal revenue, would make New York State's share of all Federal revenues at least 33½ per cent.

Stop and think, if you please. One State in 48, with 10 per cent of the population, is compelled to pay 33½ per cent of all Federal revenues for all purposes whatever. What is the justice of it under any possible plea? In reply, I am told by certain Members that New York has all the money and should therefore pay all the taxes. Emphasis is placed upon the fact that New York millionaires are simply rich emigrants from other States and that they carried all their wealth with them when they left home, that having bled the country for New York's benefit, they should pay big blood money as a penalty.

There is a grain of truth in this contention, but only a grain. The fallacy of the idea is apparent to everybody who will reflect a moment. In the first place, the millionaires are not all in New York. In the second place, no considerable proportion of New York millionaires made their money elsewhere. In the third place, those millionaires who did emigrate to New York did not carry all their wealth with them. When Rockefeller went from Cleveland to New York, he did not take all Standard Oil properties with him, not even all the stock of the company. When Carnegie went from Pittsburgh to New York, he did not take the steelworks nor all the stock of the company with him. When they arrived at New York, they both created foundations as agencies for sending their money back to the States to found universities, build libraries, combat disease, and educate the ignorant. When the Vanderbilts built the New York Central Road, they enriched the landowners along the line in every State through which the road passed. They endowed a university at Nashville, Tenn., and made enormous charitable and educational contributions to other States. It is estimated that every gold and silver dollar in circulation has cost several dollars to get it out of the mines. We New Yorkers have borne the expense of this metal money which you use in the West and South by buying your gold bricks, your bogus mining stocks, that you have imposed upon the credulity of our people.

The balance has never been struck yet to show whether the Nation has given more to New York or New York to the Nation, and I protest now and shall continue to protest against unjust taxation with no other pretext than the socialistic, proletarian pretense that New York is richer than other States and therefore should pay enormously in taxes.

New York asks nothing else than to be fairly treated in the matter of tax burdens for the running of the Government.

The people of the Empire State are first in population, first in wealth, and equal to any other in high ideals and patriotic impulses. They would scorn to play the baby act in matters of national obligations. My district would condemn me as their Representative if I should assume a captious attitude or attempt to play an isolated rôle in matters of national legislation. But I am convinced that the people of my district in particular and the people of New York State in general demand that I pay some attention at least to their special rights as a constituency and as a State, and I propose from now on to do it more energetically than I have heretofore.

The people of New York State voted a bonus to their own veterans, but the law was declared unconstitutional by the highest State court. Certain of my colleagues from New York have contended that the people of the State, having subscribed to the principle of a bonus, have practically instructed its Representatives in Congress to vote for the bonus bill. I am as keenly sensible of legitimate mandates as any of my colleagues, but I must first understand that it is a mandate, that it is from the people, and that the mandate has reference to the legislative matter engaging my attention.

If the present bonus bill becomes a law and the maximum of \$5,000,000,000 of taxation is levied upon the people, New York will have to pay more than \$1,500,000,000. Her population being only 10 per cent of the total population, and the veterans being only 10 per cent of all the veterans of the country, the State of New York would receive only about \$500,000,000 in return for an expenditure of \$1,500,000,000. In other words, this bill calls upon the State of New York to make a present to the veterans outside her borders of \$1,000,000,000. Would my colleagues from New York contend that if this question were submitted to the people of our State they would jump over each other getting to the ballot box to vote it? I think not, and as a New York Representative I can not conscientiously vote the money of the people of New York into the pockets of the people of other States without their explicit consent; nay verily, without a special mandate from them. I do not feel that I have received any instructions whatever from either the people of my district or from the people of New York State to vote for this national bonus bill, and it will not receive my support.

In summary and in conclusion let me say that I am opposed to this bill and shall vote against it, because I do not believe that American taxpayers should be called upon at this time to provide gratuities for able-bodied soldiers; because all the money that we can raise in the next few years should be devoted to the sick and disabled; because of its inherent absurdities, inequalities, and iniquities that discriminate meanly against the bravest and most deserving; because the country's business conditions and the state of its finances will not justify the payment of bonus gratuities to able-bodied veterans at this time; because I am bound personally and by platform pledges to work for the restoration of national prosperity through retrenchment, reform, and economy in government, pledges that it is impossible to fulfill if I vote for this bill; because the Secretary of the Treasury and the Comptroller of the Currency, the country's best and greatest financial experts, have both warned against it; because the President of the United States is opposed to it in its present crude and unamendable form; and, finally, because I firmly believe that the majority of the people of the great district that I represent and the majority of the people of the great State that I have the honor, in part, to represent do not desire me to vote for it.

For all these reasons I shall vote against the bonus bill, with the prayer that the God of our fathers who was with us at Valley Forge, at Gettysburg, at Chateau-Thierry, and in the Argonne Forest, who has guided our footsteps in every period of our history along the paths of national progress and prosperity to a marvelous and magnificent destiny, may protect and preserve the Republic and all its people from the ways and wiles of the demagogues of this House who believe one way and vote another; that have declared this bill to be bad, very bad; and now propose to vote for it. [Applause.]

THE SPEAKER. The time of the gentleman from New York has expired.

Mr. FORDNEY. Mr. Speaker, I yield one minute to the gentleman from California [Mr. LINEBERGER].

THE SPEAKER. The gentleman from California is recognized for one minute.

Mr. LINEBERGER. Mr. Speaker, as many Members of this House know, I was strongly opposed to bringing this bill before the House without first submitting it to a Republican conference, because I believed the importance of the legislation merited thorough consideration by the entire responsible Republican majority. However, the vast majority of my Republican

colleagues were against me in this matter and I bowed to the will of the majority.

I think this is the best bill that could have been brought out under the parliamentary situation now existing, but I continue to deplore the fact that it was not brought before a Republican conference. I have always believed in adjusted compensation, because I think it is right in principle. Therefore I expect to vote for this bill, and I trust that it will pass, not only here but in the Senate, without delay and that it will then receive the early signature of the President, thereby resulting in the payment to the soldiers of the World War the adjusted compensation to which they are so justly entitled and for which they have been waiting for three long years. [Applause.]

Mr. TREADWAY. Mr. Speaker, I yield two minutes to the gentleman from Illinois [Mr. CANNON].

The SPEAKER. The gentleman from Illinois is recognized for two minutes. [Applause.]

Mr. CANNON. Mr. Speaker, I am not going to try to make a speech. I voted against the bonus bill that passed the House on a former occasion. I went home. Attacks were made upon me because of that vote, especially by my Democratic friends. That is all right. I also received some criticism from some of my Republican friends. I beat my Republican opponent for the nomination 3 to 1, notwithstanding the vote that I gave at that time.

We have got our hands full taking care of the sick, the armless, and the legless in the hospitals. You may say, "Do you not recognize the great and important services that these gallant men gave to the Republic?" Yes. They owed that service and gave it loyally and courageously. Thank God, the great majority of them came back sound and safe.

Our first duty after every war is to those who returned wounded and with shattered health, and to the dependents of those who gave their lives for the defense of the country. We have done that in the most generous manner that any Congress ever legislated for the men who incurred disabilities in war and their families, and we have done it without counting the cost to the Treasury. We are still doing everything possible to take care of the disabled and the dependents of the dead, and more appropriations are coming for more hospitals and more hospitalization. I have had a tabulation of the appropriations made for allowances and benefits on account of the soldiers, sailors, and marines who participated in the war with Germany, and it makes a total of \$1,979,260,634, and when we pass the bill for new hospitals this total will pass the two-billion mark. I do not mention this great total to excuse any failure we may have made in caring for the men who fought in the war, but to show that we have not hesitated at any expenditure in taking care of the disabled and the dependents. The Veterans' Bureau is paying out \$450,000,000 a year in compensation to the disabled, and that expenditure will continue for many years to come. We have not reached the peak of this expenditure.

I have said repeatedly that I would vote for legislation to compensate the soldiers who came back in health as well as those who incurred disabilities, when the House could have a bill presented by the committee that would provide the revenue to pay that compensation. I would so vote to-day if this bill provided the revenue to meet the authorization of such expenditure, but it does not. This proposed authorization of insurance certificates is an experiment at best—an experiment for the soldiers as well as for the Government, and I do not believe that it will give satisfaction to the men who are proposed to be benefited thereby. The men who are in immediate need will use these certificates to borrow and you have provided that the banks may loan not less than 50 per cent of the face value of the certificate. In my judgment, that authorizes the banks to loan only 50 per cent, and when they do it will be called robbery of the service men of half their compensation. I would be tempted to characterize such loans on Government securities in the same way and so would you all if done on any Government paper, taking advantage of the necessity of the borrower to appropriate one-half of his compensation. But in this bill you authorize such practices by the banks. I can not support such an experiment at a time when revenues are falling off and appropriations are being increased. If we are going to obligate the Government for \$4,000,000,000 or \$5,000,000,000 we should provide some means of meeting that obligation, and the only means we have for raising revenue is by taxation. The Government has no income of its own. It must take the money from the pockets of the people by taxation, and when it borrows it must pay or repudiate. This money for compensation will have to be paid in taxes some day, and that day will be 20 years hence when these young men have become the responsible taxpaying citizens, and the burden will fall upon them

years after they have had and spent the proceeds of the loans they can secure on these certificates. I do not believe they will bless Congress for placing such a burden upon them.

In the fullness of time, as fast as Uncle Sam can get the money, they will be cared for. In the fullness of time employment will become well-nigh universal, I hope, with an increased wage. I may not live to see it, but many of you will live to see it, and I hope you will, and you will see that a service pension comes. Why, a service pension came from the Civil War, and it came from other wars. Uncle Sam has looked after his defenders just as fast as he could in all these years.

Now, that is about all that I want to say at this time. [Applause.]

The SPEAKER. The time of the gentleman from Illinois has expired.

Mr. FORDNEY. The gentlemen over there have more time. I suggest that they use some time now.

Mr. COLLIER. Mr. Speaker, acting for the gentleman from Texas [Mr. GARNER], I yield two minutes to the gentleman from New York [Mr. LONDON].

The SPEAKER. The gentleman from New York is recognized for two minutes.

Mr. LONDON. Mr. Speaker, this hocus-pocus bonus bill and the method of debating it is a combination of the worst kind of political fakerism and parliamentary charlatanism. [Applause.] It is hard to conceive a sadder farce than this debate. Twenty or thirty men have already spoken in the last three hours, each taking a minute or two, speaking in unfinished sentences, in incomplete phrases, without an opportunity afforded for the expression of consecutive thought.

Neither the word bonus nor the word compensation is applicable to the situation. The word bonus is a term used in industry and denotes compensation over and above usual compensation. In fact, it is delayed compensation.

Whom will the bonus satisfy? If the man was a volunteer offering his life for the ideals of his country, you can not compensate him. If the man hated the war, but as a citizen obedient to the law of the land responded to the call of his country, he is even more of a martyr and you can not discharge your obligation to him by giving him a sum of money. You can not measure his martyrdom by dollars and cents. Nor is there any way of paying the man who was opposed to the war and served merely because he was compelled to, because he was physically taken possession of and forced to fight.

No cash, money, dollars, or cents can pay any of these men. In England they paid what we call a bonus, something like \$200 to each man. The money did not last very long, and when the unemployed ex-service men appealed for relief to that prince of statesmen and to the high priest of diplomacy, Lloyd-George, he advised them to emigrate, to emigrate from their own country.

The ex-service man has a right which no one has mentioned during this so-called debate—a right to work, a right to earn a livelihood in the country in obedience to whose laws he offered his life as a sacrifice. Something more than a mere opportunity to tramp the roads in the vain search of employment should be accorded to the soldier returning from camp or battle field.

One-fourth of the amount which this bill will require invested in the building up of industries, in loans to cooperative societies of workers, in furnishing aid to labor unions, in the building of homes, now that industry is paralyzed and nearly 5,000,000 men, and among them 700,000 ex-service men, are out of employment, would have been of infinitely greater service to the war veteran than any possible doling out of cash gratuities or of insurance certificates such as are proposed by this bill.

Do you know of any more sacred right than the right to work? Private industry, which is never inspired by national ideals, and which will not employ a man unless it can make a profit, has no care for the unemployed, though the unemployed be a hero of heroes; and if industry, managed and operated by private capitalists, refuses to furnish opportunities to earn a livelihood to millions of men, the Government, which should be the agent of the entire people, must not shirk the responsibility.

Prior to the war and during the war, and whenever I had an opportunity, I stressed the need of taking adequate steps to prepare to meet the very emergency we are facing to-day.

The leaders of the American Legion, who undertake to speak for the organized soldiers, do not represent the real thought of the World War veterans.

The official organ of the American Legion expects to meet the unemployment problem by the collection of old clothes, by begging for odd jobs, and by demanding a cash bonus. Unable to get a cash bonus, they are willing to accept this makeshift of an "adjusted service certificate," a piece of financial legerde-

main, utterly unintelligible to any living being, including its proponents.

When we speak of ex-soldiers we speak of 4,000,000 citizens, of a citizens' army, not of a military clique. We speak of an important part of our citizenship whose fate is tied up with the fate of the rest of the people.

All workers out of employment, whether they be war veterans or not, are entitled to an opportunity to work, to help create useful things that make life worth living. Private industry can not be relied upon to meet the situation; it is up to the Government to help create opportunities for employment, not only such as existed prior to the war but under conditions which would give the toilers a voice in the conduct of the industries under which they are to work. More than once during the war they were called upon to fight for a new and a better world. Neither a cash bonus nor an "adjusted service certificate" gives any promise of anything new or better.

The proposed bill, in addition to the so-called "adjusted service certificate," contains provisions for vocational training aid, for farm or home aid, and for land settlement. These provisions have no relation whatever to the possible needs of the man who is to take advantage of them. A mere examination of the bill will show that.

Thus, for instance, the section dealing with farm or home aid which allows to the veteran for the purchase of a suburban home or farm an amount equal to his adjusted service credit—which amounts to a dollar a day for home service and a dollar and a quarter a day for overseas service, in no event exceeding \$500—plus 25 per cent. In most cases the amount will not be sufficient to pay the fare to the home or land that is to be purchased.

So far as land settlements are concerned, so many things are to happen before a land settlement can be accomplished that the veteran is more likely to get to heaven or "in the opposite direction" before he will settle on the land.

The conditions under which this bill was brought up made it impossible, as I said before, to offer any suggestions or to propose any amendments. The rule prohibited the offering of amendments. Under these circumstances a vote against the bill could have easily been interpreted as a vote against giving consideration to the needs and the interests of the veterans. And then there is the possibility that once presented the question of according some measure of relief to the veterans may receive attention in the Senate where a brave and courageous minority has at least an opportunity not to permit itself to be gagged. It is true that with the powers that be in control that hope is a very faint one, but I have made it a rule long ago never to despair.

This is a proposition involving \$4,500,000,000. The Nation's gratitude is to be translated into a bootblack's tip. First, you promised cash. Now you are to give certificates of insurance. And there is no way of amending the bill, no way of making a suggestion, no way of changing it, no way of improving it. With a two-thirds majority the Republicans did not have the courage to give the House an opportunity to amend the bill so that something real might be done for the veterans.

The SPEAKER. The time of the gentleman has expired.

Mr. COLLIER. I yield one minute to the gentleman from Arizona [Mr. HAYDEN].

Mr. HAYDEN. Mr. Speaker, I want to briefly discuss that part of the minority report submitted by the Republican members of the Committee on Ways and Means, because the chief objection which they make to this bill is the controlling reason why I shall vote in favor of its passage. These gentlemen say that the land settlement provisions of the bill—

establishes an expensive machinery of management, offers untold opportunity for useless expenditure, and under the guise of veteran aid permits, among other things, the board to lay out town sites and build unlimited highways. * * * The so-called reclamation feature is dangerous at worst and uncertain at best and of itself should be a sufficient reason for the rejection of any bill carrying it even though the measure were in all other respects unobjectionable.

In another paragraph of this report these gentlemen say: "Enactment of this bill would be directly contrary to the advice of the Executive." It is true that the President opposes the passage of this bill unless it includes a sales tax as a means of raising the money to meet the cash payments when due. These gentlemen evidently propose to follow Mr. Harding's advice only when he happens to agree with them, which is convenient but most inconsistent. A little over three months ago, in an address to the Congress, the President said:

After each war, until the last, the Government has been enabled to give homes to its returned soldiers, and a large part of our settlement and development has attended this generous provision of land for the Nation's defenders.

There is yet unreserved approximately 200,000,000 acres in the public domain, 20,000,000 acres of which are known to be susceptible of reclamation and made fit for homes by provision for irrigation. * * *

Contemplating the inevitable and desirable increase of population, there is another phase of reclamation full worthy of consideration. There are 79,000,000 acres of swamp and cut-over lands which may be reclaimed and made as valuable as any farm lands we possess. * * *

Home making is one of the greater benefits which government can bestow. Measures are pending embodying this sound policy to which we may well adhere. It is easily possible to make available permanent homes which will provide, in turn, for prosperous American families, without injurious competition with established activities, or imposition on wealth already acquired.

These words from the President's message of December 6 can not be construed in any other manner than a complete and unqualified indorsement of the land-settlement features of this bill. The plan for the establishment of "veteran settlement projects for the reclamation of lands by irrigation, drainage, or other manner or method," literally and specifically carries out the recommendation thus made by the Executive, and his advice should be heeded by those who are so prompt to quote him on other occasions and for other purposes.

There are gentlemen who refer with approval to the result of the referendum taken by the Chamber of Commerce of the United States which disclosed that over two-thirds of the votes cast were against bonus legislation, whether paid in cash immediately or with payment deferred through the use of certificates, but they are careful to tell but half the truth. At that same referendum, which was completed on February 21, the following question was submitted to the business organizations in every State which constitute the membership of the national body:

Do you favor a national system of reclamation to be initiated through adequate Federal appropriations and to be carried out for the purpose of affording ex-service men opportunity to cultivate the soil?

On this question the vote was 1,250 votes in favor and 461 opposed, the majority being larger than that against the cash bonus.

There is another organization likewise nation-wide in its scope which, although it frequently disagrees with the Chamber of Commerce of the United States, thoroughly approves of a plan of national reclamation such as is provided in this bill. The American Federation of Labor, through its accredited legislative representative has said:

The best service that America can render to the world, in our opinion, is to keep America healthy. I do not believe personally, from what I have seen, that there is any hope of alleviating this unemployment condition in the country except through a well thought out program made active, and it is my opinion—and the opinion of the American Federation of Labor—that the reclamation idea covers a greater scope, promises more for the alleviation of this condition, than any other program that has been presented.

I could quote at greater length expressions in favor of a national reclamation policy from both of these sources, one representative of the great business interests of America and the other speaking for the toilers of our land. When capital and labor unite in demanding the adoption of legislation which will make waste land productive, provide homes for our returned soldiers, and increase the wealth of the Nation and the prosperity of all our people, then Congress should not hesitate to act. [Applause.]

Mr. COLLIER. I yield five minutes to the gentleman from Missouri [Mr. HAWES].

Mr. HAWES. Mr. Speaker, the House and the Senate went through the war period without partisanship. The situation to-day, in our attempt to return to normal conditions, requires the same courage and spirit that carried us through then.

During the war the Ways and Means Committee was under Democratic control, but Republicans were freely admitted to all discussions, so that when a measure was reported it represented the judgment of both Republicans and Democrats.

This measure has not been reported in this spirit, nor have the public or the Members of this House been permitted to voice their opinion.

The Rules Committee have provided a rule which permits but a few minutes' discussion by each Member and then absolutely bars any attempt to amend.

We must pass it exactly as the 17 Republican members of the Ways and Means Committee wrote it. It can not be changed. It can not be altered. It can not be improved.

We have attempted by legislation to provide for our wounded and sick soldiers and have made provision for the dependents of those who died in service.

But there is another class, numbering 332,113, of which 230,758 have applied for disability allowance due to injury or sickness, and 101,355 have applied for pensions because of death. These claims have been disallowed, and yet we are aware that Spanish-American veterans are to-day drawing service pensions upon the substantiation of similar claims.

The bill before us is for the soldier who, through absence in service from his vocation, has suffered loss and who now asks an adjusted compensation.

The American Legion, advocating his claim, caused to be presented to the House a measure providing for five options.

The first option was for cash money, and it has been generally accepted that from 75 to 95 per cent of the veterans wanted cash under this option.

This option has been eliminated, so the bill is not the one indorsed by the American Legion or which had been advocated by the soldiers.

This bill will not satisfy the soldier when he understands its provisions. It will not satisfy the taxpayer, because he is not told how much he will have to pay and when he will have to pay, so that he can adjust his affairs to meet the obligation.

The soldier, instead of being paid cash, is given a paid-up insurance policy with a limited borrowing capacity of 50 per cent, upon which each of the soldiers will be compelled to pay interest.

I shall vote against this bill because it does not give the soldier a "square deal." It does not give the taxpayer a "square deal," and it will confuse and make difficult its administration by our National Government.

I would vote for a proper bill, but I can not support this impossible measure.

The bill is not expected to pass the Senate without radical amendment. If the President does not reverse his frequently expressed opinion, he will not sign the bill in its present form, which will cause delay.

The bill may temporarily fool the soldier and the taxpayer, but when the soldier finds that he has been deceived and the taxpayer finds that he has been fooled, they will both be dissatisfied.

The passage of this particular bill will cause delay for the soldier, uncertainty for the taxpayer, and confusion in national administration.

The only way to secure a good bill is to fight a bad bill, and this I have done.

Mr. WILLIAMSON. Mr. Speaker, while I do not like the certificate feature of the adjusted compensation bill now under consideration, I shall vote for it. We are under the same moral obligation to adjust the economic loss of the ex-service men as we were to adjust the loss of war contractors. To adjust these we have already raised and paid out funds running well past the \$2,000,000,000 mark without levying special taxes for the purpose. All these claims have been paid out of moneys in the Treasury raised in the ordinary way for meeting Government expenses. The proposed soldiers' bonus is in no respects different from any of these other claims; should be paid in cash and be paid out of any funds in the Treasury not otherwise appropriated.

As pointed out in my speech upon the subject in this House on January 20 last, such additional funds could easily be raised by a sale of surplus war materials, by an increase of the inheritance tax upon the descent of large estates, and by the collection of interest upon obligations due us from foreign Governments. If a sufficient amount can not be derived from these sources to maintain a balance in the Treasury with the additional drafts which would be imposed by the payment of cash adjusted compensation to the ex-service men, we can well levy a progressive income tax upon corporations after allowing such liberal exemptions as would permit them to function without detriment to the business interests of the country. This method would not only save huge sums for the Government but would be much more satisfactory to the veterans themselves.

I can not agree that the above methods of raising additional revenue would in any way hinder that upward trend of business activity now becoming increasingly noticeable throughout the country. On the other hand, the proposed sales tax would have a most depressive influence upon the public mind in that it would place the burden upon those least able to pay, greatly add to the cost of living, now on the downward trend, and would cause much resentment among the ex-service men themselves, who would thereby be called upon to pay a great part of the bonus out of their own pockets. As those of large property and income had the most to gain from the successful prosecution of the war, so they should be called upon to pay their fair proportionate share of the burdens incident to that war.

Mr. GARNER. I yield five minutes to the gentleman from Florida [Mr. SEARS].

Mr. SEARS. Mr. Speaker, it would be absurd to undertake to discuss this bill in a logical manner in five minutes. To my mind the bill is "bunk." The first 10 pages are devoted to explanations. There is really only one redeeming feature in the bill, sarcastically speaking, and that is the section which provides for four positions, at a salary of \$7,500 each a year, and an army of clerks to carry out the work.

Let us trace the history of the bonus proposition. Last August a year ago the House passed a cash bonus bill which provided the means of raising the money to pay the soldiers. That was just before an election. We saw that bill die in the Senate. Now, just before another election another bill, or supposed bonus bill, is presented to the House, when my colleagues know it will never pass the Senate, or, at least, it is extremely doubtful if it will ever pass. If, perchance, the bill does happen to pass the Senate and the President stands by the statement he has issued—that unless a sales tax is carried in the bill he will veto it—it will never become a law, for you know you will not pass it over his veto.

Mr. Speaker, for some years the Agricultural Department has been experimenting with berries. They did not bring the berry to perfection, and it remained for the other branch of the Capitol to discover a "Newberry," which has been discussed from one end of the country to another. I shall not go into that matter now. While I do not condone it, there was this defense, namely, he spent his own money and the money of his relatives in securing his election. But this bill, admitted by those who have argued for it, "out-Herods" the Senate, and I am, therefore, going to give it the name of the "due berry." The only difference between the two recently discovered berries is the hope of purchasing our seats at the next election out of the taxpayers' money, and this—to my mind, at least—can not be defended.

I wish, Mr. Speaker, I could go into this matter at some length. The soldier boys of my district know how I stand on this matter. As chairman of the committee I introduced the first soldiers' rehabilitation act and assisted in conducting the hearings on same, and it later became a law. Afterwards, as ranking Democratic member of the committee, I also assisted in the passage of a bill extending further relief to the disabled soldiers. I have voted for every measure that I believed would be of benefit to those who defended my country, but I can not bring myself to vote for a bill that absolutely means nothing, or, at least, no one can explain it; how much it will cost or how we shall raise the money. In conclusion, Mr. Speaker, although the son of a southern soldier, I am going to quote the words a President used in a message when he vetoed a bonus bill in 1875; although my Republican colleagues seem to have forgotten him, nevertheless his memory still lives and he has at least not been forgotten by the "Yanks" or "Rebs":

The passage of the bill at this time is inconsistent with the measures of economy now demanded by the interests of the country.

U. S. GRANT.

[Applause.]

Let my good Republican friends turn their minds backward just for a moment and recall his message and pay tribute to his courage in vetoing same. If you want to give the soldier boys a bonus, come out and give it, but provide some way to raise the money and do not deceive them. There is another point about the bill. It so happens that a man who was sent across the seas and faced the bullets of the enemy has an I O U, as the Negroes in my part of the country call a little scrap of paper, such as this bill provides, after they have won it in a crap game—and he gets for example a \$300 certificate, which he will have to carry around for 20 years before he can get anything on it, because you know and I know that the banks of this country can not loan money due three years after date and perhaps drawing only 6 or 7 per cent interest, and if they should attempt to do so I fear the depositors would withdraw their money. Besides, the soldier would have to lose the difference in interest between 4½ per cent and the amount charged by the bank. But if the soldier happened to be in the service prior to November, 1918, just long enough to be entitled to \$49 or less, he would get it in cash, although he never heard the sound of a gun or faced the enemy. On the other hand, the boy who served in the trenches in France, if the amount due him after deducting the first bonus is in excess of \$50, only gets a certificate of indebtedness. If he should die before 1942 it might be well to put upon the marker of his grave "Here lies a brave soldier, who died hoping to the last that he had not been misled." However, there is this consolation, if such you can call it, if he has a family perhaps the family will be able to cash the certificate.

There are many other inequalities and injustices in this bill which can not be defended, but at this time I shall simply call your attention to two editorials on this bill which will at least show you what others think of it. The editorials are as follows:

[From the Palm Beach Post, March 7, 1922.]

THE SHOW-DOWN.

The Century Dictionary says of the word politician: "This word has degenerated so as generally to imply that the person busies himself with partisanship, low arts, and petty management."

In the light of that we quote from Washington dispatches:

"It became known to-day that Representatives FREAR, and DICKINSON, of Iowa, and WOODRUFF, of Michigan, called on Chairman FORDNEY yesterday and laid before him the whole situation, placing emphasis on its political aspects. They were understood to have contended that a sales tax would cause general dissatisfaction throughout the country, would make the soldiers' bonus extremely unpopular with the people, and might result in political upheavals in many normally solid Republican districts."

We should doubtless be grateful to politicians for at least confessing that the bonus is a political issue, pure and simple. Certainly the merits and means of a bonus are rapidly giving way in the public mind to the educational aspects of the question. The public may not yet have reached an opinion on the bonus bill, but it has learned a thing or two about the workings and motives of its Congress. It has seen the administration blow hot and blow cold on the subject, take it to its heart again as elections approach, venturing first one means and then another, and as hastily withdrawing them as notice is served that they would cost more votes than the service men could muster.

At present Congress is back where it started. It is for the bonus, but can not find the wherewithal. Therefore it proposes to pass the bonus bill but provide no means for paying it. Simple—and we trust satisfactory to advocates of the bonus. We would rather like to see Congress do just that. Surely even the most trusting elements of our electorate would comprehend the dishonesty of such an act, and scan with a more critical eye future deeds of those who were a party to the fraud.

[From the Washington Daily News.]

BUNK FOR BONUS?

The President stood long against any bonus bill which did not carry the taxation to pay the bonus. He was right.

You can't make omelets without breaking eggs. You can't raise the money for the bonus without taxation.

If the present scheme is carried out for a bonus law by which the ex-soldiers are given certificates running three years, on which they are supposed to borrow money, it will be a cowardly campaign dodge to catch votes, and it will be a cowardly political dodge toward ruin if it works.

The ex-soldiers can either borrow the money from the banks on the proposed certificate or they can't. If they can't, they will have been cheated and lied to.

HITS LABORER AND HOME BUILDER.

If they can, a huge amount of frozen credit will be added to the Nation's troubles. But Comptroller of the Currency Crissinger says he would advise banks to refuse loans on bonus certificates. Being three-year, nonnegotiable paper, the banks could not rediscount the certificates, so that if the banks did loan on them \$750,000,000 to \$1,500,000,000 of credit would be frozen solid. That would tend to high-money rates, financial stringency, and, hitting farmer, laborer, home builder, manufacturer, and merchant, would cost the people of the country more in dollars and cents than the necessary tax to pay any bonus outright.

SOME ONE CHEATED EITHER WAY.

The third expedient is the Coxe plan of issuing currency. That means inflation. That means a return to the high prices and high cost of living.

Of the three methods congressional leaders are hell bent for the certificate plan. Under Crissinger's ruling the certificates would be mere scraps of paper.

Better give the soldiers nothing rather than pretend to be just or generous and hand them a scrap of paper.

BUNK INSTEAD OF BONUS.

The most earnest advocate of the bonus is not called upon to favor such a trick as this, for it cheats the soldier if it fails to work and ruins the country's finances if it does.

Cowardice never pays. And this is congressional cowardice of the basest sort.

Mr. GREEN of Iowa. Mr. Speaker, I yield to the gentleman from Missouri [Mr. ROACH].

Mr. ROACH. Mr. Speaker, certain leading newspapers have been attempting to create public sentiment against the enactment of an adjusted compensation law by this Congress. They have had a great deal to say relative to the demerits of such legislation, but have studiously avoided discussing its merits. Considerable publicity has also been given to the attitude of some of our departmental officials upon the subject. During all this time the Members of Congress have been earnestly engaged in an effort to work out a solution of this question along intelligent and reasonable lines, and have not taken the time to answer the criticisms that have been made against such legislation.

The time has arrived, however, when we should present our side of the case, and I am glad of this opportunity to express my individual views, and, if possible, correct some of the false impressions that have gone out over the country in relation to this proposed measure. It has been stated by the press that "Congress is in a panic over the bonus law." This and similar statements have doubtlessly been made to create an impression in the public mind that Congress is in a state of uncertainty on the subject. I for one have not observed any evidences of panic or uncertainty upon the part of Members of Congress charged with the responsibility of this legislation. I am happy to know that quite the contrary is true.

Those to any degree familiar with what has been going on do not need to be informed that a propaganda backed by the big money interests and certain powerful newspapers to create a

popular prejudice against the enactment of any adjustment compensation law has been under a full head of steam, and by deceit and misrepresentation of the facts have sought to defeat the enactment of such a law. We should not deceive ourselves into believing that public sentiment thus created represents the wishes or judgment of persons who have considered this subject from a fair, just, and impartial standpoint. It has been the fixed purpose of the big financial interests and war profiteers of this country who are opposed to any bonus legislation now or at any other time to create a belief in the minds of the people that such legislation would lay additional forms of taxation upon the people. Their opposition is born out of the fear that they will be required to give up a portion of the wealth and profits accumulated by them during the course of the war. It should be remembered that these are the same big interests and influences that were so loud and insistent in their demands that Congress take these boys from their homes and positions and send them to do our fighting. It should be remembered that when these war profiteers and Government plunderers were made to realize that the grateful citizens of this Nation wished to do justice to the ex-service men by the enactment of this law that it was then sought by them to forestall this public sentiment by forcing upon Congress and the public the thought and belief that the enactment of such a measure would necessitate a tax rider with additional crushing forms of taxation and thereby render the measure unpopular and destroy its chance of enactment. They were quite ready to lend their support to such a measure if Congress would only enact a sales tax and thereby shift the burdens of taxation from their own shoulders to those less able to pay it. The people are to be congratulated that the farm organizations throughout the country were on the job and rendered the necessary assistance to Members of Congress to defeat this move. Meeting defeat in this direction they are now directing a violent assault against the provisions of the bill under consideration, and are attempting by every means possible to render it unpopular with the public and encompass its defeat.

A false impression has been conveyed to the public that the so-called bonus law is merely the granting of a certain amount of cash compensation to the ex-service men, and it is claimed that the expenditure of money in this way is unjustified and would not result in benefiting the ex-service men. If it were true that the present bill did no more than to pay over to the ex-service men a certain amount of cash, such objection might be made, but Congress is considering the subject from a much broader viewpoint and undertaking not only to provide for the immediate necessities of the ex-service men but to enact legislation that will provide for their future necessities, comfort, and welfare when the misfortunes of life have overtaken them.

The problem of working out a proper plan is a stupendous one. More than 100 bills upon this subject have been introduced in Congress and considered by the Committee on Ways and Means. It is therefore not surprising that we can not all agree upon the wisdom of any one single plan. It is certain that in order to secure legislation upon the subject we must be willing to give and take and harmonize our own views to some extent with those of others holding different views, and by such compromises of opinion reach a common ground upon which to enact legislation. In my opinion this bill, which is to a certain extent a compromise of the various plans proposed by different Members, will accomplish the main purposes in which we are all interested, is fair to the ex-service men, considerate of the taxpayers, and protects the Government, three prime factors to be considered in any legislation upon this subject. The bill permits the veterans to elect to receive the benefits of any one of the five following plans of compensation: First, adjusted service pay where the amount of credit is \$50 or less; second, adjusted service certificate; third, vocational training aid; fourth, farm or home aid; fifth, land settlement aid.

A study of the benefits given to the ex-service men under each subdivision of this fivefold plan of compensation will convince the unbiased mind that the bill not only affords a means of immediate relief for the veterans but encourages thrift and industry upon their part, protects them and their families from misfortune in the future, and brings into existence a class of producers and home builders who will greatly increase the wealth and taxable property of this country.

ANSWERING OBJECTIONS TO BILL.

One of the chief objections being made to the bill is that it carries no tax-rider provision with which to finance it. This objection to my mind is a good argument in favor of the bill. In my opinion the people of this country will be unanimous for this legislation when they learn that it does not require extra forms of taxation and will in no way retard restoration

of business throughout the country. That is exactly what this bill accomplishes. The investigations of the Committee on Ways and Means disclose that the expenditures under the bill during the fiscal year ending June 30, 1923, will not exceed \$75,000,000, and the committee having carefully gone over the revenues and estimated expenditures during that period, the majority of the committee report that no new forms of taxation or special provision of taxation are required to be inserted in this bill.

If we are sincere in our desires to grant relief to the ex-service men, this legislation should not be endangered and perhaps defeated by a tax-rider provision of any sort. I have particularly opposed a sales-tax provision. It has been my belief, and is yet my belief, that any measure enacted should be financed out of the ordinary receipts of the Treasury. Congress has appropriated multiplied millions of dollars to reimburse war contractors, relieve the railroads, and otherwise aid the so-called business industries of the country, and not a single one of these bills carried a tax-rider provision of any sort. I insist that we are not justified in treating legislation for the ex-service men differently from that of other legislation and not a single act has heretofore been burdened with a tax rider. If Congress will enact this law without a tax-rider provision the payments can and should be provided for out of the ordinary receipts of the Treasury, and by so doing we furnish a strong additional reason for still further paring down expenditures in other governmental agencies and departments, and at the same time offer another reason for collecting the interest on our foreign loans, both of which could and should be done.

As already stated, it is necessary to give and take in legislation of this character if we accomplish its enactment, and it oftentimes happens that agreements thus reached come nearer of accomplishing our purpose than to stand out for our own ideas, and I am very much inclined to believe that such may prove to be true with the present bill. I have been of the opinion that a greater cash-compensation provision should be made, but I am willing to accept the provisions of this bill rather than to secure no legislation at all, which would seem to be the ultimatum.

The adjusted-service certificate provided in this bill most effectually disposes of the objection against the payment of a cash bonus on the ground that such cash would prove of no value and be frittered away over night. The adjusted-service certificate feature is made so valuable and attractive that it will encourage every effort of thrift and economy to hold it until its maturity, and it can not be disputed that something of great and lasting value has been given, yet at the same time the service man is permitted to secure a temporary loan on his certificate if his circumstances are such as to require it. If you will pause to consider you will conclude that this plan is decidedly preferable to an all-cash bonus. It is the common experience and observation among men that a person will not borrow money, and the banks will not loan money, to be used for frivolous purposes. The loan provisions of this bill strongly argues that the ex-service man is given every inducement to practice thrift and economy in order that he may receive the full benefit and value of his certificate, and at the same time answers the argument that the benefits derived will be of no value.

Another objection which has been made against the bill is that the loan feature might create a condition of frozen credits. It should be remembered that the question of making such loans is entirely optional with the banks. They are placed under no obligation to make them and will not do so, unless their finances will permit and the necessities of the ex-service man require and justify the loan. However, in order to meet this objection, the bill could and should be amended so as to make these loans negotiable and transferable, and I suggest that the amendment go even yet further and require the Federal reserve banks to rediscount loans made by the member banks of their districts where such loaning banks require such rediscount. This would not only make the securities more liquid but make the loans obtainable from a source better able, in my opinion, to handle them. I hope that this or some similar amendment will be adopted. In this connection it should be remembered that on October 1, 1925, all loans or notes given by the veterans under the provisions of this bill, which are in default of payment, will be paid to the banks making such loans upon presentation to the Secretary of the Treasury. Then, again, the bill specifically provides that after September 30, 1925, the veteran can obtain his loan direct from the Government by applying through the postmaster at the place where he may reside.

In view of the great advantage to be derived by the veteran in holding his certificate, I anticipate but few loans will be applied for previous to that date. In other words, the ex-service man will not hypothecate his service certificate unless his necessities require it, and he will then make his loan for as short

a term as possible in order to recover possession of his certificate. Few loans will be applied for prior to the date that such a loan is obtainable direct from the Treasury, but for that matter the security which the ex-service man will have to offer for such short-term loans as he might require is first class, and I predict that no bank will hesitate to accommodate his temporary needs upon such security.

In my opinion, the bill should be amended by inserting a provision by which the widow, children, or other heirs of a deceased ex-service man would be given the benefits of the provisions of this law. Such an amendment appears to me to be only an act of simple justice, and I am unable to agree with those who do not favor extending its provisions to the heirs of an ex-service man, and I hope that such amendment as this will be added to the bill before it finally becomes a law.

Statements have been made that the ex-service men would become the victims of loan brokers and money sharks if this bill was enacted. The persons making this objection have evidently not studied the bill. Section 502 (a) restricts the loan features on the service certificate to banks or trust companies organized under the law of any State, Territory, possession, or the District of Columbia, and limits the rate of interest that may be charged. Section 309 provides a fine of \$500, or imprisonment for one year, against a person who charges or attempts to charge or collect any fee or other compensation than is provided in the bill. These safeguards are certainly sufficient to overcome that objection.

I have referred briefly to the principal objections that I have heard against the bill, some of which have emanated from those holding places of high authority in our Government.

Let me say right here that I consider it perfectly right and proper that the committees of Congress in shaping any legislation should receive the benefit of any advice or suggestion that may be made by the heads of departments of our Government, but I wish to emphatically voice my protest against allowing departmental officials to dictate to Congress the character of legislation that they will or will not approve. The tendency of Congress is to give departmental officials too much leeway in this respect and I hope to see the practice discontinued. The country is looking to Congress and not to them for its legislation. The Members of Congress were elected and sent here to represent the people of this Nation, and I am not willing to become a rubber stamp for any man or set of men. If we have an opinion upon a question we should have the courage to back it up with our voice and vote. If we have not any judgment and opinion we should resign our office and go back home and let the people elect some one to take our place.

It has been stated here on the floor that the veterans of the Civil War did not receive their pension or such allowances as were made to them by the Government for many years after the war, and for that reason we should delay action on this bill. To my mind such talk does not present an argument that requires an answer. It was unjust and wrong that the soldiers of the Civil War did not have their rights recognized much sooner than they did, but two wrongs never make a right, and because an injustice was done to the veterans of the Civil War is no argument why we should do an injustice to the veterans of the late World War.

Right here I want to digress from my subject to call attention of the House to the fact that members of the Enrolled Missouri Militia, and similar organizations, who rendered valiant service in the Civil War, and recognized by President Lincoln as having rendered such service, have never yet been placed on a pensionable status.

There is now pending in this House a bill which would give these old veterans a pensionable status, and regardless of what others may think or say about it, I consider it one of the most meritorious and just pieces of legislation now pending in Congress. It makes my heart sick to realize that Congress has so long delayed recognizing the service of these old veterans and placing them on a pensionable basis. Let me urge the fair-minded and just-thinking men of this House to immediately put their influence behind this bill and enact it into law without any further delay. It will only be a few years until all of these old veterans will have passed away. Many of them are now in needy and almost destitute circumstances, and if we are to help them and give them that which is justly theirs, we must act now, or it will be too late.

Getting back again to discussion of the measure under consideration, opponents of the measure have stated that they do not wish to put the dollar mark on the patriotism of the ex-service men. Oh, yes; it is all right to pay the war contractor, the war profiteer, the fellow that sat back at home in a swiveled chair grafting the public and plundering the Government Treasury, and the fellow who drew unheard-of wages, and everyone

else, but these same fellows now raise a howl to the high heavens when we so much as mention a just compensation for the boys who fought the fight, kept the faith, saved the institutions of this Government, and made the supreme sacrifice of all. The absurdity and ridiculousness of such claptrap is exploded when we consider what the compensation of the soldier was during the war as compared with that of the fellows who stayed at home and who are now setting up the cry against putting the dollar mark on the patriotism of the soldiers. The dollar mark is all that the ex-service man has thus far received, while these high-browed war profiteers, tightwad financiers, and dollar-a-year patriots who are now raising this cry against him stayed at home raking in the dollars. Let us remember that these boys were called to the defense of their country and sent to the battle fronts of Europe to undergo the hardships and tortures of a living hell at the munificent compensation of \$1 per day, out of which they were required to make allotments for the support of their dependents, buy Liberty bonds, thrift stamps, and what not, which cut their own pay to less than nothing, while the fellows who for one reason or another stayed at home, grabbing the positions, business opportunities, and chances in life away from these boys, made an average wage of ten times that which the boys were making, and in multiplied instances built fortunes overnight.

Remember that these boys were drafted into the service and had no choice but to go. Remember that when they were called to arms some were engaged in profitable business; others had just embarked upon the responsibilities of life, while yet others were finishing an education preparatory to assuming such responsibilities. Remember that the time to improve an opportunity is when you have it, and that in calling these boys to arms at a time when their opportunities were with them that we changed the entire course of their future life. Oh, yes; they returned, but broken in health, sick, maimed, wounded, gassed, shell shocked, and discouraged, to find their job taken away from them, their once prosperous business absorbed by others, the opportunity which was once theirs flown forever. Multiplied thousands of these boys who once had good employment, a well-established business, and a bright future are now tramping the streets of our cities and towns begging for employment, and the big interests who are now yelling themselves hoarse saying that it would put the dollar mark on the patriotism of these boys for a grateful Government to recognize the sacrifice made by them, will not even keep their patriotic promise made during the war to give the boy his old job back. These self-sufficient and self-satisfied patriots might make a demonstration of their own patriotism by restoring to some degree to the ex-service men the employment and opportunities which was theirs when they were called to arms. It is to be regretted that the draft law did not include and apply to all persons and business enterprises of this country and put them all on an equal footing. If this had been done and these dignified, self-respecting citizens who remained at home and profited by the millions overnight, and who are now raising this cry against compensating the ex-service men, had been reduced to the same pitiful compensation received by the boys doing their fighting, I do not imagine that we would now be hearing anything about putting the dollar mark on any one's patriotism. A better phrase to use would be to say that we will put the mark of patriotism on the dollar, which we will do by the enactment of this bill.

I am ready to vote to pass this bill. If the President wishes to assume the responsibility of vetoing it, which I am sure he will not do, I am ready to pass it over his veto. The country is becoming impatient at the delay in settling this question, and I believe that the time has arrived when we should show the President and the Senate the dotted line on which to sign, and if there is then any further delay the people of this country have sufficient intelligence to know where to place the responsibility.

A persistent attempt has been made by the big interests of the country, backed up by some of the powerful newspapers, to create the impression that because of the refusal of Congress to accept a sales tax or some other of their pet theories of transferring taxes from the rich to the poor that we have been thrown into a state of confusion as to the character of legislation that we should enact, and our colleagues who are opposed to this measure have seized upon the opportunity presented by this newspaper propaganda to attack and criticize the bill now under consideration. Only quite recently my colleague from Missouri (Mr. HAWES), if correctly quoted, sought to render the bill unpopular by applying to it a number of high-sounding phrases and epigrams, in which he is quoted as saying that the name of the father of this legislation was "Haste," its mother "Fright," and that of the bill itself "Bunk." Legislation of this character has been under earnest consideration for more

than a year, and there is neither evidence of haste, fright, or bunk in the terms of this bill. My colleague from Missouri no doubt refrained from saying what was really in his mind, and that was that the name of the Republican Party would be Dennis, with a big "D," if we failed to keep our preelection promise to enact legislation compensating the ex-service men, and he no doubt hopes by his clever criticism of this bill to bring it into disrepute and encompass its defeat and thereby accomplish the real purpose which he had in mind. I suggest to my colleague from Missouri and others who are so ready with their criticism of this bill that they have had ample time and abundant opportunity to present a better plan, if they had one. It is easy to condemn and tear down but not nearly so easy to construct. The criticism of my colleagues suggest to my mind the incident of the two Tommies, who, in the heat of battle, with bullets whistling past their ears and great shells exploding around them, were compelled to take refuge in a convenient shell hole, at which time one of them remarked, "Tom, this is a 'ell of a 'ole you 'ave got us into," whereupon Tom replied, "If you know of a better one, we will go to it." [Laughter.] That is my answer to the criticisms of this measure by my colleagues. This seems to be decidedly the best measure that has yet been proposed, and if you have a better plan you should have submitted it for consideration and not content yourselves with criticizing this measure. I consider it a good start in the right direction and am ready to vote for the bill. [Applause.]

Mr. FORDNEY. Mr. Speaker, I yield to the gentleman from Tennessee [Mr. SCOTT].

Mr. SCOTT of Tennessee. Mr. Speaker, arguments advanced by opponents of the pending measure utterly fail to convince me that Congress would commit the unpardonable sin were it to stamp this legislation with its approval. It has been urged that this legislation establishes a new policy extraordinary in effect and is without precedent. History, both ancient and modern, successfully refutes such erroneous contentions.

Cæsar, the greatest individual and international leader of all antiquity, whose efforts held intact the Roman Empire and gave to the world the proper conception of law and government, did not forget his warriors who made possible the promotion of essential principles to civilization.

Napoleon, hailed by many as the greatest soldier and statesman of the modern world, the renowned dethroner of emperors, rulers, and kings, whose spectacular and eventful career had its good and evil effect upon the civilized nations, both during and since his rise and fall, destroyed forever the feudal system and compelled kings and rulers to learn from him there is no despotism so stupendous against which there is not some recourse. His brave and loyal soldiers were not forgotten after the flag of victory had been raised.

Washington, the hero of the Revolution, the Father of our Country, whose name is to-day the symbol of liberty throughout the civilized world, advocated and urged gratuities for his unconquerable defenders of freedom. I beg the opponents of this pending legislation to heed the appeal of our country's first leader, who dared to break the shackles of British tyranny, as expressed in the last two paragraphs in a letter from General Washington to the Continental Congress March 18, 1783, which reads as follows:

For if beside the simple payment of their wages a further compensation is not due to the sufferings and sacrifices of the officers, then have I been mistaken, indeed. If the whole Army have not merited whatever a grateful people can bestow, then have I been beguiled by prejudice and built an opinion on a basis of error. If this country should not in the event perform everything which has been requested in the late memorial to Congress, then will my belief become vain and the hope that has been excited void of foundation. And if, as has been suggested for the purpose of inflaming their passions, the officers of the Army are to be the only sufferers by this Revolution; if, retiring from the field, they are to grow old in poverty, wretchedness, and contempt; if they are to wade through the vile mire of dependency and owe the miserable remnant of that life to charity which has hitherto been spent in honor, then shall I have learned what ingratitude is. Then shall I have realized a tale which will embitter every moment of my future life. But I am under no such apprehensions. A country rescued by their arms from impending ruin will never leave unpaid the debt of gratitude.

These expressions come from the pen of our country's greatest leader on the subject of additional compensation for his soldiers, which at that time had his serious and favorable consideration. Where is the man who will dare to challenge his love of country, his devotion to honor, and genuine patriotism?

Mr. Speaker, legislation carrying for soldiers some form or character of gratuity has invariably followed all wars in which our country has participated.

Let us turn to the pages of recent history and see what the allied nations of Europe have done for their defenders.

World War statistics.

	Population.	Area. <i>Square miles.</i>	Wealth.	Debt.		United States loans to Europe.
				1913, prewar.	1920, postwar.	
Italy.....	40,000,000	120,000	\$35,000,000,000	\$2,921,153,000	\$18,102,000,000	\$1,666,260,179
France.....	41,500,000	212,659	92,500,000,000	6,346,129,000	46,025,000	3,047,974,777
Australia.....	5,000,000	3,063,041	6,000,000,000	80,753,000	1,583,000,000	.....
Great Britain.....	46,080,000	121,633	80,000,000,000	3,485,818,000	39,314,000,000	4,277,000,000
Canada.....	8,370,000	3,730,000	10,000,000,000	544,391,000	1,935,946,000	.....
United States.....	105,083,108	3,026,788	380,000,000,000	1,028,564,000	24,277,321,467	.....
Japan.....	78,293,000	260,788	25,500,000,000	1,241,997,000	1,300,000,000	.....
Russia.....	167,000,000	8,300,000	60,000,000,000	4,537,861,000	25,000,000,000	187,729,750
Belgium.....	7,500,000	11,400	15,000,000,000	825,269,000	4,000,000,000	350,428,793
Turkey.....	8,000,000	174,900	4,000,000,000	675,654,000	2,000,000,000	.....
Greece.....	5,000,000	41,933	.....	205,640,000	409,367,000	48,236,629
Bulgaria.....	4,500,000	42,000	4,000,000,000	135,300,000	2,158,000,000	.....
Rumania.....	15,000,000	122,000	15,000,000,000	316,693,000	1,022,000,000	25,000,000
Serbia.....	5,000,000	34,000	15,000,000,000	126,232,000	126,232,000	26,780,465
Germany.....	65,000,000	208,780	83,000,000,000	1,194,052,000	55,261,000,000	.....
Czechoslovakia.....	.....	.....	.....	.....	.....	67,329,041
Cuba.....	.....	.....	.....	.....	.....	10,000,000
Liberia.....	.....	.....	.....	.....	.....	5,000,000

Bonuses provided for home service.

	Major general.	Brigadier general.	Colonel.	Lieutenant colonel.	Major.	Captain.	Lieutenant.	Second lieutenant.	Warrant officer.	Sergeant major.	Quartermaster sergeant.	Color sergeant.	Sergeant.	Corporal.	Private.
Italy.....	\$369.92 to \$852.32	.....	\$305.58 to \$691.58	\$241.25 to \$611.17	\$209.08 to \$490.54	\$176.92 to \$432.25	\$125.45 to \$337.75	\$112.58 to \$209.08	\$44.39 to \$73.74	\$44.39 to \$73.74	\$44.39 to \$73.74	\$44.39 to \$73.74	\$44.39 to \$73.74	\$44.39 to \$73.74	\$34.74 to \$63.69
France.....	(1)	(2)	(2)	(2)	(2)	74.31 to 187.21	74.31 to 187.21	74.31 to 187.21	74.31 to 187.21	74.31 to 187.21	74.31 to 187.21	74.31 to 187.21	74.31 to 187.21	74.31 to 187.21	74.31 to 187.21
Great Britain.....	2,430.00 to 7,290.00	810.00 to 4,860.00	724.34 to 3,645.00	679.99 to 2,673.00	532.17 to 2,430.00	399.13 to 1,944.00	187.21 to 1,458.00	187.21 to 1,215.00	187.21 to 131.22	187.21 to 116.64	187.21 to 116.64	187.21 to 116.64	187.21 to 116.64	187.21 to 116.64	187.21 to 116.64
Canada.....	744.00 to 2,392.00	403.00 to 1,380.00	232.50 to 874.00	193.75 to 759.00	155.00 to 613.33	116.25 to 467.66	80.60 to 361.86	80.60 to 361.86	71.30 to 318.93	70.30 to 300.00	70.00 to 300.00	70.00 to 300.00	70.00 to 300.00	70.00 to 300.00	70.00 to 300.00
United States.....	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00

¹ Special, not with fighting units.² Special.

Bonuses provided for overseas service.

	Major general.	Brigadier general.	Colonel.	Lieutenant colonel.	Major.	Captain.	Lieutenant.	Second lieutenant.	Warrant officer.	Sergeant major.	Quartermaster sergeant.	Color sergeant.	Sergeant.	Corporal.	Private.	Length of service (years).
Italy.....	\$369.92 to \$852.00	.....	\$305.58 to \$691.58	\$241.25 to \$617.17	\$209.08 to \$490.54	\$176.92 to \$434.25	\$125.45 to \$337.75	\$112.58 to \$209.08	\$112.58 to \$209.08	\$44.39 to \$73.34	\$44.39 to \$73.34	\$44.39 to \$73.34	\$44.39 to \$73.34	\$44.39 to \$73.34	\$44.39 to \$73.34	1-4.
France.....	(1)	(2)	(2)	(2)	(2)	233.53 to 74.72	233.53 to 74.72	233.53 to 74.72	233.53 to 74.72	233.53 to 74.72	233.53 to 74.72	233.53 to 74.72	233.53 to 74.72	233.53 to 74.72	233.53 to 74.72	1-4.
Austria.....	250.61 to 751.89	\$174.96 to 524.88	174.96 to 524.88	147.62 to 420.87	120.29 to 360.86	92.95 to 278.94	74.72 to 224.17	74.72 to 224.17	61.97 to 185.90	54.68 to 164.08	54.68 to 164.08	54.68 to 164.08	54.68 to 164.08	54.68 to 164.08	54.68 to 164.08	1-3.
Great Britain.....	2,430.00 to 7,290.00	810.00 to 4,860.00	724.34 to 3,645.00	679.99 to 2,673.00	532.17 to 2,430.00	399.13 to 1,944.00	187.21 to 1,458.00	187.21 to 1,215.00	187.21 to 131.22	187.21 to 116.64	187.21 to 116.64	187.21 to 116.64	187.21 to 116.64	187.21 to 116.64	187.21 to 116.64	1-5.
Canada.....	744.00 to 2,392.00	403.00 to 1,380.00	232.50 to 874.00	193.75 to 759.00	155.00 to 613.33	116.25 to 467.66	80.60 to 361.86	80.60 to 361.86	71.30 to 318.93	70.30 to 300.00	70.00 to 300.00	70.00 to 300.00	70.00 to 300.00	70.00 to 300.00	70.00 to 300.00	1-3.
United States.....	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	(2)

¹ Special; not with fighting units.² Special.³ On discharge.

England, our ally in the recent World War, did not forget the sacrifices of her soldiers. Statistics furnished me by the Congressional Library show that England has paid her defenders of honor more than \$4,000,000,000 since the declaration of peace. England, with a national indebtedness of nearly 50 per cent of her national wealth, at the close of the world's most horrible conflict, her shoulders bent by an almost unbearable war tax, yet notwithstanding this fact we find this grateful nation immediately following the cessation of hostilities turning her attention first to her valiant and heroic warriors.

At the close of the awful conflict let us turn to France. We find her homes devastated, her industries paralyzed and financially impoverished, her national credit strained, France, the most outraged and war-plundered of all participants, save perhaps Belgium, yet we find that France, courageous and patriotic France, has long since expressed her gratitude to her world-admired and home-loved defenders by paying them additional compensation exceeding \$5,000,000. She, too, with a national indebtedness in excess of 50 per cent of her national wealth.

Yet we hear the cry that this legislation commercializes our soldiers' patriotism and valor. I deny this infamous insinuation. The charge is the product of the ingrate and uninformed.

Italy, notwithstanding her burdensome national indebtedness, promptly and unhesitatingly provided additional compensation for her gallant sons who so gloriously preserved her national security and international honor.

Canada, our neighbor, ally, and friend, showed her undying gratitude to her victorious liberty-loving heroes without the slightest quibble or delay by providing them with a handsome bonus. Yet Canada's national indebtedness equals 20 per cent of her national wealth.

What has been true of England, France, and Italy has also been true of Belgium and Australia, who amid the shouts of victory did not forget those who made it possible.

Where is the man who would be so unfair as to contend that the soldiers of England, France, Italy, Belgium, and Canada deserved more consideration at their country's hands than the sons of America, whose psychological efforts snatched victory from the jaws of defeat and saved civilization from the brutal rule of a European war lord?

It has been said by some gentlemen that our Government is not able to meet the expenditures which this legislation incurs. Evidently my good friends have failed to note the fact that the United States Government has a national wealth which exceeds

the combined wealth of England, France, Italy, Canada, and Australia. The wealth of the United States has been computed by experts to exceed \$300,000,000,000. The combined national wealth of England, France, Italy, Canada, and Australia is less than \$250,000,000,000. The combined national indebtedness of these five nations approximates \$120,000,000,000, nearly 50 per cent of their total national wealth. Including the national obligations incurred under the provisions of this bill, the total national indebtedness of the United States Government will be little less than \$28,500,000,000, hardly 10 per cent of our national wealth.

In the face of these figures, conceded by reputable statisticians to be approximately correct, I here and now emphatically deny the charge that our Government is not financially able to compensate her soldiers as provided in this bill.

Let us not longer delay this long-due compensation.

Mr. Speaker, the eagerness and anxiety of the people to express their appreciation for their soldiers' sacrifices can be found by an examination of the acts of the numerous State legislatures. The following States have already granted a bonus to their soldier-citizens: Illinois, Iowa, Kansas, Maine, Massachusetts, Michigan, Minnesota, Missouri, Montana, New Hampshire, New Jersey, New York, North Dakota, Ohio, Oregon, Pennsylvania, Rhode Island, South Dakota, Vermont, Washington, and Wisconsin. It is interesting to note that the electoral vote of all these States were recorded in the last presidential contest in favor of the present administration. This, in my judgment, should be a signal to the majority party to support this legislation.

Some distinguished gentlemen declared this bill to be inconsistent with their conception of what they believe a bonus bill should provide, and for that reason they will be compelled to oppose its passage. Oh, excuse, how oft thy door has been the exit of a defenseless antagonist. I do not insist that this bill is my ideal.

There are certain provisions I should be glad to see amended. However, I must admit that I would be reluctant to yield the power of amendment to certain gentlemen who so vigorously protest its provisions. Back of this criticism which has been apparently so earnestly urged I fear lurks that unconquerable character better defined as conscientious objector. It is from this same opposition comes the cry that the Treasury of the United States is depleted and is not equal to the demands which will follow this legislation.

It hardly becomes certain people to charge that this bill in effect commercializes the valor and patriotism of our soldiers in view of the war record of those who make the charge. What is the source of this antibonus propaganda which has been so generously dispensed over the country? Why, Mr. Speaker, it emanates from those centers of wealth and industries which so liberally lubricated their bank accounts during the war. You hear these war-time profiteers, now peace-time patriots, proclaiming in vociferous tones their love for country and how they regret to see this additional burden imposed upon the people. It is indeed unfortunate for the country that this spirit of patriotism failed to penetrate their hearts while the sons of America were dying in no man's land and painting the soil of France red with their blood.

I have no quarrel with those who honestly believe that a soldier bonus at this time might retard the return of normal economic conditions. I can conceive that one may be grateful and appreciative of the gallant and valiant service rendered by the veterans of the recent war, yet out of misapprehensions conclude that a bonus would be more hurtful than helpful, but I want to impress that the source and purpose of the antibonus propaganda justifies in my judgment the charge of pure selfishness and lack of proper gratitude of certain citizens who enjoy individual and national liberties as a result of the sacrifices of those whom they refuse to reward.

These selfish citizens and interests, proclaiming at one time that the country is bordering on bankruptcy, and is not able to assume additional compensation to soldiers, in the next breath we hear these same voices urging the United States Government to cancel more than \$10,000,000,000 of our foreign loans. If we are too poor to pay the soldiers less than \$4,000,000,000, we are certainly too poor to cancel our foreign debts. Here let me say that I can not persuade myself to believe that the people of the United States, who so self-sacrificingly tendered their sons and resources to hurl the German hordes from the devastated homes of France and Belgium, will ever consent to the unbusinesslike policy of complete cancellation of foreign debts held by this Government against solvent foreign countries. It is reasonable to presume, Mr. Speaker, should the United States Government make the sad mistake of canceling her foreign debts, as suggested by certain antibonus propagandists, that our financial status would in all probability be materially em-

barrassed. But as I have heretofore stated, this preposterous assumption will not be permitted by the American people. The fact is that the long past-due interest on a large portion of our foreign loans, judging from recent reports regarded as authentic, will soon be paid. This interest fund can be applied to the cash payments provided in this bill, thereby causing no strain on the Treasury.

Mr. Speaker, who constitute the chief opposition to this bill? Why, every slacker, every selfish profiteer, every alien enemy, every national ingrate, is opposed to this bill. I do not mean that all who shall oppose its passage are of the heretofore mentioned class, for many honest, conscientious people have been unduly alarmed as to the results of such legislation, and oppose it upon what they regard as well-founded reasons. I am only calling to their attention the company in which they unfortunately find themselves.

On the other hand, every citizen who favors this legislation stands first, last, and forever for honor, home, and country. They believe in the time-honored principle that a country that wantonly fails to provide for its defenders does not deserve to be defended.

Mr. FORDNEY. Mr. Speaker, I yield to the gentleman from New York [Mr. ROSSDALE].

Mr. ROSSDALE. Mr. Speaker, I introduced a bill early in this session of Congress to provide for adjusted compensation for those who served honorably in the Army and Navy or in the Marine Corps, with a provision for compensation of a dollar per day for service in the United States and a dollar and a quarter per day for service overseas. I introduced that bill then, and have labored throughout the session to secure the enactment of an adjusted-compensation measure for the veterans of the late World War because I believed it was a solemn obligation of the Nation which should have been met when the men were discharged from the service at the close of the war by the administration that was then in power.

I believe a great wrong was done these veterans by the neglect to provide this adjusted compensation. It should not have been delayed long enough to become even a question, for it is undeniably a public debt and an obligation that we ought to discharge now.

I firmly believe that if my Democratic friends on the other side of this House who were in that Congress and then in power had as much zeal for the soldier and sailor who served in the war as they had for the war speculators and war munitions contractors and for all that ignoble host of war profiteers which they evidently had when they introduced and passed the Dent bill, under whose operation the Government paid out of the Treasury \$3,000,000,000 for canceled war contracts, it would not be necessary for this Congress at this time to meet this situation. [Applause.]

The Dent bill was passed shortly after the armistice, in February, 1919. It was passed by a Democratic House and Senate and signed by President Wilson. It empowered the Government to make payments in settlement for canceled war contracts, and so forth. I have not the time or desire to rake up the muck from out of that iniquitous legislative act. It is history now, and the entire country knows that it was cheated and defrauded of the larger part of those \$3,000,000,000.

That Democratic Congress displayed remarkable haste and surprising speed in passing that legislation. It was the same Congress that enacted a so-called "bonus bill" for the Army and Navy it was then demobilizing by providing each discharged soldier and sailor with a \$60 bonus upon being mustered out of service. They evidently regarded it as timely and as proper to adjust the compensation for the "war brides" and "war babies" of Wall Street, and there was money enough in the country then to pay to the bankers and brokers and to "big business" in general who had financed these speculations. But they evidently thought it was untimely and unnecessary to decently adjust the compensation of the 4,000,000 men who had suffered financial loss either of salary, pay, wages, or business opportunity by reason of their service in the military or naval forces during the war.

We conscripted human life by enacting the draft laws, and held "property rights" to be sacred and inviolable; labor remained a commodity purchasable according to the law of supply and demand. We had the right to conscript human life to preserve the Nation, and very properly exercised that right. We also had the right to conscript human labor to win the war, but we failed to exercise that right. Why we did not, only God and the Democratic administration who were then in power know. It has never been explained, and it probably never will be understood, why we stupidly upset and dislocated our entire industrial and economic structure by withdrawing more than 4,000,000 men from their ordinary occupations and inducting

them into military service and at the same time competing with private employers for the labor we so urgently required in our shipyards, machine shops, munition factories, and war-material plants.

Had we conscripted human labor as we conscripted human life, both in uniform service at \$30 per month, there would have been less industrial upset, the high cost of living would not have been so extremely high, and the country would have returned to more normal conditions ere this. It is certain that if there had not been so glaring inequalities between the man in military service at \$30 per month and the war worker at home reaping the benefits of the others' absence by big wages or big profits there would not now be any question or issue of adjusted compensation.

When the war began we raised the pay of the men in service to \$30 per month, but in reality they did not receive that amount, for they were subject to various deductions and extra expenses by reason of that service. A single item—war-risk insurance—considerably lessened the monthly pay check. It was a gross injustice to compel the men to pay their own war insurance; then we exhorted them to be patriotic and buy Liberty bonds on installments, and that, too, was taken from out of that \$30 per month; deduct from the remainder the allotments to dependents at home, and the average pay of our soldier or seaman was about \$8 per month.

A comparison of the legislation for the men who were in the service and for those who for divers reasons, physical, family, or otherwise, remained in civil life proves in effect that we actually gave a substantial bonus to war workers and to those others who reaped the benefits of high wages and large earnings in civilian life at home. Can we, then, in fairness to all concerned, further delay and neglect to make an equitable adjustment? I think not. For my own self I deem it to be my duty to express by my voice and vote as a Member of the House the justice of this measure.

The bill has been popularly termed a bonus bill, but it is not a bonus measure, and the term "bonus," as generally applied to it, is a misnomer. A bonus is a gratuity or gift. If I thought it was really that, I would strenuously oppose it, for I do not believe that any large number of our ex-service men desire or would accept any gratuities or gifts for either their service or sacrifice. It is exactly what the bill states it is—to provide adjusted compensation for veterans of the World War.

It has been argued that we ought to provide for the maimed and injured veterans before we give consideration to any plan for relief for those who returned from the war physically uninjured. It is a sacred obligation of the American people to care and provide for the wounded and disabled veterans. I believe we ought and must give proper consideration to both the injured and uninjured. Congress has met this obligation for the injured with legislation for hospitalization and compensation for all ex-service men whose injuries or illnesses result from their war service. Although pledged to economy, this Congress appropriated last year \$500,000,000 for this purpose and \$50,000,000 additional for more hospitals. The complaints of lack of care or provision for the wounded or disabled service men result mainly from administrative faults and rulings of the officials in charge of the various bureaus to whose care is intrusted these disabled veterans. There is no lack of appropriation of funds to care for the injured, and it is plainly our duty to care for both. Our late allies made no distinction between their injured and uninjured veterans, they generously compensated both. Presumably with our own money; only America has held back.

The bill I had introduced differs in many respects from this bill as reported out by the committee and which will be passed by the House to-day, judging from the vote we have just had on the suspension of the rule and for which I, too, have voted. My own bill provided for a cash payment option to those who were urgently in need of cash payments, with a sales-tax provision for raising the revenue necessary for such cash payments.

It is regrettable that Members of the House were not given the opportunity to amend the bill, for I am firmly convinced that if the House were not forced into the position of adopting the rule preventing amendment, the sales-tax financing plan recommended by President Harding would prevail. However, the bill will go to the Senate, where it can be considered without restriction, and I hope it will be amended to provide the greatest amount of relief to those ex-service men urgently in need of same. This bill is admittedly not a perfect bill, for it penalizes those who unfortunately are in need of immediate payment, while the more fortunate among the veterans can afford to hold their certificates as an investment.

I much prefer the cash payment plan because it offers immediate relief and because it would be less costly to the country. My own bill imposes a sales tax of 1 per cent, with a limit of two turnovers with exemption for foodstuffs and other essen-

tials, and would provide the money needed for this purpose in a painless, indirect way. I have studied the operation of the sales tax as it is levied by our neighbors in Canada, and I am convinced that the imposition of a small sales tax would hardly be felt by the ultimate consumer. It is generally conceded by Canadians that this tax is absorbed in the overhead costs of business and its effect is almost imperceptible.

However, I am quite ready to accept the present bill presented by the committee, although it differs materially from my own bill, because I know that all legislation is the result of a compromise, hence it is necessary that all Members of the House who are in favor of an adjusted compensation measure and all those who have introduced other adjusted compensation bills do their individual part in effecting such a compromise and accept this bill since it provides a practical way without danger of financial or economic disturbance for the Nation to discharge its long overdue obligation to those who by their service and sacrifice won the war.

I vividly recall the stirring days of the war and my mind goes back to that time when "our country" spelled the magic word "service" to the youth of the land. We had yet to win the war. It meant something to serve then, for patriotism was in the very air and our hearts went out in welcome to every boy in uniform. We could not do enough for them then, and as we prayed for the safety of the overseas journey our thoughts were of the ships, of the camps, and the trenches. In fancy I can still hear the muffled tread of the troops as they silently marched down to the wharves in the quiet of the night or early morning to embark for "over there."

I can hear the tumult and the shouting of the armistice celebration and see the storm of paper confetti, resembling a snowstorm, with which overjoyed New York—my city—hysterically greeted the news. I can hear the tramp, tramp of our victorious divisions as they marched up flag-bedecked Fifth Avenue and picture the laughter mingled with tears of joy in the family reunions. There were bands of music and cheering crowds to greet them, and we felt that "nothing was too good for the boys."

Oh, we were tremendously patriotic then, but that was in 1919; the war is over now, and in 1922 we must measure and pay the tremendous costs. Taxes are high and business is dull, for the aftermath of every war is thus unpleasant and it is in human nature to quickly forget. There are many who have already forgotten and in place of the cheers there are jeers, especially from "big business," who profited most by the war.

The great mass of the American people, however, have not forgotten and will never forget the services these men rendered, and despite the selfish organized commercial propaganda directed against this measure they believe it is fitting and proper that Congress enact this adjusted compensation bill for our World War veterans.

Mr. GREEN of Iowa. Mr. Speaker, I yield to the gentleman from Wisconsin [Mr. BROWNE].

Mr. BROWNE of Wisconsin. Mr. Speaker, to-day there are from 800,000 to 900,000 ex-service men out of employment in the United States, through no fault of their own. These men were physically strong and healthy young men when they entered the service and so pronounced by the doctors that examined them. After serving their country on an average of from one year to a year and a half they returned here to find their employment gone, and to find also several million other men out of employment. I believe every man who entered the service for a dollar a day, who left his employment, received a very severe handicap, and that it is the duty of our Government to make that right as well as we can. I believe this bill will help to do it. [Applause.]

Mr. Speaker, I therefore intend to vote for this bill providing for adjusted compensation, not as a gift or a bonus but as a deferred compensation.

I do not think it is as good a bill as the Fordney bill, which was passed by the House of Representatives May 29, 1920, by a vote of more than three to one, which bill met its death in the Senate. I voted for that bill, and can see no reason why anyone who voted for that bill should not vote for this. I wish this bill provided for victory taxes the same as the bill we passed, and that it also provided for a cash payment instead of the certificate plan that compels the veteran to either wait until September 30, 1942, or discount his certificate at the bank. I will offer an amendment, if I am allowed to do so, providing for a cash payment in lieu of the certificate plan of payment provided for in this bill.

A NATIONAL OBLIGATION.

I do not believe that 5 per cent of these 900,000 ex-service men and women who are out of employment to-day were out of employment when they enlisted. Every ex-service man and

woman suffered a severe economic handicap as a result of their service in the World War. When these men and women enlisted they gave up their positions, which were immediately filled by others. When they returned it was impossible in a great majority of cases for an employer to turn off the person who was filling the position satisfactorily and restore the ex-service man to his former position. When these veterans, numbering over four and one-half millions, were discharged at the close of the war, the labor market was overstocked. It was a condition brought about by the war. Many suggested that the Government engage in some great internal improvements that would give employment to the returning soldier.

WILSON ADMINISTRATION DID NOTHING TOWARD REHABILITATION.

At the close of the war the Government had over 300,000 motor trucks in its possession and the most complete equipment of all kinds for road building ever assembled. It had an unlimited quantity of explosive T. N. T. and other equipment for land clearing. It had stores of food, stocks of clothing enough to last an army of four and one-half million men another year if the war had lasted. With all of this equipment and with tens of thousands of engineers who had aided in rebuilding France at its command, the administrative part of this Government did nothing to utilize this wonderful equipment, which was sold at the lowest figures and allowed to go to waste.

Soon after the close of the war Congress passed a resolution requiring the Secretary of War to turn over the surplus trucks to the Agricultural Department to be distributed among the different States to be used for road building, but the War Department did not turn over a single truck or any road equipment for over six months, and then only after constant prodding by Congress. The entire road-building year passed with this valuable equipment, most of it exposed to the elements and going to ruin, and the States unable to buy the same kind of road-building equipment at any price.

THE GOVERNMENT SHOULD HAVE GIVEN EMPLOYMENT TO ITS SOLDIERS BY ENGAGING IN GREAT INTERNAL IMPROVEMENTS.

If the war had lasted another year, we would have spent at least \$2,000,000,000 more than we did. If the Government of the United States had spent one-half that amount in productive work, such as building roads, clearing and reclaiming lands, improving our great waterways, every citizen would have been benefited and we would have no unemployment but plenty of work for all, and our soldiers would have been reabsorbed into civil life.

When this Government discharged over four and one-half million soldiers to return to private life without making any provision for them to enter into productive employment it made a colossal blunder. But, in addition to this, the Federal Reserve Board struck a death blow to prosperity when it retired from circulation over \$1,000,000,000 of our currency in a single year between November 1, 1920, and November 1, 1921, thus paralyzing private enterprise from one end of this land to the other, by denying to business the extension of credit and by deflating farm produce below the cost of production.

THE RANK AND FILE.

Battle is normally determined by physical encounter with the bayonet or the fear thereof, says the War Department in a recent report. All other agencies, however potent, serve to make possible the advance of the foot soldier in hand-to-hand encounter. Alexander the Great, Caesar, Napoleon, Washington, Grant, Lee, and Pershing gave credit to the rank and file of the armies for their greatest victories. I am told of a little rhyme which used to be sung by the doughboys in France, which was as follows:

The Infantry, the Infantry,
With dirt behind the ears,
The Infantry, the Infantry,
Their pay is in arrears;
The Cavalry, Artillery,
and valiant Engineers,
They couldn't lick the Infantry
In a hundred thousand years.

This bill is intended to help the rank and file, who only received a dollar a day while in the service, while the greater portion of this amount was retained for insurance and his dependents at home. This bill, if it becomes a law, will give immediate aid to those in dire distress; it will help others in acquiring homes and procuring land to make farms; and it will also help the incapacitated and crippled soldier, who we all know will need it as he struggles through life under the handicap that grows heavier as the years go by.

England, France, and Belgium, and Canada have given their soldiers a bonus, although some of these countries were on the verge of bankruptcy. The United States has never in its history had to be prodded or had other nations lead the way in acts of justice or generosity toward its defenders, and God

grant that it never will become so mercenary that it loses its high sense of gratitude toward those who were willing to make the supreme sacrifice for their country.

I hope that no poet can write as Kipling did 20 years ago when he painted the picture of ungrateful England toward its soldiers back from war in the following lines:

I went into a theater as sober as could be,
They gave a drunk civilian room, but 'adn't none for me;
They sent me to the gallery or 'round the music 'alls,
But when it comes to fightin', Lord! they shove me in the stalls.
For it's Tommy this and Tommy that and "Chuck him out, the brute!"
But it's "savior of 'is country" when the guns begin to shoot;
An' it's Tommy this an' Tommy that and anything you please;
But Tommy ain't no bloomin' fool—you bet that Tommy sees.

MORALE.

We heard a great deal in the late war of the importance of keeping up the morale of the soldiers. The morale of the soldier was regarded as very important and oftentimes turned the tide of battle. Is it important for the Government at the present time, with eight or nine hundred thousand citizen soldiers out of employment, through no fault of theirs, to be just and fair with them? Will it help the United States if in the future she has to call upon her citizens again to offer their lives in defense of their country? Will such an act of justice make for a good, enthusiastic, and contented citizenship? I firmly believe it will.

OPTIONS GIVEN BY THE BILL.

Besides the adjusted service certificates, this bill provides for vocational training aid. The option to receive farm or home aid—Title VI. The option to receive land settlement aid—Title VIII. These options are more satisfactory than the adjusted service certificates and would be better than a cash payment bonus. But I realize that probably a majority of the ex-service men are in immediate need of money to obtain the necessities of life or to embark in some undertaking. Therefore an opportunity is needed for those ex-service men so situated, and I regret that Congress did not meet the situation squarely by levying taxes in some or all of the following ways, which I urged before the Ways and Means Committee on February 6, 1922:

First. Reenact the excess-profits tax.

Second. An additional surtax on individual incomes of 1 per cent of the amount by which the net income exceeds \$5,000 and does not exceed \$10,000; 2 per cent from \$10,000 to \$26,000 and 3 per cent of incomes in excess of \$26,000. This provision is estimated to yield \$108,000,000 per annum.

Third. A tax equivalent to one-fifth of 1 per cent on the sale of stocks and bonds. This provision is estimated to yield \$190,000,000 per annum.

Fourth. A tax equivalent to one-half of 1 per cent on the sale of real estate. This provision is estimated to yield \$50,000,000 per annum.

Fifth. A tax of 3 per cent on the gross incomes of mail-order houses doing a mail-order business of over \$50,000 per year.

Sixth. An excise tax on corporations issuing stock dividends subsequent to March 15, 1920, equivalent to 10 per cent of the value of stock so issued. This provision is estimated to yield \$45,000,000 per annum on future stock dividends.

Most of these ways of raising taxes were favored by the Ways and Means Committee and passed by Congress May, 1920, by a vote of three to one. If these ways to raise the bonus were sound then, I wish some one would inform me why they are not sound now.

Mr. FORDNEY. Mr. Speaker, I yield three minutes to the gentleman from Wyoming [Mr. MONDELL].

Mr. GREEN of Iowa. Mr. Speaker, I yield two minutes to the gentleman.

Mr. MONDELL. Mr. Speaker, it will be two years the 29th of May next when this House passed by a vote of more than three to one a soldiers' adjusted compensation bill. Within a week of that vote the Republicans met in convention at Chicago and there made a declaration which, in the light of what had occurred here within the week, if it was not an approval of an adjusted compensation bill had no meaning at all. Then came the campaign, and from every stump and platform in the land Republicans and Democrats, with few exceptions, expressed themselves as favorable to the recognition of the service of all the men who had taken up arms in the Great War and generally along the lines of the bill that was voted on in this House in May, 1920.

Mr. Speaker, I am one of those who believe that political parties ought to keep their pledges and their promises. [Applause.] I know that sometimes it is inconvenient for individuals and for nations and for parties to keep their pledges. I know that sometimes it interferes with plans and involves sacrifices. I know that sometimes in the world's history men and nations have

treated their solemn promises and obligations as mere scraps of paper. However, no political party will live, and no political party ought to live, which will not and does not, even though conditions may somewhat change, even though the pledge may have been made without full appreciation of its cost, keep the pledges and promises on which the people of the country gave it authority and control. [Applause.]

This is not a perfect bill. No piece of legislation ever voted on in this House has been or will be perfect, but it is a better bill than the one we voted on two years ago. At least we have listened to those voices of caution, if not of wisdom, that have said to us that we should not have a cash bonus.

Mr. Speaker, we have been conservative. We have prepared the best bill that, in my opinion, can be prepared, and we will pass it by an overwhelming majority and keep our pledge. [Applause.]

Several speakers have criticized the land reclamation or soldier settlement of the bill, and have been almost as extravagant in their statements as that clerk in the Treasury Department, who got his by his own admission one hundred and sixty-seven billion too high. This home-building land-reclaiming section of the bill is its best feature. It was embraced as the first section of the fourfold plan of the American Legion. It has been indorsed by every legion organization that has passed upon the various features of the bill. It has the personal indorsement of many thousands of ex-service men and of forward-looking men in all walks of life.

The estimates that have been made of the cost of this work of farm and home building are too absurd for words. No money can be spent for this development except as it has been estimated for by the Bureau of the Budget and appropriated by the Congress. The sums that will be spent will depend entirely on the number of men who may desire farm homes and an opportunity to work to secure them, and on the extent to which the Congress may see fit to appropriate for this work of national home building. If this plan of reclamation shall meet the approval of the ex-service men; if the development of the work shall prove its worth, considerable sums may eventually be expended; if it shall not appeal to the soldiers or commend itself to the good judgment of the House, it will not go far or cost much.

Whatever may be said of other features of this bill, this plan of encouraging the ex-soldier to seek farm homes and help in developing farm areas is in perfect harmony with our past policy as a people and certain to be helpful to the soldier and to the Nation.

Mr. FORDNEY. Mr. Speaker, I yield five minutes to the gentleman from Illinois [Mr. Copley].

Mr. COPLE. Mr. Speaker and gentlemen, the question of whether or not an adjustment of compensation to the soldiers is a moral obligation that rests on the shoulders of the people of this country is very much like a belief in the miracles of the Bible. If I believe, then no argument can change my mind; if I do not believe, neither arguments and evidence may be produced that will lead me to change my mind. I believe an adjustment of compensation to the soldiers is a moral obligation resting on the shoulders of the people of this country, just as there is a moral obligation on the part of our people to settle the so-called contracts through which men and corporations would have lost enormous sums of money. Of course, this is going to cost the people of this country money. We can not settle anything that we justly owe without paying for it, and we can not pay for it without taking it out of the taxes in some form or other. Enormous as the figures are, they still have relation to other figures—relation to the wealth of this country and to our ability to pay.

The amount which we owe is not the \$4,500,000,000 of 20 years hence, but it is the \$1,492,000,000 that would settle it now. What we owe at present is the true measure of value. That is what we owe to our soldiers at the present time. Let us see what relation that has to the wealth of the country. It was estimated in 1910 by the Treasury Department and the United States Census Bureau that the total wealth of the country was \$188,000,000,000, and the estimates of the increase from that time until 1920 vary all the way from \$300,000,000,000 to \$450,000,000,000, or an increase of from \$113,000,000,000 to \$263,000,000,000. Therefore the present measure of value of this obligation, if we settle it, would amount to a little less than 1 per cent of the increase of the wealth of the people of this country for the period between 1910 and 1920. [Applause on the Republican side.]

That increase is left to us after we shot away \$50,000,000,000, and that is the moral obligation on the part of the people of this country, and we ought to settle it. It is a very small part of our wealth. Much has been said about figures and about so-

called gold bricks this afternoon. The average wealth of this country in 1920, per capita, was perhaps around \$3,300, and what we are offering the soldiers of this war in adjustment of their compensation is about \$465 per man. That is about one-seventh of the entire wealth which the average man, woman, and child of this country has accumulated in a lifetime, which we are paying to these young men for their services on the average of one year. My own opinion is that it is a fair and liberal settlement with them, and I hope they are going to so regard it. I think they will be satisfied.

One hundred and thirty-two of my fellow workers in the industries with which I am connected went to this war. Those who came back all returned poorer than when they went. Their fellow workers who stayed at home had opportunities to improve their condition and just about that same number took advantage of that opportunity, and they materially improved their condition because of this war.

Now, the point I wish to make is this: That no Republic can live unless it give the men who do the voting an equal opportunity under the law. We are treating these men fairly.

Mr. FORDNEY. Mr. Speaker, I yield to the gentleman from West Virginia [Mr. Goodykoontz].

Mr. GOODYKOONTZ. Mr. Speaker, I demur to that provision of the rule which requires that the time of the majority should be divided and a portion thereof assigned to the coterie of gentlemen on the minority side who oppose the bill. That group of gentlemen should have gotten their time from the Democrats.

Mr. Speaker, I find that the very men who are in favor of the cancellation of the war loans we made to foreign Governments are also objecting to the granting of the benefits proposed to be conferred upon the ex-service man by the bill which is now before us. Also, I am pained to note that certain gentlemen who a short time ago voted to donate \$20,000,000 to the Russians are now ready to vote against the soldiers' bill.

The soldiers' adjusted compensation bill, at the last session and during this, has had my sympathetic, active support. It was Senator Foraker, of Ohio, who said that the claims of soldiers should not be weighed in an apothecary's scales.

Congress has appropriated \$3,000,000,000 to settle the claims of war contractors, and perhaps as much more to cover loss in operation of railroads that were guaranteed their prewar earnings.

The war resulted in 25,000 additional American millionaires. One of these during the war said to me, "We are making so much money we don't know what to do with it."

Now we are told that we should take care of the crippled soldier, but that to give an able-bodied one extra compensation or other benefit would be to put a premium on patriotism, and that Members who vote for such legislation do so for selfish political reasons.

These are the arguments of the profiteer whose face never saw battle and whose hide remains intact, and whose ill-gotten gains he wishes not to be taxed.

The soldiers have not bothered me about this bill. They should not be expected to have to ask for action. They did their part and did it well. Those that are dead are beyond our reach. Those that are crippled are receiving ample appropriations for their care and need. I never see one of the poor, maimed fellows but that my heart is not touched for the suffering he has borne and the affliction that shall follow him to his grave.

Such funds as may be distributed to the soldiers will not be wasted. The money will reach most every home in the land. The soldier will be relieved, and what he spends will go into circulation. The merchant, the banker, and other business men—in fact, the whole country—will be benefited.

Other nations associated with us in the war have recognized the special obligation they were under to their soldier by voluntary grants of considerable sums, in the case of Canada the grant being \$1,700 to these fighting men. We are the wealthiest Nation, and to say that we are not able to pay is an absurd statement.

The bill as framed can not possibly embarrass the Government, and the passage of it will indicate our appreciation of the boys who were the defenders of the Republic in the time of a great war. Had we lost the war, the Germans would have taxed us—and, more than likely, confiscated our property—and liberty would have been gone. The taxpayer should accept this legislation without grumbling. Congressmen have been deluged with propaganda directed against this bill.

An effort has been made to intimidate and bulldoze the soldiers into a state of inaction or quiescence by assertions to the effect that the soldiers were trying to hold up the Government

by sandbagging the Congress. Nothing could be further from the truth.

The ex-service man may rest assured that the Republic is grateful and that the vastly preponderating majority of the American people wholeheartedly indorse the provisions of the bill.

Be that as it may, I am the keeper of my own conscience, and conscience tells me to vote for the bill, and that I shall accordingly do.

It affords me pleasure in concluding my remarks, to record the fact that it was my distinguished colleague from West Virginia [Mr. BOWERS], of the Committee on Ways and Means, who suggested the compromise which made it possible to report the bill in such form as to meet the approval of the House.

It is rather interesting, also, to note the fact that the first suggestion of the certificate plan of settlement came to me from the Eph Boggs Post of the American Legion, of my home town, Williamson, W. Va. [Applause.]

Mr. FORDNEY. I yield to the gentleman from Georgia [Mr. UPSHAW].

Mr. UPSHAW. Mr. Speaker and gentlemen of the House, regardless of the good or ill of bonus legislation, regardless of any individual opinion for or against the bonus for the soldiers of the World War, any man who cares for the truth of history must admit that the administration leadership has literally fallen to pieces in handling the situation. Everybody knows that if the bonus was a good thing it ought to have been passed by the last Congress and on the first possible day of that session, for that was the time when the returning soldier most needed his Government's helping hand. Everybody knows that the Government would still be running if, when that pittance of \$60 was given to the soldier—barely enough at that time to buy a suit of clothes—the amount had been made at least a dollar a day for service rendered. Patriotism ran so high then, gratitude to our heroes was so deep and radiant then that such a bonus would not have been regarded as a payment for patriotic service but simply the country's grateful handclasp of fellowship in an hour of mutual reciprocal need. If the soldier bonus bill was fit to be passed on the 20th day of May, it was worthy of passage on the 20th day of January or February or March or April, when there would have been time to push it through the Senate; but it was passed by this House on the 20th day of May, remember, only three days before the adjournment of the Sixty-sixth Congress, when it was legislatively impossible to get it through the Senate.

And then—ah, well, Mr. Speaker, upon my word I do not like to be harsh or critical—my whole course since I have been a Member of this House has proven that, I believe; but no man can tell the truth about this thing without telling the truth. And everybody knows that the administration leadership then went forward to political battle, shaking hands with the soldier and pledging him speedy help with one hand and then winking at gleeful plutocracy on the other hand and saying, "Oh, thou that fillest our campaign coffers, thou seest how well we managed not to pester thee with increased taxation." Again, I declare that a thing as good as some people declare the bonus to be should have been passed in the hour of the soldier's greatest need. And now, after weary months of waiting and wading through the sixty-seventh session, during which the big Republican majority has had everything in its own hands, it has kept the soldier out of whatever blessing the bonus would have brought for another long year. If it was too bad to be passed at the beginning of the last Congress, or certainly at the beginning of the present session, then, surely, it is too bad to be passed again on the eve of another election. Gentlemen, I would not be bitter for the world; that is not my type; I love to love folks, both friends and opponents; but again I declare that nobody can tell the truth about this thing without telling the truth. Down in Georgia I heard of a little boy who caught a minnow out of the limpid brook and was trying to scale the poor little captive while it was alive. The minnow wiggled and wriggled, because it hurt; and the lad declared with a grin, "Hold easy, little fish; I will skin you just as easy as I kin, but you have got to be skun." Come on, imperial administration bloc, I will skin you just as easy as I can, but you must be "skun." "Shell down the corn." You know you have played politics—petty, political politics—with this absorbing question, and to-day some of you, poor dears, caught in a jam between the protests of plutocracy and the pleadings of positive want, some of you would give half your political kingdom if you had never heard of a soldier bonus.

CONFUSION WORSE CONFOUNDED.

With the President calling for one thing, the Secretary of the Treasury calling for another, the unterrified insurgents calling yet for another, and the soldiers and sailors, their aids and

abettors, divided in camps of schism and quest, behest and protest, the administration leadership cries with pale face and excited gestures, "Which way I fly is confusion; I, myself, am confusion."

Senator POMERENE asked me the other day, "How are you getting along over in the House?" And I could have for him but one answer, which I make now my solemn indictment: The administration bloc is groping in a pitiful maze of timorous indecision and floundering in a seething maelstrom of incompetent incoherency. And, gentlemen, I submit that that is a terrible malady, nearly always proving fatal. The pathetic eventualities are expected to eventuate during the early ides of November. I voted for the soldier bonus during the Sixty-sixth Congress, when it was a case of about 50-50 between protest and request; but I honestly felt, in the radiant and yet tragic aftermath of America's victorious part in the greatest war that the world has ever seen, that if I should make an economic mistake at all I wanted to make it on the side of personal and national gratitude toward the men who offered their all to keep the flag of America floating over your home and mine. I resent the charge that I was voting to pay soldiers for their patriotism. That is a debt which the Nation can never pay. But I honestly felt that if we could invest nearly \$10,000,000,000 to help foreign nations—although they were our honored allies—solve their domestic ills and their soldier problems, we could certainly do half as much for our own soldiers—God bless them!—who left their fields and farms, their offices and their factories, on the crest of delirious prosperity and came back from the Army only to find their business, all business, shot to pieces; the major part of 4,000,000 of America's defenders, the heroes of yesterday's wild enthusiasm, now all dressed up in their country's uniform, but nowhere to go for their bread of to-day nor their prospects for "to-morrow's to-morrow." We were ready then to face extra taxation to help give the soldier a brother's helping hand, but ah! this "aching of the waiting"; this "hope delayed," which has made the heart sick. Chiefly at the behest of men who grew rich and richer on the bravery and the blood of American boys during the war, this bonus legislation has been slapped about and scrapped about until the glory has almost faded from its wan and wasted face. No wonder that many of the gallant fellows who needed a substantial handclasp then have grown disgusted with the tedious suspense. The halo has been broken, the charm has lost its luster, and the thrill of a common victory, a common prospect, and a common reciprocal obligation seems to have ceased to quicken the soldier's pulse or stir the Nation's heart.

Again I declare that, regardless of the merits of the case, the long and tortuous delay in handling it is utterly without excuse. This country is not bankrupt, and if it is able now to assume an obligation to our "soldiers of freedom," why, in the name of common sense and common justice, have we waited so miserably long to perform our national duty?

DELAY HAS FORFEITED SOLDIERS' GRATITUDE.

No fair man can escape or deny the indictment that must be laid at the door of administrative leadership when we declare that that leadership has forfeited every atom of the gratitude of the soldier for whatever of tardy good this legislation may carry to them. The soldier knows that if the Republican majority had really wanted him to have this bonus, this bill, or something better, would have been passed by both branches of the Sixty-sixth Congress. He knows that if this bill, failing by administration indifference in the last Congress, is now worthy to pass on the last lap before another election, it was worthy to pass as the first legislation of the present Congress; this soldier knows that the President did the very unusual thing to come before the Senate early in this session and urge the postponement of soldier bonus legislation; that same soldier knows that the President later took this same bonus proposition and proposed to tie it onto a rejected taxation scheme—the sales tax—which could not stand alone on the floor of this House or even in the Ways and Means Committee. This method was righteously declined in the committee that heard the voice of the people and refused to call on the burdened masses, and especially the 4,000,000 soldiers themselves, to help provide their own bonus. The soldier knows all this, and he will not forget.

Speaking personally, I promptly announced that I would not support the bill if it imposed new burdens upon the staggering masses at a time like this. I also refused to lend my support to the vicious proposition made early in the year to debauch the young manhood of America through a tax on light wines and beer in order to pay the soldier debt of a great and grateful Nation. But I did take my place beside that high financial authority, Chairman McFADDEN, of the Committee on Banking and Currency; that this obligation to our soldiers should be financed out of the interest and the corpus, if necessary, of the \$10,000,000,000 which we so freely furnished other nations to help

them discharge their duty to their armies and navies. Of course, this money, especially that part due by England, could be converted into stable and salable bonds. And the money, the cash so much needed by hundreds of thousands of soldiers who have never been able to recoup their personal finances during the stressful times that have prevailed since their return from France, would be a positive godsend to them now, and to every merchant, to every real estate man—indeed, to all the channels of trade that are languishing now from the shattering shock of war.

If some brave young man here and there feels that he does not want the benefits of the bill now presented, let him present the shining example of heroic refusal to accept; but let him not condemn his less fortunate comrade who needs his country's fellowship in these days that are trying the souls and bodies and purses of our defenders in war and our heroes in peace.

While this imperfect bill that has been brought out at last by the tardy administration forces is far from what it ought to be, I am supporting it as the only thing in sight, the only way in which I can help my country take its place beside the allied nations in expressing our practical, well-becoming gratitude to the human redeemers of our threatened civilization. [Applause.]

Mr. GARNER. Mr. Speaker, I yield to the gentleman from Virginia [Mr. Woods].

Mr. WOODS of Virginia. Mr. Speaker, in my view no man and no interest should be allowed to retain financial benefit accruing from war conditions as long as a soldier or anyone else suffers financial loss because of the war—this as a matter of abstract justice—but it is extremely difficult, if not indeed futile, to adjust these inequalities, and the present bill does not attempt it. It makes no distinction, except as to the slight difference between the foreign service and home service, as to the character of the service or the sacrifice the soldier made, nor does it make any distinction as to the needs of the soldiers. Aside from this, it is a clumsy and vain effort to compensate or measure in dollars and cents a patriotic service. The richest compensation which the soldier boy has is the enduring love of a grateful people and the satisfaction he will carry with him through life that in the hour of the Nation's need he responded to the call of his country and of humanity. His service can never be adequately compensated in money, and I refuse to believe the average soldier desires his patriotism put upon such a mercenary basis; but should we even attempt to thus compensate him, there is no treasury rich enough to discharge the liability.

The soldier did not fight for pecuniary compensation. He entered the service with no such paltry motive. If the country had said to the average stalwart soldier as he stood ready to sign his enlistment papers, "You are going to brave dangers of the submarine and the pestilence of camp life; you will bare your breast to enemy bullets; you will be called upon to go over the top, to charge through shot and shell, to meet deadly gases, and perhaps at last to be impaled on enemy bayonets, and for this service I propose to give you, in addition to your regular pay, \$1.25 a day extra compensation," that brave boy would have struck down from your mercenary hand your contemptuous offer. He would have pointed you to that flag and told you that for it and those protected beneath its folds alone would he gladly serve and suffer and if need be die.

We owe our highest duty to the disabled soldier, and I have supported every measure of relief for him which amounts now to approximately \$500,000,000 per year. The country for the future depends upon the tried patriotism of the returned soldiers who were fortunate enough to come back sound. We should be careful to do nothing that would deprive them of the spirit of initiative, enterprise, and self-reliance they have heretofore so fully demonstrated. The wisdom of such a policy calls to my mind the fairly well-established fact that 35 years after the Civil War the Confederate soldier who went back to a war-wasted land, with no hope of aid from his Government, paid taxes upon more property, man for man, than did his more fortunate brother in the Federal Army. The one knew he must rely only upon himself; the other knew he could in time of want depend upon Federal aid.

The above result is significant. [Applause.]

Mr. GARNER. Mr. Speaker, how much time have I remaining?

The SPEAKER. The gentleman has 15 minutes remaining.

Mr. GARNER. I yield that 15 minutes to the gentleman from New York [Mr. Cockran]. [Applause.]

Mr. COCKRAN. Mr. Speaker, I am opposed to this measure because it embodies the most radical violation of fundamental democratic principles ever submitted to a representative body in a democratic country. It vindicates every objection ever

advanced since the dawn of civilization against democracy as a system of government. It justifies every apprehension that has ever been expressed of democracy in actual operation. It fulfills every prophecy of inevitable ruin which its critics have always asserted would overtake any attempt to organize society on a basis of democracy.

Before I undertake to show that in saying this I am not indulging in exaggerated rhetoric but stating accurately a conclusion which is inevitable from conditions that are indisputable, I want to make perfectly clear my conception of the debt which our country owes the soldiers who have borne arms for its defense.

For the man who has been disabled no provision ever yet made has been sufficient, or half sufficient, in my judgment, to requite or properly acknowledge the merit of his sacrifice. If I had my way, there would be in different parts of this country not "soldiers' homes"—hardly to be differentiated from almshouses—but establishments situated in the most beautiful parts of the country, equipped with every comfort that money can provide, to be known as "heroes' palaces," so distributed that those privileged to occupy them could enjoy every variety of climate the country affords; each close to some great community whose citizens would be glad to visit it for the purpose of cheering the men rendered glorious by injuries suffered for the country, and in doing this imbibe inspiring lessons of patriotism themselves. I would maintain these helpless heroes in affluence, transporting them freely and by the most agreeable agencies from any one of those palaces to another as often as they wished, on the assumption that if they had preserved their limbs and all their faculties unimpaired they would have been able to establish affluence for themselves. Not reward, but simple compensation—inadequate, woefully inadequate, but all that is possible—would be such an acknowledgment of what the country owes these living martyrs to its service, its safety, and its glory. [Applause.]

But to the man who had the privilege of bearing arms in the most momentous conflict of all history and who has returned from that glorious adventure safe and sound, I deny there is any obligation whatever. I deny that he desires any money compensation or asks for it. It is the politician who covets his vote, but who I believe utterly misunderstands him, that is urging this measure. The American soldier who risked his life to save civilization (as has been said here repeatedly on the floor) is a hero deserving to rank first among all those on whom the judgment of humanity has conferred the crown of heroism. His heroism is his reward. It must be his complete reward or his heroism does not exist. The man who accepts compensation of any kind for patriotic sacrifice which is the essential constituent of heroism ceases to be a hero and at once becomes a mercenary.

Sir, the American soldiers who saved this civilization in the greatest crisis that ever menaced it will not abandon willingly the noble heights of heroism to which they have raised themselves by their valor for the abasement to which politicians by this measure are inviting them. Were it otherwise, the future of democracy in this country would be desperate.

Surely it needs no argument to show that if mercenaries numbering four millions or more are to be established within our political system with no one to withstand their demands except politicians—always subservient to the behests of multitudes—the prosperity, and indeed, the very existence of this Republic, are doomed to irretrievable ruin.

But, Mr. Chairman, I have not the slightest fear that politicians can succeed in transforming these heroes who won deathless fame resisting and defeating the enemies of our country into mercenaries intent on raiding the Treasury of our country.

So far as we may judge from the expressions of opinion that have reached this floor, the veterans of the late war are not demanding but opposing enactment of this bonus bill.

The gentleman from North Carolina [Mr. Pou], one of its warmest advocates, has declared emphatically here within a few minutes that this measure originated not with the veterans but with the Congress. And he was entirely right. It is not the soldiers who took all the risks of battle that have initiated this raid upon the Treasury, but the politicians who covet office and who are endeavoring by sordid offers to debase the heroes whom all generations would be delighted to honor and revere into mercenaries whom this generation will have every reason to distrust and fear.

But these politicians are, in my judgment, very likely to overreach themselves. Even though these veterans should be found willing to sacrifice the glories of heroism for the sordid profits of plunder, the politicians who have tempted them to that abasement will not profit by it. There is nothing easier in this life than to outdemagogue a demagogue.

Gentlemen acting here under the assumption that the bribe this measure carries will assure them the suffrages of these ex-soldiers are almost certain to be disappointed. When they seek reelection there will in all probability be found in their districts abler—that is to say, less scrupulous—demagogues ready to promise the veterans twice what it is proposed here to give them. No movement of this character was ever started anywhere in the world that did not engulf its originators. And you gentlemen of the Congress with whom this demand, according to the gentleman from North Carolina [Mr. POY] originated, will very probably be the first victims of it. But this aspect of the proposal is of minor importance. It is not the number of votes politicians can win or forfeit by dubious methods that I want to discuss, but the effect of this legislation upon our country and upon the civilized world.

The gentleman from New York [Mr. MILLS] has stated with great force, as has the gentleman from Illinois [Mr. MANN], the immediate consequences that must follow enactment of this measure. With the Treasury already suffering from a deficit where formerly there was a surplus, it is proposed to incur a new debt of vast proportions without the slightest provision for raising revenues to meet it. I wonder if gentlemen realize the enormity—I am using the word advisedly—of such a proposal.

There was a time in the life of this country—a happy time not very long ago—when in considering the propriety of making an appropriation it was not necessary to take into account the condition of the Treasury. There was always abundance of money to meet every draft that Congress—even an extravagant Congress—might make on it. Now we find ourselves in a condition when even the most reckless purpose or the most halting intelligence is forced to realize that before any money can be taken out of the Treasury by appropriation it first must be put into the Treasury by taxation.

It is conceded that you can not levy a tax to meet this new expense which it is proposed to impose on the country. Why? Not because the disposition to levy it is lacking but because the sources of taxation are exhausted—literally dried up. Yet knowing this—stating it openly—you persist in an attempt to dispose of moneys which you have not got and which you can not get.

The gentleman from Michigan [Mr. FORDNEY]—always generous—is kind enough to say that the banks will come to the rescue of this enterprise; that is to say, they will proceed in defiance of all economic law to tie up their funds—free action of which is essential to keep industry in motion throughout the country—in loans extending over three or six years. This would be wholly indefensible, and indeed impossible, no matter what the security offered for the loan might be—whether a regular Government bond or this most irregular obligation which you propose to issue. Every rule of safe banking restricts bank loans to short periods—three months at the longest. If banks undertook to make loans which would endanger their effective—that is to say, their safe and profitable—operation, deposits would be at once withdrawn, and then they would have no money whatever to lend. As was pointed out by the gentleman from New York [Mr. MILLS], to tie up banking resources in what has been happily styled “frozen loans,” would be an absolute bar to the return of prosperity. And “frozen loans” in vast numbers must inevitably be the first result of this law should it go into actual operation.

The gentleman from New York [Mr. MILLS] and the gentleman from Illinois [Mr. MANN], far from exaggerating the evil consequences which must follow this legislation, fell short of describing them fully.

Mr. Speaker, should this measure pass these three or four billions of dollars it proposes to bestow on ex-soldiers now are not by any means all that the country will be forced to supply. If there is any excuse for giving each of them three or four hundred dollars, there are three times as many excuses for giving him \$1,300 or \$1,400 or \$2,000. Even \$5,000 would not be excessive if we are to measure the value of military service in money. If this measure is enacted to discharge a debt, as its advocates insist, these men will be entirely justified in declaring, and in believing, that the amount given them is not full satisfaction, but only a payment on account of it. You explain the amount of this bonus as being not all that should be paid but all that can be paid while the Treasury is practically empty. Is it not absolutely certain that they will return and demand a fuller payment, if from the industry of the country the Treasury should ever again be replenished? Why should they not?

You will have established their right to come again with renewed demands the moment you pass this law. And if by bestowal of this gratuity you awaken among such a great number of men an appetite for further spoils, you will find that cupidity can empty the Treasury much faster than industry can

fill it. So long as these soldiers remain alive you will have this possibility, this certainty, that they will return with fresh demands—which after passing this bill there will be no excuse for refusing—projected like a black pall over the prospects of the country. Under that cloud our credit can not fail to decline and perish. Here is the capital calamity to which this legislation inexorably leads: Collapse of the national credit. And when credit is struck down the Nation will be bankrupt. Ruin will be the portion of the whole people. From that universal catastrophe there can be escape for no one.

Some gentlemen appear to regard bankruptcy of the Treasury as though it were the bankruptcy of some neighbor, a thing to be regretted, of course, but not affecting seriously anyone except the bankrupt. Do you really know what bankruptcy of the National Treasury would mean? The day that by suspension of its operations it acknowledged or was forced to acknowledge inability to meet its obligations every bank in New York would close; no pay rolls could be liquidated; no wages could be paid; no commodities could be transported; means of subsistence could not be obtained. Famine would soon be stalking through our cities as it is stalking now through cities in Europe which only a few years ago were theaters of wealth and splendor but which have become depopulated and are now practically deserted; the countries adjacent to them reduced to misery so abject that cannibalism has actually been revived, as was stated in the newspapers last Sunday.

We in this country are still some distance from such direful calamities, but they are not so far away that the eye of a thoughtful man is unable to discern them.

As Mr. Wells said in one of the articles he contributed to the New York World while the peace conference was in progress, it is impossible for men in the midst of plenty to realize the possibility that starvation is actually devastating another part of the world. That writer, even though he himself had been a witness of famine and all the hideous circumstances that accompany it in Petrograd, and though he had described them in terms which proved the closeness of his observation and the depth of his sympathies, said he could not succeed in keeping clearly before his consciousness while he was moving about in the prosperity and luxurious gayety of New York and Washington the awful fact that people were dying of hunger on the other side of the Atlantic.

Sir, I venture to remind the House that the conditions of luxury and gayety in our great cities which Mr. Wells described are exactly those which preceded every great calamity that has overtaken the human family. It has always been in a world given over to dancing and feasting—striving frantically to forget in varied amusements a doom vaguely felt to be impending—that all the great cataclysms occurred which shattered existing social conditions, subverted political systems, brought the most prosperous countries to the verge of disaster, and often to total destruction.

Pause, gentlemen of the House, I beseech you, before enacting at a time when the country can not meet its actual obligations this measure imposing on it new burdens which you can not suggest means of meeting; casting over our credit, already staggering under a strain it can hardly bear, the shadow of fresh exactions, which must prevent it from ever regaining its normal economic vigor. And conditions can not remain stationary. They must by every law of nature move upward to improvement or totter downward to deeper disaster. If you prevent the country from regaining prosperity, you doom it to distress, growing ever deeper and wider.

Mr. Speaker, if the economic effects of this measure must be disastrous, its political results are likely to be ruinous. From the beginning of civilization it has always been true that mercenaries have proved fatal to every country that invoked their aid—more surely fatal than to the foe they were enlisted to repel.

If this bill passes and these ex-service men are transformed through its baneful operation from heroes into mercenaries more damage will be done to this country than an enemy could have perpetrated if he had succeeded in occupying one of our largest cities. If the Huns had captured New York, for instance, they would undoubtedly have laid a heavy tribute on it; but after we had paid the ransom we would be at the end of our disaster. They could not come back for fresh tribute without levying another war, and in these days to levy war is a stupendous undertaking, involving years of preparation. But these mercenaries, should you succeed in setting them up here, will always be with us. They will come back with fresh demands, and obtain them every time that there may be any money in the Treasury and a complaisant Congress can be cajoled or a cowardly Congress terrorized. [Applause.]

Can anyone doubt that a political system beset by such conditions is in serious danger of perishing from the face of the earth?

Mr. Speaker, as I read this bill and weigh the speeches in its favor I am again reminded that there is nothing new in vice and little new in folly, as I have had occasion to mention in this House before. It seems to me that we are in grave peril of entering the pathway—the old oft-trodden pathway—down which every republic and free government that has ever perished took its way.

The manner in which the Prætorian guards of old debased and dishonored the Roman government, so that its overthrow became inevitable, is generally considered the darkest page in the annals of political disaster. Are we not preparing the way for recurrence here of a similar catastrophe?

These Prætorian guards were not—as many believe—a band of desperate men, always contemptuous of restraint and determined to justify their greed or vengeance at any cost to the body politic. Originally they were the picked men of the Roman army. It was just such gratuities as you propose to bestow in this bill that worked their demoralization. The Emperor or General under the Roman system was theoretically chosen by the senate and confirmed by the army. But the Roman army was scattered over what was then the whole civilized world, and so its confirmation came to be expressed by these guards, who were the flower of it. From the very beginning each new Emperor on his accession bestowed on these Prætorians a gift of money—a donative it was called. At first it was a moderate sum given, it was said—as is now being said here—to compensate men for military services of peculiar value. These services consisted in guarding the city, which was the heart of the Empire. But, as matter of fact, this was the one service that incurred no risk whatever. And this bonus will be paid to men who are no longer subject to risk of any kind. The amount of the donation grew larger as the part of the Prætorians in deciding the choice of Emperor became more important. It finally came to be decisive, and the donation reached enormous proportions. After these guards murdered the Emperor Pertinax, his father-in-law, Sulpicianus, who had been sent by the dead Emperor to their camp at the beginning of the mutiny in the hope of appeasing it, actually attempted to obtain the throne for himself by offering them a donative of great size. But by this time conscious of their power they determined to use it so as to derive the last penny of profit from it, and so they went out on the ramparts and put up the Roman world at auction. A lively competition began, with Didius Julianus, a wealthy senator, and Sulpicianus the bidders. An emissary from the Prætorians went from one to the other acquainting each with the amount of his opponent's bid. In the end it was knocked down to Julianus for the sum of about £200 sterling to each of the Prætorian guards. They numbered 11,000 according to some, 16,000 according to others. But whatever the number the amount paid was stupendous. We have now actually before us a proposal likely to produce conditions ominously similar.

If these millions of ex-soldiers become organized mercenaries their votes will undoubtedly be decisive of national elections, and if these votes are to be obtained by moneys voted to them from the Treasury, there will be lively competition among ambitious politicians for their favor. We are not likely to have two Senators ambitious to be President striving to win that favor by money gifts. But we will have political conventions of the two parties bidding against each other for the support of this organization by promising large sums from the Treasury in the forms of bonus bills or adjusted compensation measures. Under such conditions the country can never be solvent, and universal knowledge of that fact must shatter the last remnants of our credit.

Sir, people will not continue to work if the results of their toil are to be seized by taxation and diverted to the use and benefit of men who have no claim to it except the degree of terror inspired by their numbers among politicians. A measure which establishes new and extraordinarily severe drains upon the Treasury and at the same time obstructs gravely the flow of revenue into it is about as complete a scheme for creating confusion that must be hopeless and disaster that must be measureless as perverted human wit has ever devised.

Mr. Speaker, there is one great objection to democracy as a principle of government which is as old as civilization itself. It is that if in any country control of government were intrusted to the whole people the poor, who are always a majority, would inevitably be found abusing and perverting its powers to plunder and oppress the rich, who are always a minority. And as the exactions of a multitude—though the amount obtained by each member of it be very small—will in the aggregate inevitably exceed largely the heaviest levy of a single despot—it came to

pass that before the foundation of this Republic all powers of government were centered everywhere in an autocrat or in a small class assumed to be specially qualified for prudent exercise of functions affecting the whole body politic.

Since this Government was established, however, its operations down to this day have refuted and exploded this conception of democratic institutions. Nowhere has property been so secure; nowhere have the rights of every individual been so jealously guarded. But now by this bill you are reviving that ancient objection to democracy; nay, more, you are vindicating it. What you propose to give these men by this measure will be a mere pittance to each one, but it will be a staggering load to place upon the country, under which (and the additional burdens that are sure to follow its enactment) our credit will fall prostrate, never, perhaps, to rise again. [Applause and cries of "Vote!"]

The SPEAKER. The time of the gentleman from New York has expired.

Mr. GREEN of Iowa. Mr. Speaker, I yield two minutes to the gentleman from New York [Mr. FISH].

The SPEAKER. The gentleman from New York is recognized for two minutes.

Mr. FISH. Mr. Speaker and gentlemen of the House, I have listened with interest to the remarks of my colleague from New York [Mr. COCKRAN] in his dire prediction of famine, disaster, pestilence, and sudden death if this bill should pass. I would remind him that 5,000 years ago the King of Babylon sent a gold brick to his son, the prince, upon which was written in hieroglyphics a message which predicted exactly the same misfortunes, because the people wanted his victorious troops rewarded and given adjusted compensation. This bill is either a matter of simple justice or it is a gross swindle. It is, in my opinion, a sacred obligation which this country has been tardy to fulfill, and which has been recognized and fulfilled by every single one of our allies in the World War, and yet we plead poverty to escape a like obligation. [Applause.]

I would say to my colleagues from New York that the people of the State of New York voted, by a majority of 800,000 or slightly more than two to one, to give a monetary recognition to our soldiers, although it came solely out of the pockets of our taxpayers, and these veterans did not serve the State but the Federal Government. [Applause.] They have been deprived of that monetary recognition through a constitutional technicality, and it is problematical whether they ever receive any of it. Yet my colleagues have the temerity to come here on the floor of the House to speak and vote against the expressed will of the people of our State and to try to continue to deprive these men of adjusted compensation at the hands of a grateful Republic. [Applause.]

Mr. TREADWAY. I yield four minutes to the gentleman from Pennsylvania [Mr. McFADDEN].

Mr. McFADDEN. Mr. Speaker, whether the President of the United States signs this bill or vetoes it does not change my responsibility as a Member of this House. I consider this bill fundamentally wrong. It is wrong because it fixes upon the Treasury an uncertainty. It injects into the Treasury a responsibility which will handicap the Secretary of the Treasury in discharging the great responsibilities which will rest upon him during the next five years.

Mr. Speaker, I do not believe that a majority of the soldiers of the late war are in favor of this bill. I do not believe that the soldiers of the late war understand what this bill will do. I want to voice my opposition to the Congress of the United States extending an invitation to 4,000,000 worthy soldiers, who are needy at this time, to enter into obligations and borrow from banks. I consider that the Ways and Means Committee have acknowledged the fact that the Treasury of the United States is unable at this time to meet the payment requirements provided for in this bill, and this is a plain attempt on their part to shove the responsibility off onto the banks of the United States, and in doing so to give those banks of the United States an opportunity to exploit the ex-service men and thus discriminate against them. Certain it is that those soldiers who most greatly need help are the ones who must go to the banks and must demand loans from the banks, and they thus incur an obligation which is not going to be satisfactory at all to the soldiers of this country.

I think the method of presenting to the Congress of the United States a bill of this importance which fixes an obligation upon the people of this country, the amount of which no one knows, is certainly absurd when we stop to consider that there are 435 Members with equal responsibility in this House who are having to vote on a bill which, I am lead to judge from the debate here to-day, has been considered by only 15 men—the Republican members of the Ways and Means Committee.

Gentlemen, the reclamation feature of this bill places on the people and the Treasury of the United States financial obligations the extent of which no one knows. [Applause.]

Mr. Speaker, on March 2, 1920, I appeared before the Ways and Means Committee, when the subject of the soldiers' bonus was first discussed by that committee, and suggested that they make available for the payment of the soldiers' bonus the proceeds from the permanent bonds which the Public Treasury would receive from the British Government.

Again, this year, when the Ways and Means Committee had this matter under consideration, I appeared before that committee and urged that they consider the utilization of the proceeds from sufficient of these bonds to pay the soldiers whatever amount might be agreed to under a proper bonus bill.

I mention the utilization of the debt due from the British Government because that country is in the best financial condition of any of the countries that owe us; and inasmuch as they owe us something over \$4,000,000,000 and this bonus is estimated to cost the country anywhere from two billion to four or five billion dollars, I felt that that was the most practical and it could be utilized to the best advantage because of the credit position of England. The statement was made by some one, I believe, that if this English debt was utilized and the sale of the bonds guaranteed by the United States they would not sell in the market as readily as our own securities and would have to be sold at a discount.

It seems to me that that is an error, because I can not imagine any method whereby an obligation made by Great Britain and guaranteed by the United States would not be in a better market condition as to salability than the United States' own securities. I think also they would sell in the market at a higher rate than our own securities because of the great additional security of Great Britain.

I want to repeat to you the salient features of the proposition that I made in March, 1920: First, the obligation to our soldiers and sailors is thus paid without an additional Liberty bond issue, which if made at this time to the extent of two or three billion dollars, owing to our peculiar financial situation, would probably reduce the market value of our outstanding Government bonds 10 points. Second, this plan of settlement would obviate the levying of an additional tax burden upon the people of this country, a portion of which would necessarily have to be borne by our soldiers and sailors. Third, this plan will not interfere with our financial equilibrium in the United States, but will simply furnish to investors an additional security investment at a favorable rate of interest.

Attention is called to the present market value on both British and French loans in this country. Fourth, this plan will take out of the Treasury of the United States securities for which the United States has paid par and place in the hands of the investing public these securities to the necessary amount required to settle with the soldiers and sailors. It is safer for the American people that these securities be held by individuals and institutions rather than in the Public Treasury, as this distribution removes the temptation from the administration officials to cancel or compromise these obligations in any adjustments or settlements in connection with our international problem. The argument is put forward that these foreign countries are asking for an extension of time in the payment of interest on these obligations, and the Secretary of the Treasury has asked Congress for directions to aid him in his negotiations with these countries in this respect. It is to be hoped that Congress will so instruct the Secretary of the Treasury in these negotiations to the end that the United States may receive without further delay the issuance of the permanent and bona fide obligations of these countries representing these loans made to help them win the war.

Since this matter has been discussed over a period of two years while it has been under consideration, the principal ones that I find opposed to this proposition are those people who are in favor of canceling these foreign debts which are owed to the United States.

I have had many communications and many talks with many people in regard to this, and it goes right back to that idea that they are interested in the cancellation of the foreign debt, and it originates either with the international bankers or those people who are engaged in international trade, in view of the authority that was given in the Liberty loan act. I do not believe it is any breach of faith in that respect for the Public Treasury to utilize these bonds. As I understand those Liberty loan acts, they gave the authority to lend this money to foreign countries and to take those securities into the Treasury. It is implied by inference largely, I think, that when that money is paid it will be used in the reduction of our public debt.

But I do not believe it is an absolute necessity that that shall be done. I believe that it is the function of the Department of

the Treasury to utilize the payment of that money in the manner that it sees fit when it comes in. Therefore, if we can relieve the burden on the public, if we are going to give the ex-service men this bonus and utilize some securities already in the Treasury that can be marketed—and I believe that these bonds could be disposed of throughout the country by means of a patriotic drive, and that they could practically be sold in 30 days' time; and inasmuch as we have given this refunding commission the power to settle these foreign debts, it would seem to me that we could set a definite date; for example, the 1st of October, when these securities will be made available, and in that manner provide the money through the sale of these securities in a properly developed plan by the Treasury Department, by public offerings; and I believe it will be possible in practically every community to sell in that community sufficient bonds to local investors to take care of what would be required to pay the soldiers in that immediate locality. Only sufficient bonds would need to be sold to meet the requirements, and we could let the rest of them remain in the Treasury.

There is just one other thought I want to impress upon the Members of this House, and that is that by the payment by these countries of the interest due on these obligations it would have a tremendous bearing on our international trade relations. It is my thought—and I simply express my own personal opinion, but I believe it worth considering—that we should not require those countries who owe us to make payment direct to us. In order that we may trade with the world we will have to advance money to the world.

It is my belief that every dollar's worth of that interest which is owed to us for the next 5 or 10 years ought to remain on the other side and be placed in the form of a loan to such of those countries as will best rehabilitate Europe, and thus permit us to sell agricultural products and manufactured products to the world; in other words, I believe that the best policy we could pursue to-day would be, "in addition to loaning them this \$500,000,000 worth of interest," to put another \$500,000,000 with it and loan it to Germany, because I believe that is the best place to begin to build up Europe. If we thus can stabilize Germany and secure to those countries that owe us the full payment of the reparations, that means we can not only help Europe, but we can help secure the payment of the debt that is owed to us.

It seems to me that inasmuch as we are the largest creditor—and I realize how delicate this matter is—that we are in a particularly strong strategic position to assume a leadership in connection with this situation by working out and suggesting some such method as I have just very briefly outlined here, saying to those countries: "You must cut your budgets down to the minimum, and when you do that we are ready to help you, and we will help you financially, and we will help you rehabilitate Europe to that extent. But we will not do it unless you do." We all know that the power and influence over debt—not that we want to exact our "pound of flesh," but we are conscientiously trying to rehabilitate Europe so that we can trade, and if we can revive commercial relations we can secure the payment of the debt to us.

It seems to me that there is an opportunity here, if we are going to pay this bonus, to do it with the least amount of trouble. I am fearful of the results of levying additional taxes on the people at this time; and if we can utilize these securities just as an individual would utilize them if he had an obligation to meet, take out of a strong box something that you have there and dispose of it, that that is the practical solution of this problem.

I was assured by a large number of the Members of this House that they were in favor of such a plan, and I believe now that this is the proper plan to adopt, because it is the only method so far presented that will not bring embarrassment to the Public Treasury and will not interfere with the rehabilitation of business in this country. It also will provide the method of payment which is so badly needed at this time. There is nothing in the argument which suggests that these funds are not now available, because we have not the permanent refunding plans which the British Government perfected. The Congress has already provided the authority for the commission and the President has appointed the members, and they have authority to refund into permanent long-time securities this English debt, amounting to over \$4,250,000,000, and certainly these securities will be available by the time the machinery can be put into operation under any bonus bill that may be decided upon.

The improved money conditions in this country will permit the ready sale of these securities upon a very favorable basis. This type of security, issued by Great Britain and indorsed by the United States, carrying a rate of interest of 4½ per cent, would be the finest security in the world and could be sold at

a very favorable price in the money market, and is unquestionably much preferable to the plan proposed in this bill which will of necessity make borrowers out of our soldiers.

I regret that the Ways and Means Committee have not adopted this plan, and I trust that before the bill passes the Senate many of the objectionable features now in the bill will be eliminated; and I am firmly of the opinion that before this bill becomes law provision must be made for the payment from the proceeds realized from the sale of these foreign securities.

I can not in conscience vote for this bill in its present form because of these reasons. And certainly I could not in fairness to the high principles of my constituents place any added burden of taxation upon them to take care of such a proposition, nor would I attempt to further my political ends in this manner and have them carry, presumably through the Public Treasury, this unnecessary tax which will be entailed. And, further, I do not want to hand the soldiers of this country, to whom the country owes such a great obligation, a gold brick, and I can not but feel that that is what you will do if and when you pass such a measure as the present one. [Applause.]

The SPEAKER. The time of the gentleman has expired.

Mr. TREADWAY. Mr. Speaker, I yield four minutes to the gentleman from Minnesota [Mr. NEWTON].

Mr. NEWTON of Minnesota. Mr. Speaker and gentlemen of the House, I yield to no man in my admiration of and gratitude to those who went forth in the time of national peril to fight for and to die for our country. It has been my privilege to have aided in drafting, perfecting, and liberalizing the war risk insurance act, the Veterans' Bureau act, and various rehabilitation and hospitalization acts, the terms of which are the most liberal of any country in the world. To carry out the work provided for in this legislation this country is now spending yearly between five hundred and six hundred millions of dollars for the disabled service man and his dependents. Organizations to carry this work out have to be hurriedly provided for. In many instances through faulty administration claims of deserving men have been turned down and the cases have been brought to my attention. These cases have received my personal attention, resulting in personal trips to the Veterans' Bureau and a personal examination and inspection of the files. In many instances I have found insufficient evidence either as to the disability or the service origin of that disability. In such instances I have advised the service man what the trouble is, making suggestions as to proof, and so forth. In other cases I have had to appeal them to the board of review and then to the board of appeals, involving the briefing of the facts and the setting forth of the law, just as if I was handling a lawsuit. In a majority of these cases my efforts have been successful and hundreds of deserving disabled men cared for.

Mr. Speaker, these men and their dependents know of my willingness to go the limit for the sick and disabled and their loved ones. But this measure is not to provide for the disabled service man, but for the strong and able-bodied discharged soldiers. The work accomplished by our Army and Navy was such that it was suggested they be rewarded in a substantial manner, hence the agitation for a bonus or adjusted compensation. We gave veterans of the Civil War grants of public lands, thereby showing our appreciation of the Union soldiers who aided materially in the settling of our great western country. Our public lands are now gone; we can not give the veterans of the Great War land, and it has been urged that we give them cash. During the last Congress various measures were introduced involving expenditures of from \$2,000,000,000 to \$20,000,000,000; out of them all came the bill which passed the House during the last Congress involving a payment of cash, payable \$50 per quarter, and a total expenditure of something like one and one-half to two billions of dollars.

A different question would be raised if the money to meet this was in the Treasury. A different question would be presented to us if we did not now have a national debt of about \$24,000,000,000, as against \$1,000,000,000 before we entered the World War. A different question would be before us if out of the World War we did not have a fixed charge against the Treasury of the United States of \$2,000,000,000 per annum growing out of these three items alone; interest on the public debt of about \$1,000,000,000; a sinking fund to retire Liberty loan bonds and certificates of indebtedness, \$300,000,000; allowances to disabled service men and dependents of about \$600,000,000.

When the Committee on Ways and Means proceeded to consider the bill that is before us it was perfectly apparent that in order to meet the money payments new taxes would have to be levied. With this in mind the committee informally agreed upon a bill with the necessary tax provisions. Just as soon as these provisions became known they met with protests

from all over the country, and the provisions were immediately withdrawn. Then it was suggested that the necessary moneys could be obtained by a sales tax. The moment that this was proposed a greater storm of protest came from all over the country. The truth of the matter is that business has been suffering for a long time from heavy war-time taxation in times of peace. All of this has resulted in retarding business, stifling industry, and throwing men out of employment. What the country needs and what the service man needs is employment and not a bonus. The enactment of this legislation into law, in my judgment, will only aggravate the present unemployment situation.

Then it was suggested that the bill be reported in the House with no provisions whatever for raising the necessary taxes. Hence, the bill that is now before us for our consideration. It proposes to give cash to the service man, but without any drain whatever upon the resources of the Treasury. It proposes to obligate the United States to something like \$4,000,000,000 without any provision whatever for raising the necessary revenue with which to meet these obligations.

Mr. Speaker, I have been opposed to a cash bonus. I voted against the bonus bill when it was up for consideration two years ago. In my judgment, in many ways an out-and-out cash bonus is preferable to the one that is now before us. Furthermore, if the Government owes this debt, as the proponents of this measure claim it does, then it ought to pay this obligation just like it pays other obligations, not by long-time certificates with limited borrowing power but by the payment of cash.

I have not the time to discuss the various benefit provisions of the bill. I will discuss but one of them. Most of the men, judging from the letters which I receive, want cash, expect cash, and will be disappointed with any measure that does not give them cash. As a substitute for cash this measure in brief provides for the issuance of a certificate granting a credit of \$1 per day for every day served over 60 days in this country, and \$1.25 per day for every day served overseas. Regardless of the length of service, no man overseas can receive more than \$625 and no man serving in this country can receive over \$500. The certificate is payable in 20 years with 25 per cent added thereto and compound interest. If a man served in this country 100 days over the 60 days, a certificate at the end of 20 years would amount to about \$300.

The banks are permitted to loan not to exceed 50 per cent of the initial value of the certificate until September 30, 1925. Thereafter the Government agrees to loan up to 80 per cent of its initial value. After September 30, 1925, when the Government agrees to loan up to 80 per cent, there is no telling how many certificates will be cashed in in this manner per annum. In my judgment, most of them will apply to the Treasury for the maximum amount in the year 1925. This means an expenditure during that year of hundreds of millions of dollars, and this bill makes no provision whatever for raising the necessary revenue with which to meet those expenditures.

Mr. Speaker, three different Secretaries of the Treasury have advised against the enactment of any bonus legislation until, at least, the country has recovered from the after effects of the war. Two of these Secretaries have been Democrats and one a Republican. This bill consists of 38 pages and involves a charge against the Treasury of over four and one-half billions of dollars. It was reported out of committee less than a week ago.

The bill provides not one penny of revenue with which to meet this expenditure. Yet it is brought before us under a rule which limits debate to but four hours and absolutely prevents any change or amendment, even to the extent of dotting an "i" or crossing a "t." Mr. Speaker, I am opposed to this bill, first, because of the manner in which it has been brought before us for consideration. It is not the way the House of Representatives should transact the people's business. [Applause.]

Oh, yes; my Democratic friends, I note your applause. But let me remind you that the bringing in of this rule, so limiting and restricting debate and consideration of this measure, has been largely due to your own tactics. You have filed a report with the House that is so biased and partisan as to convince us that if given an opportunity you would go the limit in playing politics upon this measure. Nevertheless, I feel that we should have stood upon our own responsibility and put up with your partisanship and the amendment you would offer for campaign purposes. [Applause.]

Second, I am opposed to this bill at this particular time because I know it will involve enormous expenditures of money which are not now in the Treasury. The fact is that we will undoubtedly have a deficit at the end of the present fiscal year. The Treasury officials this very day have admitted in the re-

ports of the income-tax returns on March 15 that they have overestimated the income from that source for this fiscal year by over \$200,000,000. I know that we not only have no money in the Treasury for additional expenditures, but we will undoubtedly have a deficit. Our only means of collecting additional money is through taxation. If this bill becomes a law, we must increase rather than decrease our taxes.

Something has been said here about party obligations. Mr. Speaker, I believe in parties standing by their obligations to the country. I deny that the Republican Party has pledged itself to the enactment of this or any other similar measure. I quote from the Republican platform as follows:

We hold in imperishable remembrance the valor and the patriotism of the soldiers and sailors of America who fought in the Great War for human liberty, and we pledge ourselves to discharge to the fullest the obligations which a grateful Nation justly should fulfill of the appreciation of the services rendered by the defenders on sea and on land.

Republicans, then, are not ungrateful. Throughout their history they have shown their gratitude toward the Nation's defenders. Liberal legislation for the care of the disabled and the infirm and their dependents has ever marked Republican policy toward the soldiers and sailors in all the wars in which our country has participated. The present Congress has appropriated generously for the disabled in the World War.

The amounts already applied and authorized for the fiscal year 1920-21 for this purpose reached the stupendous sum of \$1,180,571,893. This legislation is significant of the party's purpose to generously care for the maimed and disabled men of the recent war.

I submit that any fair consideration of this plank leads to but one conclusion, and that is an obligation to care for the disabled service man and his dependents. This obligation this Congress has fulfilled.

Let me remind gentlemen that the Republican Party did, through its platform, lead the people to believe that it would reduce taxes and do away with the consequent repression of enterprise. If we enact this bill into law we will have violated that express plank in our platform. If we meet and pay the obligations of this bill we must increase taxes, thereby further retarding business and postponing a return of prosperity, when all can find employment.

During the war our people bought Liberty and Victory bonds up to the amount of \$24,000,000,000. To-day those bonds are selling below par. One year from now the Victory loan bonds mature. They amount to three and one-half billions of dollars. We must either pay them or pay the entire issue. Interest rate is already high. If we pass this bill, we will increase interest rates generally and will make it more difficult for the Secretary of the Treasury to fund these Victory bonds at a reasonable interest rate, and he may have to sell them below par. Furthermore, there is no investor who has given any thought or consideration to this but who will agree that the passage of any bonus legislation at this time will deprecate the market value of the Liberty or Victory bonds.

Mr. Speaker, I further oppose this bill because it creates a charge against the Treasury without making any provision whatever for increasing our revenues. This can only result in the piling up of a deficit, with a hurried demand upon Congress to enact hastily prepared and unwise emergency tax legislation to meet the situation. This is at such a time that if tax provisions are inserted in the measure it would actually wipe out certain lines of business entirely. If we are going to enact this bill into law, we at least ought to deal frankly with the people who must pay the bill and give them to understand how we are going to raise the necessary funds with which to make the payment. Apparently the framers of this measure preferred to enact the measure into law before election without any taxation features, and then face their constituents as to the necessary increased taxes following the election.

Gentlemen, I oppose this bill upon the further ground that it does not deal frankly with the service men whom it is designed to benefit. With the exception of the man who served but a short time, this bill confers no cash benefit whatever.

The service man expects cash. He has been led to feel that the Government is under an obligation to him to make his pay during the war commensurate in a degree with the wages paid civilian labor. This being the case, he figures that the Government will pay its obligations to him in cash, just as it pays its obligations to others in cash. This bill does no such thing. It merely issues a certificate redeemable 20 years from date and good previously thereto in the event of death. As the service man is expecting cash, this would, of course, be a grievous disappointment. To offset this the bill authorizes the banks to loan up to not to exceed 50 per cent of the initial value of the certificate. The only immediate right conferred, therefore, upon the service man is permission to become a debtor, providing a bank is willing to loan money upon the security. No one knows just how this plan will work out. We do know this, that the Comptroller of the Treasury has advised against it. He cer-

tainly ought to know something about it. He also knows that a good many country banks, at least, are loaned up to the limit at the present time. What is the service man going to think when he presents his certificate to one of these banks that is loaned up to the limit when he is told that they can not loan him any money upon the certificate? What is he going to think of his Government? What is he going to think of this Congress that passed such legislation? Furthermore, after 1925 these certificates become demand notes on the Government, payable up to 80 per cent of their initial value plus interest. The right to a loan up to 80 per cent of the value makes them, in effect, demand notes. No one knows how much of a demand may be made in the year 1925 or how much of a demand will be made in subsequent years. There is no way whereby the Government can ascertain in advance just when these certificates will be presented. This prevents us from being able to properly provide for the necessary revenue.

Before closing I want to call attention to another feature of this bill. I have any number of cases under my observation where service men were killed or died overseas and who left dependent widows and mothers. No one will deny the right of these to our first consideration. Does this bill give it? No. Under the terms and provisions of this bill the man who came home safe and sound would be granted this additional compensation, while the widow or mother of the man who lost his life with his face against the foe is absolutely barred from receiving the benefits of the act. The provision is unjust and utterly indefensible. Yet this deliberative body, the House of Representatives of the greatest country on earth, is powerless to amend this bill. We are asked to ratify in every particular the action of the committee, regardless of their mistakes or how we differ with their action. Mr. Speaker, I believe in representative government. I believe that the people of my district are entitled at all times to have the benefits of my best judgment. They have a right to expect me to act in accordance with that judgment. I believe that the measure in question is presented to us at a time when the country can ill afford any increase in taxation. I believe that the measure is economically unsound and indefensible. I believe it would injure the country. I believe that we ought to so frankly advise the service man. These men, who fought so valiantly overseas, when convinced of the effect of this legislation upon their country's welfare, will be the very first to condemn it. Let us meet the situation the way President Grant did in 1875. When confronted with a similar bill Grant informed Congress that the legislation was unsound and would embarrass the funding operations, increase the bonded debt, and delay the return of prosperity, and promptly vetoed it. Gentlemen, this legislation is wrong and ought to be beaten. [Applause.]

Mr. FORDNEY. Mr. Speaker, I yield to the gentleman from Ohio [Mr. KEARNS].

Mr. KEARNS. Mr. Speaker, we all know that the money for these ex-service men will come out of the pockets of the people. We also know that the \$1,000,000,000 which Congress authorized to be paid to the railroads of this country came from the same source. So, also the \$2,000,000,000 that we authorized the Secretary of War to pay to contractors and alleged contractors who presented claims against this Government that were not based upon any contract, express or implied, came from the same pockets. And yet the same men in and out of Congress who to-day oppose this bill sanctioned every dollar that went into the pockets of those men. [Applause.]

Mr. Speaker, perhaps the soldiers' adjusted compensation bill that is before this House for consideration to-day is the best bill of its kind that could possibly be put through Congress at this session. In all of its particulars it is not just what I could desire. I am going to vote for it because I believe in the main it will meet with the demands of the soldiers and will be satisfactory to those who will have the bills to pay. Had I had my way in this matter I would have provided a sales tax that would raise the necessary money to meet the cash requirements made necessary by such legislation. When I say a sales tax I do not mean any kind of a sales tax that could be written. I have in mind a tax of 2 per cent on the first sale of the manufactured product, which amount, I am told, would raise a sum sufficient to meet the cash demands. I would have written into this sales tax law a clause that would have made it a crime punishable by a fine of \$10,000 and a term of years in the penitentiary for any person who raised the price of a commodity that he had for sale in a sum greater than the amount of the tax. I would have made the law broad enough to catch anyone who would add to the price of the commodity the tax, or any part thereof, after it had already been added once. In this way there could have been no pyramiding of taxes. It would have been paid once, and only once.

Under our tax laws as they stand to-day the dishonest merchant or the dishonest manufacturer can add on the tax many times and carry it to the public in this form and the public has no way of knowing that it is paying the tax not only once but many times. This system has permitted dishonest tradesmen to raise the price of necessities until even to-day they are yet beyond the reach of many who must buy. Under the sales tax system that I have just described a manufacturer's price of a pair of shoes that retails for \$5 is about \$3. A tax of 2 per cent on this amount would be 6 cents. Therefore, under the scheme that I have in mind the price of shoes could not retail for more than \$5.06, and with competition spirited the general public would never pay this additional amount of 6 cents, because it would be absorbed before it reached the ultimate consumer. Competition in trade would see to this long before it reached the last buyer.

Mr. Speaker, to-day the manufacturers' sale price of sugar is 4 cents a pound. A 2 per cent tax on this would only be 0.0008 mill, an amount so very insignificant that it can hardly be considered. What is true of these two commodities is true of every other household necessity, and it seems to me there ought to be enough wisdom in Congress to devise means that would prevent the dishonest manufacturer or the merchant with profiteering inclinations from charging the consumer, in addition to his fair profit, the tax many times multiplied. And these manufacturers and merchants who would seek to defraud the public by raising the price of the necessities of life under the guise of heavy taxes ought to be made to feel the sting of a law that has real teeth in it.

Again, a sales tax of the kind that I have just described, guarded by a criminal statute, would reduce the high cost of living, and it would not shift the burden of taxation from the pockets of the rich to the backs of the poor. Each family when paying tax under this plan would pay according to consumption. The family that spent \$10,000 a year would pay tax on the manufacturers' price and the family that spent \$1,000 a year would only pay a 2 per cent tax on the manufacturers' price of the goods and products consumed by that family. But this plan of taxation was not written into the law.

Mr. Speaker, I am for this bonus bill because I know that these soldiers did not financially receive a square deal. The Congress of the United States, at the request of the President when we were in war, passed a law that conscripted for military service boys of a certain age and health, and they fixed their wage or salary at a dollar per day. The boy who volunteered or was conscripted was forced to accept this \$1 a day or stand a military trial, which meant in the end either prison or death. But this same Congress that passed the conscriptive law allowed the boys and men of all ages who stayed at home to go into the industries and charge for their products or their services any price that they could demand and get. In scarcely any instance was the wage paid to those who stayed at home and went into the industries less than a dollar an hour.

Well do we all remember that the boys and men were often not satisfied with the \$1 an hour they were getting, but they called a strike and refused to make shoes and clothing and the manufactured foodstuffs and the blankets and the powder and the shells and guns that were needed by these boys until their wages were raised to \$1.50 an hour, and remained in idleness for days and even weeks, until finally their demands were met, and they went back to work at this increased price. The manufacturers of this country immediately raised the price of their commodities to cover the increased cost of labor, and the dishonest merchant made this an excuse to raise the price of his commodity many times the increased cost of this labor. The profiteer ran wild. The Government went out to buy these various products that were necessary to the carrying on of the war and the dishonest seller demanded and received unconscionable prices. So sure were these profiteers of their grip upon the throat of the country that they alone made the war cost the taxpayers of the United States many billions of dollars more than it should have cost. Absolute and brazen theft under the very eyes of the administration cost the taxpaying public many more billions. I have in mind now a \$1,000,000,000 appropriation by Congress for the building of airplanes when the war was on, and not a fighting plane ever reached the battle front, yet all of this cost found its way into somebody's pocket. This somebody is to-day crying out against this bill when that somebody ought to be behind prison bars, instead of running at large threatening Congress if it does not deny these boys this adjusted compensation. If this bill passes, the problem of tomorrow will not be how to pay the money that will be required by this legislation, but the problem now is and to-morrow will be how to pay the bills made by all this wasteful extravagance and theft when the war was on. These profiteers became so

bold that they did not even stop to mask, but went into the Treasury of the United States and every home throughout the Nation and brazenly stole from the Government and the public. The taxpayers of the country are to-day paying these bills, and yet these same men with these dishonest methods are those who are foremost in starting the propaganda that the Government will be bankrupt if this extra burden is added.

I have already called your attention to the fact that if the boys had refused to fight for this paltry dollar per day they would have gone to prison or to death. That was the mandate of Congress at the request of the President. But no such stringent law governed or threatened the industries or those men and boys who stayed at home. I have never been able to know or understand why a Government that boasts of its authority to conscript the man power to fight can not conscript the man power for the industries and fix the wages of those who stay at home. Neither am I able to understand why the great industries of the country can not be marshaled into line by the Government and made to furnish war materials at peace-time prices.

I know and you know this could be done, but the influence of enormous wealth is great. The Government loudly proclaims its absolute and despotic power over the life and destiny of the young man in the military service when war is on, but seems to stand in fear and trembling in the presence of big business. I defy any man to challenge the truthfulness of that statement as applied to the last war. I say the last war because I know something about it. I know more about this conflict than I do about what governing influences were present in prior wars. This cringing homage paid to the big profiteer in the World War will always stand as the crowning disgrace of that titanic struggle. I only have in mind the dishonest business man. I know there were many good and patriotic citizens engaged in the manufacturing and mercantile business who were honest and condemn this profiteering just as much as you or I. But the profiteers of the country got the Government by the throat. They made the war cost twice what it ought and the taxpayers are confronted with the paying of these additional billions to-day. Besides this, they were taking untold billions from the pockets of the buying public. I am told that big business alone took in profits since April 11, 1917, forty billions. This in part explains the twenty-five billions bonded indebtedness. When the boys returned they were given a cash bonus of \$60, but so high were prices that this amount scarcely bought them a suit of clothes. While they were gone they sent \$15 a month home to dependents, but the profiteer had boosted prices so high that the dependent mother, father, wife, or sister was not able to purchase to exceed five or six dollars' worth of the necessities of life with the \$15.

Is it any wonder these boys believe that they have not been treated squarely and is it any wonder that Congress is determined to see that the boys get at this time a square deal as far as it is possible to give to them justice?

The objection that the big taxpayer has had to all previous contemplated bonus bills has been that the taxpayer was already overburdened and that it would greatly hamper business if such a bill should be passed. The bill under consideration now entirely eliminates these objections. For those who desire the ready cash it is provided that the soldier can accept an adjusted-service certificate. This certificate will be sufficient collateral security to enable the holder to borrow money at any bank not to exceed 50 per cent of the loan basis of the certificate. This will provide a way whereby those veterans who are in needy circumstances can get temporary relief and it will not require additional taxes or another bond issue. Besides this method the bill provides for vocational training aid, farm or home aid, and certain land settlements. In the main it is a good bill. I shall gladly vote for it, notwithstanding it does not embody my views in all respects.

Mr. Speaker, there is another reason why these boys should be paid an adjusted compensation, and that is found in the fact that from early in 1917 every civilian employee of the Government was voted by Congress a bonus of \$20 per month. Remember that was back in 1917, and these civilian employees of the Government have been getting that amount ever since, and are now receiving this bonus of \$20 per month. I voted for that bonus for the civilian employees, and why should I refuse to vote this paltry sum to these men who presented themselves to fight the battles of their country and 2,000,000 of them were on the firing line? They fought well. When they reached France the soldiers of the allied countries were making their last stand. The Central Powers had driven them back until they were standing with their backs against the wall. It is true they were fighting, and fighting bravely and desperately. They were fighting like the brave and true soldiers that they

were, but nevertheless they were facing certain defeat. The American soldiers immediately turned the tide of battle. At once the soldiers of the Central Powers were stopped by bullets and shells fired by American soldiers, and these boys never stopped until the German soldier had hoisted the white flag and prayed for peace. While they were fighting 100,000 of them fell and were buried in a foreign soil, and 150,000 of them were crippled and blinded and sent home staggering. Since then many more of them have died and thousands of them are in ill health. When I think of all of this and I think of the greed and graft that were permitted at home while they were thus fighting I am determined to vote for this adjusted compensation bill that will partly adjust the difference in the salaries or wages of the soldier and the civilian. [Applause.]

Mr. GREEN of Iowa. Mr. Speaker, I yield to the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Speaker, when England asked for four thousand million dollars we gave them to her and she stood for the insult. When France wanted three billion and a half dollars we gave it to her and she swallowed the insult. [Laughter.] Even the dear, kind King of Belgium went home with a hundred and fifty million dollar draft in his pocket. And now when our own boys come for what they ought to have, men orate all day long and hesitate. I do not hesitate, I am going to vote for this bill, because we can afford it. I am in favor of getting the money from England and collecting the debts of these other nations that owe us. [Applause.] It can be done. Our promise that we would build a bridge of support all the way over and all the way back has not been kept. I mean the promise you and I made under the trees in the courthouse yard the day the boys went away. [Applause.]

Mr. TREADWAY. Mr. Speaker, I yield three minutes to the gentleman from California [Mr. KAHN].

Mr. KAHN. Mr. Speaker, the President has announced that while he is favorable to the soldiers' bonus proposition a method must be found by which money can be raised without adding new burdens to the already overtaxed people of this country. He therefore recommends the passage of a sales tax.

Both Senator McCUMBER, chairman of the Senate Finance Committee, and Representative FORDNEY, chairman of the Ways and Means Committee of the House, according to newspaper accounts, are opposed to a sales tax. So is the agricultural bloc, if the newspapers speak correctly.

The Secretary of the Treasury has announced that it would require \$2,500,000,000 to \$5,000,000,000 to pay a bonus to the ex-service men. It is a terrific burden to place upon the shoulders of the taxpayers of this country at this time. Many of our leaders are preaching economy in season and out of season. If they put this bill through, it will mean "save at the spigot and leak at the bung-hole."

The Ways and Means Committee have been considering various recommendations by which to raise the money to pay the bonus. They have suggested at various times that a tax might be levied on automobile license tags; they have also suggested a tax on gasoline, a stamp tax on bank checks, a tax on real estate transfers, increased taxes on theater admissions, a tax on stocks and bonds, a tax on cigarettes, tobacco, and documentary stamps on a variety of official papers.

Of course everyone who is hit by any of the proposed taxes is filing a vigorous protest. In short, many people are willing that the bonus be paid if the tax is put on somebody else's shoulders.

In my humble opinion, the first duty of Congress at present is to consider and enact such legislation as will facilitate the resumption of normal activities which will mean prosperity for everyone. Just at this time Congress should be devoted to the great problems of reconstructing a world broken down with the burdens of war. It is regrettable that the demand for bonus legislation should be made upon Congress at a time when every mind should be bent upon getting the normal course of business activities reestablished as quickly as possible. The bonus legislation now under consideration is only hindering this program; in fact, it is delaying our return to that prosperity which will far outweigh in its benefits, even to the veterans themselves, the small amount any blanket bonus would carry.

I have frankly stated that I am opposed to a soldiers' bonus at this time when we are trying to get back to a condition of normalcy.

I am happy to say that I have received many letters commending me on my stand on the bonus question. As one of my constituents wrote me, "There are many ex-service men who regard the demand for a bonus as a reflection upon their wisdom or their loyalty or both." I am convinced that there are many men who fought without injury in the World War

who consider the fight now being made for a bonus unworthy of our best traditions.

Of course, the men who were wounded and who are disabled ought to be cared for by the Government regardless of cost. In fact they are being cared for; some billions of dollars have been spent to help them along. But I honestly believe that the men who were in the war, and who are in as good or better health to-day than they were when they went to the war, ought not at this time to talk about a bonus for themselves.

Mr. Speaker, a somewhat similar measure was passed by Congress in 1875. It was entitled "An act to equalize the bounties of soldiers who served in the late War for the Union." The demand for its passage was not unlike the demand for the bonus bill now pending before this House. On March 3, 1875, President U. S. Grant, who in his day was as good a friend of the Civil War veterans as any individual in the whole United States, wrote a veto to the House of Representatives in the following language:

WASHINGTON, March 3, 1875.

To the House of Representatives:

House bill No. 3341 (an act to equalize the bounties of soldiers who served in the late War for the Union) is herewith returned without my approval, for the reasons, first, that it appropriates from the Treasury a large sum of money at a time when the revenue is insufficient for current wants, and this proposed further drain on the Treasury. The issue of bonds, authorized by the bill to a very large and indefinite amount, would seriously embarrass the refunding operations now progressing, whereby the interests of the bonded debt of the United States is being largely reduced. Secondly, I do not believe that any considerable portion of the ex-soldiers, who, it is supposed, will be beneficiaries of this appropriation, are applicants for it, but, rather, it would result more in a measure for the relief of claim agents and middlemen who would intervene to collect or discount the bounties granted by it. The passage of this bill at this time is inconsistent with the measures of economy now demanded by the necessities of the country.

U. S. GRANT.

Unfortunately, the House of Representatives had adjourned before the message could be sent. President Grant wrote it in the President's room at the Capitol. It is printed in volume 7 of the "Messages and Papers of the Presidents" at page 320. The Congress adjourned and the matter was never again brought up. But the same reasons quoted by President Grant apply with equal force to-day.

Mr. FORDNEY. Mr. Speaker, I yield to the gentleman from California [Mr. SWING].

Mr. SWING. Mr. Speaker, the burdens which this bill will place on our country have been very greatly overemphasized. Who on the 1st day of November, in 1918, would have hesitated a moment to have voted \$4,000,000,000 or four times \$4,000,000,000 to help these boys prosecute the war and bring it to a successful conclusion? Yet these same boys, by their indomitable will and courage and great sacrifice, brought the war to an end one year sooner than any of us in this country thought would be done. The fact is, if the war had continued for a period of 90 days longer, this country would have expended more money in that short time than it will have to expend under this bill for the next 20 years.

Mr. Speaker, there were two principal factors that fought and won the war—man power and money power. By money power I mean the industries of the country—the factories, railroads, mines, and other business. This Government has already established the principle of adjusting the compensation of all business concerns which were drafted by the country to help win the war. Under the Dent bill nearly \$3,000,000,000 has been paid out to the business interests of this country to make up their losses suffered under war contracts. Billions more have been paid out to the railroads to make good their losses and furnish them with their guaranteed profit of 6 per cent. The mining interests were taken care of under the war mineral relief act. Now, having established this principle for the benefit of the business interests of the country, can we refuse to extend the benefits of the same principle to the boys who did the actual fighting?

The sacrifices of business can not be compared to the sacrifices of the men who went to war. They made every sacrifice that was possible to make. They gave up their jobs where they were making good money, they surrendered their civil rights and liberties, they forsook places of absolute safety to enter upon battle fields, and last and greatest of all, they left their homes and loved ones for how long they knew not—in some cases, forever. The fact is, the business of our country during the war was never more prosperous. More millionaires were made during that period than during any other equal period during the history of our country. It seems to me that the business interests of our country having accepted the benefits of the principle of adjusted compensation, ought not to complain of the extension of the benefits of the same principle to the soldier boys who made the greater sacrifice. [Applause.]

Mr. FORDNEY. I yield to the gentleman from Nevada [Mr. ARENTZ].

Mr. ARENTZ. Mr. Speaker, debate has continued for almost four hours on the floor of this House this afternoon. We have heard speeches from a few men in opposition to the passage of any adjusted compensation or so-called bonus bill. We have at least admired these men for their candor. Members of the Committee on Ways and Means, excepting those who signed the minority report and a few dyed-in-the-wool Democrats who see no good in anything proposed by the majority, not even in a little help at this time to our soldiers who saved our own country and the countries of our allies from vandalism, and other Members of the House think this bill represents the very best judgment of Congress.

It is a sorry spectacle to see Members on this floor condemning a bill out of hand without offering an iota of constructive criticism or a suggestion to improve same. The one question before us to-day is whether or not the boys who served us so gallantly in the World War are entitled to compensation. I believe most emphatically that they are and that the vote which will be taken in a few minutes will prove this by a large majority.

Let your memory carry you back to those dark yet glorious days of 1917 and 1918, when the flower of America's manhood left the plow, the saddle, and the mine, the print shop, the counter, and the school to don the khaki and to shoulder the rifle. Do you remember then we could not do enough for our boys? You remember the thrill a boy in uniform gave us then; how the men and women of wealth took the boys into their homes and entertained them, visited them in camps, and marched with them from camp to train. Few of them went one step further than this. "Wait until your return, boys," they said; "you will then be taken care of; your job will be waiting for you."

Hundreds of thousands of these boys are to-day walking the streets, waiting for their jobs, while the employers have taken up a new national pastime called "lip patriotism." This form of light exercise by the great interests in the United States helps neither the needy ex-service man nor the country as a whole to get back to prosperity.

While our soldiers wallowed in French mud, were shot, and bayoneted, and gassed for \$1.25 a day, we all know the shipyard riveter had his pay increased from \$4 and \$5 a day to \$12 and more, and the number of rivets he handled in a day decreased 50 per cent. Many men who never looked at a square and saw except in a magazine advertisement were put to work as carpenters on Government contracts at \$10 to \$20 a day while the Government paid some profiteer cost plus 4 to 10 per cent for this construction.

Many of my constituents who are ranchers and live-stock men know that Sherman was right when he said, "War is hell." No sooner had the workers, the sons and husbands, left for Army camps than the town loafer, the farm hand, refused to work in the hayfield if he had money in his pocket, and when he would work he demanded \$5 to \$10 a day for work not more than 50 per cent efficient. This same condition existed in nearly every industry and line of endeavor in our country. Yet this was at a time when more than 4,000,000 young men were drafted into service and the cry of the Nation was "Work and save lest we perish."

Let us look for a moment at the battle line in France. Picture a wooded knoll. One flank of an advance line of American boys rests here. The ground slopes away for half a mile to a river. German rifle and artillery fire controls this slope. A message must go from the advance line to headquarters. A runner, a mere boy, leaves the woods on the knoll and starts down the slope with the message. He reaches the line of German fire. A rain of bullets hits the ground behind and in front of him. The boy is hit and collapses—drops dead. As he falls another youth, with no hesitation, valiantly, gladly, for his comrades and his country, with no thought save that it is all in the day's work, leaves the woods with a duplicate message, down the same path his slain buddy took, through a hell of fire, and makes it. Many more boys were watching on this wooded knoll to take his place did he fall.

This is the noble thing, my friend, any one of the millions of our soldiers would have done had the opportunity presented itself. They had no thought of high wages, overtime, or luxuries. Does not this Government owe a debt of gratitude to these men? We must do justice to those who escaped injury. We must never fail to care for the disabled and dependent ones. It has always been the policy of this Government from its very inception to show its gratitude in some form to its soldiers of every war. I often wonder if those who have fought this legislation so persistently, many of whom piled up swollen profits during the war, realize their true position in the estimation of their fellow countrymen.

We are a rich Nation. It is estimated that the wealth of this country approximates \$335,000,000,000. Without a quibble we advanced to European countries more than \$10,000,000,000. Our debt is but 7 per cent of our estimated wealth, yet we gave our soldiers a bonus of \$60. Canada, with a debt of 25 per cent of her estimated wealth, has given \$634.40 to each of her enlisted men. France, with a debt far greater than that of England, has given \$235.50. Belgium has rewarded her soldiers magnificently, and Italy, with a staggering debt, has paid her soldiers \$73.34.

Can we fail to do for our soldiers what is proposed in this bill, my friends, and yet say we have given tangible evidence of our appreciation of them? We owe a debt of honor to our soldiers. This debt never can be fully compensated. By passing this bill we simply acknowledge this debt. We should not use it as an excuse for passing on to the people some new form of tax, or through it force upon the great mass of citizens of small means greater burdens.

To be able to borrow a full 50 per cent of the face value of the certificate now, at once, is to my mind far better than the receipt of a payment of \$50 every quarter year, as contemplated in the original bill.

The country can and will meet this obligation. I have been for a compensation bill since the inception of the idea. I am for it now. I will cast a ye-a vote without mental reservation, and I know an overwhelming number of my colleagues are about to do the same. And I know that my constituents and your constituents will applaud us for so doing.

Mr. FORDNEY. Mr. Speaker, I yield to the gentleman from Nebraska [Mr. ANDREWS].

Mr. ANDREWS of Nebraska. Mr. Speaker, this bill proposes to give additional pay or compensation to our ex-service men and women of the World War. Great Britain, France, Italy, Belgium, and Canada have already given increased pay to their ex-service men and women of that war. Some have keenly criticized our country for tardy action in this matter. Several of our States have already voted additional compensation to their own citizens who were called to the colors within the period of the war.

On May 29, 1920, this House passed a bill providing for adjusted compensation to veterans of the World War—H. R. 14157, Sixty-sixth Congress, second session. Under the terms of that bill each veteran was to have the choice of any one, but only one, of the five following plans:

- (1) To receive an "adjusted service certificate," as provided in title 2;
- (2) To receive an "adjusted service certificate," as provided in title 3;
- (3) To receive "vocational training aid," as provided in title 4;
- (4) To receive "farm or home aid," as provided in title 5; or
- (5) To receive "land settlement aid," as provided in title 6.

This bill (H. R. 10874) grants to each veteran the right to select any one, but only one, of the five following plans:

1. To receive "adjusted service pay," as provided in title 4; but the veteran can not choose this plan if the amount of his adjusted service credit is more than \$50;
2. To receive an "adjusted service certificate," as provided in title 5;
3. To receive "vocational training aid," as provided in title 6;
4. To receive "farm or home aid," as provided in title 7; or
5. To receive "land settlement aid," as provided in title 8.

Each one of these bills and each provision of each bill should be carefully compared with respect to the benefits that it proposes for the veterans on the one hand and the taxes or burden that it levies upon the National Treasury upon the other hand.

For one, I desire it to be known that I shall not vote for this bill with the idea of making a donation to the veterans, but for the purpose of paying to them additional compensation for what they did. Although the word "bonus" is commonly used in this discussion, we should regard it as additional pay whatever the term may be used to designate what the veteran is to receive.

The Government called him from his occupation on the farm or in the store or other place of business and directed him to proceed to war, which involves the greatest loss and the greatest risk to which a citizen can be assigned by his Government. He was compelled to go regardless of his wishes, and if he had resisted he might have landed in the penitentiary. Even those who encouraged others to evade the law were placed under confinement in order that they might have ample time to meditate and be deprived of the opportunity of interfering with the progress of the war. While the boys were training in America and fighting in France, their own business

affairs were largely destroyed. But those who remained at home had special advantages, for big profits and the preservation of their own business enterprises furnishing profitable employment after the war.

The bill H. R. 14157 of the Sixty-sixth Congress, second session, passed by this House May 29, 1920, carried five tax provisions designed to raise increased revenues, aggregating \$1,276,500,000 within the period of three years immediately succeeding the date of its effective operation. The committee report on that bill enumerated these provisions as follows:

"1. An additional surtax on individual incomes of 1 per cent of the amount by which the net income exceeds \$5,000 and does not exceed \$10,000; 2 per cent from \$10,000 to \$26,000; and 3 per cent of incomes in excess of \$26,000. (This provision is estimated to yield \$108,000,000 per annum.)

"2. A tax equivalent to one-fifth of 1 per cent on the sale of stocks and bonds. (This provision is estimated to yield \$190,000,000 per annum.)

"3. A tax equivalent to one-half of 1 per cent on the sale of real estate. (This provision is estimated to yield \$50,000,000 per annum.)

"4. An increase of approximately 15 per cent in the existing tax on cigars and tobacco and of approximately 25 per cent of the tax on cigarettes. (This provision is estimated to yield \$55,000,000 per annum.)

"5. An excise tax on corporations issuing stock dividends subsequent to March 15, 1920, equivalent to 10 per cent of the value of stock so issued. (This provision is estimated to yield \$45,000,000 on stock dividends already declared and \$7,500,000 per annum on future stock dividends.)

In contrast with that increase of taxation, note the significant fact that the pending bill does not increase taxation in any form.

The committee report (No. 804) on this bill (H. R. 10874) points out the following advantages of the new plan now under consideration:

ADVANTAGES OF NEW PLAN.

"First. No new taxation or issuance of new securities is at present required.

"Second. It provides for the veteran in need a method of obtaining aid.

"Third. The amounts required each year after July 1, 1923, are small compared to those which have heretofore been met and can be provided without any difficulties or derangement of our financial situation.

"Fourth. The plan tends to promote saving habits among the veterans.

"Fifth. It protects the veteran himself and his family from misfortune in the future.

"Sixth. It will create a class of home builders who will greatly increase the mass of property in the country."

ADJUSTED SERVICE CREDIT.

An adjusted service credit for each veteran is based upon an allowance for each day of service in excess of 60 days—bonus of \$60 paid heretofore—in the military or naval forces of the United States after April 5, 1917, and before July 1, 1919, at the rate of \$1.25 for each day of overseas service and \$1 for each day of home service, with a maximum of \$625 for overseas service and \$500 for home service. Every veteran whose allowance on this basis is \$50 or less will receive cash.

For the fiscal year 1923 such payments will aggregate \$16,000,000, approximately. Every veteran whose allowance on this basis exceeds \$50 will receive an adjusted service certificate which will have a face value equal to the sum of his adjusted service credit increased by 25 per cent plus interest thereon for

20 years at the rate of 4½ per cent per annum, compounded annually—such value being approximately equal to 3.15 times the adjusted credit service of the veteran. The certificate is to be issued under date of October 1, 1922, and will be payable to the veteran September 30, 1942. In the event of his death, however, the amount due him will be paid to his beneficiary, if any; otherwise to his estate.

This adjusted service certificate is substantially a paid-up 20-year endowment insurance policy for the face value thereof. An adjusted service certificate for \$125—overseas service—will be worth \$376.83. An adjusted service certificate for the maximum, \$500, for home service will be worth \$1,507.32 at maturity, and an adjusted certificate for maximum overseas service, \$625, will be worth \$1,884 at maturity.

According to these allowances the adjusted service certificate will be a paid-up insurance policy which will be paid in full at the veteran's death to his beneficiary or his estate. Those who live beyond the expiration of the 20-year period will receive the face value of their certificates at maturity. If, unfortunately, a veteran should die soon after the issuance of his adjusted certificate, or its allowance, its full amount would be paid at once to his beneficiary or his estate. Thus every veteran's wife and family, if he is married, would have at once cash equal to the face value of his adjusted service certificate.

Moreover, he will not be troubled from month to month, quarter to quarter, year to year, for payment of insurance premiums. He will have a paid-up policy that can be deposited in a safety box as life insurance.

The estimates furnished from official sources and quoted in the committee report show that the largest draft upon the Treasury in any one year prior to 1943 would be made in 1926—\$136,825,000.

BANK LOANS.

These adjusted certificates will be serviceable as security for bank loans prior to September 30, 1925, to the extent of 50 per cent of the loan basis of the certificate. Of course, they can be handled as collateral with the veteran's promissory note prior to that date. The bank rate of interest to be charged on such note is not expected to exceed by more than 2 per cent per annum the rate charged from the date of the loan for the discount of 90-day commercial paper by the Federal reserve bank for the district in which said bank is located. If the payment of the veteran's note, principal and interest, should be in default at any time for a period of six months, the Secretary of the Treasury may liquidate and cancel said note by the payment to the bank of the amount of unpaid principal and interest due at that time.

If the veteran is deceased, the difference between the value of the certificate and the amount of the bank's claim will be paid to the veteran's beneficiary or his estate by the Secretary of the Treasury.

It seems to me that the chief value of these adjusted certificates appears in their use as an insurance policy to be paid in full at the death of the veteran or at the end of the 20-year period. Thus the veteran's family would receive a marked benefit at a time of urgency and at the end of the 20-year period the surviving veterans would receive a cash return that would be very valuable to them at an important period in their business career. This plan promises protection to a family that may be in urgent need. It is of marked advantage to the veterans in the midst of their business activities when the amount of the insurance can be used wisely in business pursuits.

The following table quoted from the report of the committee will give at a glance the total cost of the bill to the Government for each and all of the various options specified in the bill, the grand total being \$4,098,719,350:

Cost of bonus on basis of (1) paying all adjusted compensation that amounts to \$50 or less per veteran (approximately 10 per cent of the men will come under this provision); (2) issue adjusted service certificates to 70 per cent of the remaining veterans; (3) 2½ per cent to receive vocational training aid; (4) 10 per cent to receive farm and home aid; (5) 7½ per cent to receive land settlement aid.

Fiscal year.	Cash (10 per cent).	Certificates (70 per cent) (no borrowing).		Vocational training (2½ per cent).	Farm and home aid (10 per cent).	Land settlement aid (7½ per cent).	Total.
		Deaths.	Maturity.				
1923.....	\$16,000,000	\$26,604,000		\$31,675,000			\$74,279,000
1924.....		26,440,000		20,000,000	\$72,000,000	\$6,000,000	124,440,000
1925.....		26,720,000		650,000	64,000,000	30,000,000	121,370,000
1926.....		26,825,000			30,000,000	60,000,000	136,825,000
1927.....		26,936,000				16,000,000	42,936,000
1928.....		27,046,000					27,046,000
1929.....		27,233,000					27,233,000
1930.....		27,415,000					27,415,000
1931.....		27,674,000					27,674,000
1932.....		27,932,000					27,932,000
1933.....		28,265,000					28,265,000
1934.....		28,600,000					28,600,000

Cost of bonus on basis of (1) paying all adjusted compensation that amounts to \$50 or less per veteran (approximately 10 per cent of the men will come under this provision); (2) issue adjusted service certificates to 70 per cent of the remaining veterans; (3) 2½ per cent to receive vocational training aid; (4) 10 per cent to receive farm and home aid; (5) 7½ per cent to receive land settlement aid—Continued.

Fiscal year.	Cash (10 per cent).	Certificates (70 per cent) (no borrowing).		Vocational training (2½ per cent).	Farm and home aid (10 per cent).	Land settlement aid (7½ per cent).	Total.
		Deaths.	Maturity.				
1935		\$29,004,000					\$29,004,000
1936		29,448,000					29,448,000
1937		30,000,000					30,000,000
1938		30,593,000					30,593,000
1939		31,333,000					31,333,000
1940		32,144,000					32,144,000
1941		33,105,000					33,105,000
1942		34,251,000					34,251,000
1943			\$3,154,823,350				
Total	\$16,000,000	577,571,000	3,154,823,350	\$32,325,000	\$186,000,000	\$112,000,000	4,098,719,350

At this point we naturally ask the question: From what sources can we secure the money to liquidate these obligations? The appropriations for the fiscal year ending June 30, 1923, will show such a marked reduction from the expenses of preceding years that the payments required each year prior to 1943 could be made readily from current funds without any increase of taxation in any form whatever.

In addition to this, we note the fact that the British budget now pending in Parliament provides for an appropriation of £25,000,000, nearly \$200,000,000, for payment of interest on their debt to the United States. Such payment annually would cover any demand for any fiscal year under the terms of this bill prior to 1943. The principal and interest now due on the British war debt amounts to \$4,883,000,000, nearly \$800,000,000 more than the total cost of this bill.

We have recently created a foreign debt commission, authorized and instructed to secure from the British Government its bonds in lieu of the due bills now held by our National Treasury for the loans advanced to that Government during the period of the war. Those due bills concede a rate of interest at 5 per cent. Our foreign debt commission is required to demand at least 4½ per cent annually, and the interest due from British loans will more than cover the annual charges of this bill prior to 1943.

Moreover, when the British bonds are secured they can be placed upon the market for investment purposes with the guaranty of the United States, and thus ample funds can be secured to pay any demand that may arise under this bill. So we may dismiss at once the anxiety with respect to an increase of taxes to pay this obligation to the ex-service men of the World War.

The money represented by those British bonds was secured from the people of this country in time of war for war purposes. So by the use of these securities we can cancel a war obligation with money secured for war purposes.

These facts will surely serve as an adequate antidote to all the skepticism and narrow complaint on the part of the critics of this bill. I believe that its enactment and application will demonstrate its wisdom and the justice of its terms.

Mr. GREEN of Iowa. Mr. Speaker, I yield five minutes to the gentleman from Pennsylvania [Mr. FOCHT].

Mr. FOCHT. Mr. Speaker, the mental processes exhibited here this afternoon have been so baffling that in order that one might know where he is going to stand, it is well to state his position. So many gentlemen have talked against the bill and have yet declared that they are going to vote for it, that I think it necessary for me to say that I am in favor of any bonus bill for these men, and if I had the time I believe I could tell you why. I have not time to go into it at any great length, but I want to tell you that I was here before the war and during the war, and I have been here since the war. I have heard all of the debate, and I saw what happened to these young men. Our friend from California [Mr. KAHN] was insistent that they should all go and go at once, and the trouble about it was that they did not go quite soon enough, great and glorious as was their victory over the iron lines of the Germans and the summit of fame and glory they reached. I say that that carries an implication applicable to the White House "keeping us out of war," which I could explain at greater length, and I hope I may have the opportunity at some other time to do so. To quiet your apprehension about paying this, I want to say that it is so absurd that it is a mere incident. Let me take you back to the days of the Revolutionary War. Pennsylvania furnished Robert Morris, who took care of that situation, and Pennsylvania later furnished Jay Cook dur-

ing the Civil War, and notwithstanding what Mr. Mellon may say, Pennsylvania furnishes you his genius, which will pay this. [Applause.]

Mr. GREEN of Iowa. Mr. Speaker, I yield now to the gentleman from Pennsylvania [Mr. VARE].

Mr. VARE. Mr. Speaker, I shall not attempt in the short space of time allotted me to discuss the merits of this bill. I am for the bill because I believe it to be right, but it may be of some interest to the Members of this House to know that at a meeting of the Pennsylvania delegation this morning, when 31 out of 36 Members attended, 30 Members agreed to vote for the bill, and only 1 was against it. I am also assured that of the 5 Members absent from the conference this morning 3 will vote for the bill, making a total of 33 votes in favor of granting the soldiers a bonus. [Applause.]

Mr. TREADWAY. Mr. Speaker, I yield the remainder of my time to the gentleman from New Hampshire [Mr. BURROUGHS].

Mr. BURROUGHS. Mr. Speaker, I am extremely sorry that I find myself unable to give my support to this bill. I had hoped that after many weeks of consideration the Ways and Means Committee might be able to report a bill that would be fair to the ex-service men and fair to the country.

But I am opposed to this bill in the form in which it comes before us, as I was opposed to a similar bill presented here nearly two years ago. I am opposed to it on grounds of expediency and I am opposed to it on grounds of principle. I am opposed to it because business conditions throughout the country and the financial condition of the Treasury do not, in my opinion, justify a vote for it at this time. I am opposed to it because it undertakes to do a most unwise and altogether impossible thing, namely, to measure in dollars and cents the sacrifices made in time of war.

I can understand and approve the principle by which a grateful nation taxes its people to care for those of its defenders who are in need—broken and shattered in body or in mind as a result of their service. I might even go so far as to approve the principle by which, when economic and financial conditions seem to warrant it, public funds are used to relieve a great body of ex-service men shown to be in need from any cause not the result of their own misconduct. But, Mr. Speaker, I am wholly unable to understand or to approve any measure that seeks to compensate or reward according to the value of the service out of the Public Treasury perfectly well and able-bodied men, not shown to be in any need whatever, for the performance in time of great national emergency of one of the primary duties of citizenship. Such a principle, according to my view, is contrary to the very essence of democracy.

Just stop a minute and think of it. If once you embark upon such an enterprise, where will you stop? If once you admit this principle, where is it bound to lead you? Will anyone for a moment contend that the miserable pittance provided in this bill is any adequate compensation for the service and sacrifice of our soldiers in the war? Of course not. Will anyone be so bold as to claim that for \$1 or \$1.25 a day we can "adjust" the stipend—never intended as compensation—received by the service man to the basis of pay received by those who took advantage of their country in her hour of perilous need? My answer is it can not be done; and if it could be done we would only be trying to correct one wrong by committing another one.

If this is in fact, as it pretends to be, an attempt to "adjust compensation," all I can say is it is a pitiful failure. You are not even paying a decent installment on the obligation, to say nothing of settling it in full. "Adjustment" means settlement if it means anything. I ask you now—and I have a right to

ask it—what assurance have you that this is the end of it? If this bill is passed and this money is paid under any of the options of the bill, what sort of a release or acquittance do you propose to take? Just how do you propose to be discharged of the "obligation" you are "adjusting"? I say you will get no release. You will not be discharged. But you will do at least three things. In the first place you will admit an obligation that the Government of the United States must "compensate" those who defend it in war, a thing that has never before been done in our history. In the second place you will not meet the obligation but, at most, will make a miserable little payment on account of it. And, in the third place, you will leave the door wide open for cheap politicians to start another drive, exactly as they started this one, for another "adjustment," at any time when a few million votes are thought to be badly needed. All of which leads me back to the proposition with which I started, namely, you are seeking to do the impossible when you try to measure patriotic service and sacrifice in terms of dollars and cents.

Government aid, Mr. Speaker, for that is all this is, no matter what you may call it, to its ex-service men should be based upon their need of it and not upon the fact of service. I object to this bill because it makes no distinction whatever in terms between the man who is in need and the man who is not in need. In effect, however, it clearly discriminates against the man who is in need as compared with his more fortunate comrade. As stated by the gentleman from Massachusetts [Mr. TREADWAY] and the gentleman from Connecticut [Mr. TILSON] in their minority report:

The well-to-do veteran can hold his certificate, and will receive an increase of 25 per cent over his adjusted compensation plus compound interest for 20 years; while the man who is obliged to borrow and is unable to meet his note when due not only loses 25 per cent increase and compound interest, but is compelled to accept 80 cents on the dollar of that compensation which proponents of the bill claim he is morally entitled to.

I am opposed to this bill because it is a "leap in the dark." No man living can tell what it will cost. No man living can give a rational estimate of what it will cost. The majority of the committee in their report fix the probable cost at approximately \$4,000,000,000. On the other hand, the Secretary of the Treasury has said within a week that the possible cost to the Government involved in one of the options of this bill amounts to \$18,562,500,000. The truth is doubtless somewhere between these extremes, but just where nobody knows, and one guess is as good as another. I cite these figures merely to show the utter impossibility of making any dependable estimate as to the cost to the Government involved in the bill. This is bound to be so, because it is impossible to tell or even to estimate what percentage of the 5,000,000 of ex-service men will choose any one of the options provided in the bill. Under date of March 13, the Secretary of the Treasury said:

It is clear that whatever form the soldiers' bonus may take, whether it contemplates a thorough-going insurance plan or follows the outlines of the bill which is now pending, it will cost from \$300,000,000 to \$400,000,000 for the next three or four years, and may involve continuing liabilities thereafter of over \$200,000,000 a year until 1943.

But whatever the cost, we do know it is bound to be great. Even the committee does not put it at less than \$4,000,000,000. Now, where is all this money coming from? There is not a word or a suggestion in the bill from beginning to end as to how this money is to be secured. It is well known that various plans have at one time and another been considered by the committee, but each one has in turn been discarded, and now we have a bill without any provision whatever for securing the funds with which to pay the huge amounts required. The whole bill seems to have been framed upon the philosophy of the man who still thinks it possible to have his cake and eat it, too; or of those other optimistic individuals who are still trying to extract sunshine from cucumbers or to lift themselves by their boot straps. I ask again, Where is the money coming from? Certainly it is not in the Treasury of the United States, and there is no prospect of its coming there from any legislation now on the statute books. With the Treasury under a great strain; with more than \$6,000,000,000 of Victory notes to be financed in the next 15 months; a national debt, including loans to the Allies of over twenty-three times the total debt before the war; with all the productive agencies of the country staggering under the burden of excessive taxation; with millions of unemployed walking our streets; with credits for many months past almost at the breaking point, and rates of money and living costs only just beginning to recede from a level generally higher than for half a century; with a deficit of receipts over expenditures for the year forecasted at approximately \$300,000,000; with estimates of receipts from the income tax for the year 1922 about one-half what they were last year; with such a situation existing and the country just emerg-

ing from a financial condition which at various times has threatened results almost too appalling to contemplate, the danger of imposing at this time a further burden, which will certainly be as much as \$4,000,000,000, and will probably be five or six billions of dollars, and may, indeed, be a great deal more than that, with no provision whatever for paying it, seems to me so evident as to need no argument. A vote for such a proposition under such circumstances seems to me an act of utter folly, unworthy of any reasonable man.

Again, I am opposed to this bill, Mr. Speaker, because I believe we should put first things first. The primary obligation of this Government to its ex-service men is to the wounded and disabled. Consider for a moment what that obligation means. What are we now doing for these men? What has already been the expense to the Government on their account? What is it likely to be in the future?

I have before me a statement furnished by the Director of the Bureau of the Budget, giving me data concerning the United States Veterans' Bureau as of February 1, 1922. This statement shows the total of expenditures by the Government for its disabled ex-service men and their dependents from the date of the passage of the war risk insurance act, October 6, 1917, to February 1, 1922. It shows that the following amounts have been actually paid by the Government for the following purposes:

Vocational training	\$226, 293, 259. 70
Insurance	294, 621, 689. 83
Compensation	310, 149, 892. 17
Allotments	300, 947, 327. 60
Allowances	282, 107, 540. 78
Medical and hospital services	105, 655, 210. 91
Administrative	47, 561, 869. 53
Total	1, 567, 336, 790. 52

From these figures it will be seen that it has taken \$47,561,869.53 to administer a total of \$1,567,336,790.52 of actual expenditures. This, as I reckon it, is less than 3½ per cent.

The above-quoted statement of expenditures does not include the assumed liability of the Government by reason of insurance awards. This amounts to \$860,154,493. Nor does it include the \$60 bonus given to every ex-service man upon his discharge. This amounts to \$256,239,900. Nor does it include the amounts appropriated for the construction of hospitals. This figure is \$18,600,000.

If these amounts are also added to the expenditures noted above it will be seen that there had been on February 1, 1922, a grand total of expenditures to the ex-service men of \$2,702,321,185. This would still further reduce the percentage of cost of administration.

The following statement furnished me by the Bureau of the Budget gives in detail the principal operations of the Veterans' Bureau as of February 1, 1922:

Principal operations as of February 1, 1922.

INSURANCE.	
Number of claims received	172, 849
Number of claims allowed	150, 971
Commuted value of claims allowed	\$1, 323, 206, 545. 98
Amount paid in awards to date	\$294, 621, 689. 83
Amount paid out in January	\$9, 432, 913. 51
COMPENSATION.	
Claims received	775, 812
Claims allowed	388, 069
Claims active	204, 133
Commuted value of claims allowed	\$13, 158, 758. 32
Amount paid in awards to date	\$310, 149, 892. 17
Amount paid in January	\$10, 194, 506. 92
VOCATIONAL TRAINING.	
1. Number of applications	508, 726
2. Number entered training	138, 524
3. Number now in training	104, 923
4. Disbursements to date	\$226, 293, 259. 70
5. Disbursements in January	\$15, 012, 960. 75
HOSPITALIZATION.	
1. Total number of admissions to hospitals to date	212, 131
2. Number in hospitals:	
Tuberculosis	12, 198
Neuropsychiatric	8, 833
General and surgical	9, 614
Total	30, 645
3. Disbursements for medical and hospital services	\$105, 655, 210. 91
4. Disbursements monthly	\$6, 500, 000. 00

The assumed liability of the Government by reason of insurance awards amounts to \$860,154,493. This figure is arrived at by deducting the premiums collected from ex-service men, so that the total expenditure by the Government for disabled ex-service men amounts to \$2,427,491,285. To this amount also might be added \$256,239,900, which represents the \$60 bonus given to every ex-service man upon his discharge from military or naval service, which would make a total of \$2,683,721,185, to which there might be added \$18,600,000, the amount appropriated for the construction of hospitals, which would make a grand total expenditure to ex-service men of \$2,702,321,185.

II. Comparative table of annual pensions of allied countries in comparison with compensation paid by United States, per annum.

TOTAL PERMANENT DISABILITY (MAN ALONE).	
Great Britain	£104
(Value in United States dollars, \$376.48.)	
Canada	\$600
(Value in United States dollars, \$540.)	
France	francs 4,000
(Value in United States dollars, \$314.)	
Italy	lire 1,260
(Value in United States dollars, \$55.44.)	
United States	\$1,200

N. B.: In addition to compensation benefits, above referred to, the United States also pays insurance; if the ex-soldier becomes permanently and totally disabled, his insurance policy matures and he receives such payments in addition to payments of compensation.

III. Allowances by the various Governments for benefits of families of soldiers while they were absent in the military or naval service.

	Per annum.
France	\$50.15
Great Britain	202.36
Italy	11.24
United States	\$60.00

IV. The United States have approved for vocational training 303,276, and 104,923 are still in training. The minister of labor states that England under the labor ministry's scheme has approved 58,000 ex-service men for training, and 24,000 are still in training.

Rates of pay for enlisted men.

	per month.
Great Britain	\$11.40
France	do 1.50
Japan	do 1.78
Italy	do 1.58
United States	do 30.00
United States (if overseas)	do 33.00

VI. Table showing total amounts paid to soldiers of the various wars in which the United States has been engaged from 1790-1917.

Revolutionary War	\$70,000,000
War of 1812	46,054,572
Indian War	20,017,919
Mexican War	54,471,001
Civil War	5,749,030,456
War with Spain and Philippine insurrection	76,000,000

VII. Compensation at the rate of \$8 per month was all that was allowed soldiers of the Civil War who were disabled in the struggle to save the Union for 25 years after the Civil War, and now 60 years after the Civil War disabled veterans are allowed \$50 per month, or in case of absolute helplessness \$72 per month.

VIII. Spanish-American War veterans for 20 years after the close of the Spanish War were only allowed \$30 per month for commissioned officers of the rank of lieutenant colonel and higher rank who were totally disabled and \$8 per month for noncommissioned officers and privates who were totally disabled. Spanish-American War veterans are now limited to maximum of \$30 per month and a minimum of \$12 per month, depending upon degree of disability.

IX. The United States has spent as much as both France and Great Britain combined for benefits in favor of disabled ex-service men, despite the fact that the casualties of France and Great Britain were far greater.

From these figures and also from information furnished me by Col. C. R. Forbes, Director of the United States Veterans' Bureau, it is my understanding that the Government of the United States is now—

Paying out over \$1,000,000 in cash every day, including Sunday, directly into the hands of the ex-service man or his dependents.

Providing, without cost, hospital care and treatment to 30,000 veterans. This care includes board and lodging and represents an expenditure by the Government of \$80,000,000 per annum.

Giving vocational training, without cost, to over 100,000 disabled ex-service men at an expenditure for tuition and supervision of \$30,000,000 per annum.

Mailing out 650,000 checks every month, representing \$42,000,000.

Conducting an insurance business for over 600,000 ex-service men without any cost of administration to them. Insurance in force: Three and one-half billions.

Conducting over 50,000 medical examinations every month.

Giving outside treatment in cases where hospitalization is not required to 20,000 ex-service men every month.

Receiving 1,000 new claims every day in addition to the 1,200,000 already on file; employing 4,000 ex-service men and women in carrying out the work.

Requiring for 1922 expenditures in behalf of the disabled ex-service man, \$510,000,000—more than the entire expenditure of the whole United States in 1897.

The United States of America is already doing more for its disabled veterans than any country in the world, despite the fact that their losses were far heavier than ours.

I make these statements, Mr. Speaker, and quote these figures not for the purpose of showing that the Government of the United States has done its full duty, or, indeed, is doing all that should be done for its disabled ex-service men. I know that is not the fact. A great deal yet remains to be done. There is altogether too much delay in acting upon worthy claims. More hospitals must be provided to care for the sick in body and mind. If we may judge from experience following the Civil War, these disability claims are bound to continue and to in-

crease in number and amount for at least twenty or thirty years. Well-informed men believe that by the end of this period such claims may well have cost the Government as much as \$50,000,000,000.

With such a tremendous obligation, admitted by all to be of primary importance, confronting the Government, I, for one, feel that at least while business and economic conditions remain as at present, we should not impose further burdens upon our people in order to provide a "bonus" for perfectly well, able-bodied men.

Mr. FORDNEY. Mr. Speaker, I yield one minute to the gentleman from Oklahoma [Mr. HERRICK].

Mr. HERRICK. Mr. Speaker and gentlemen, I am in favor of a soldiers' bonus. I may say that I am not satisfied with this bill, but I shall vote for the bill, because if we do not pass this bill I am afraid that the soldier boys will not get anything. Rather than that they shall not have anything I am going to vote for the bill. We took care of the 10 per cent plus men, we took care of the shipping interests, we took care of the railroads, and every grafter that had anything to do with the war [laughter and applause], and I would be ashamed to call myself an American citizen if we could not do a little something for the soldier boys. The soldier boys would not be in the deplorable condition that they are to-day if the profiteers had not seen huge and heretofore undreamed-of profits to be gotten out of getting the United States into the European war. All the rant, cant, and propaganda that they had put out about the United States entering the war to make the world safe for democracy was a fake and a fraud and a lie upon the intelligence of the people. The United States was forced into the war for two reasons and two only: First, to make the world safe for three and one-half billions of British bonds held by J. P. Morgan & Co. and a few other New York profiteers; second, the colossal profits that the profiteers knew that they could reap by plunging the Nation into war, and which subsequent history has since proved that they did reap. In this crime against the American people the Democratic Party was far more guilty than the Republican Party, because the Republican Party was honest enough to demand that the United States should enter the war when the Germans sank the *Lusitania*; and if the United States ever was going to get into the war that was the time to get into it or forever stay out of it. From that time on the Republican Party was a war party, and was honest enough to openly advocate the entrance of the United States into the war, while the Democrats hypocritically pretended to be a peace party and won the election in 1916 upon the false cry "Wilson kept us out of war." The fact that the Democrats won that election upon an antiwar platform was positive proof that the American people were unalterably opposed to the United States departing from the time-honored policy of no participation in any foreign entangling alliances. Had the United States not entered the war it would probably have been fought to a draw, and even had the Germans won they would have been too exhausted to attack anyone more than 3,000 miles away with a broad ocean between.

All of the statements that the propagandists had put out that the Germans intended to attack and sack the United States was the veriest rot and drivel, put out solely for the purpose of working the people up into a frenzy in order that the people would sanction the sacking of the United States by the war profiteers, which was duly done on a colossal scale such as was never known before. They saddled upon the country a debt of \$34,000,000,000 as an immediate debt and untold billions in compensation, hospitalization, and war-risk insurance payments, to say nothing of the loss of undetermined billions of productive wealth by the crippling and the impairment of the health of 4,000,000 of our national man power, thereby destroying their ability to produce wealth to the extent of undetermined billions. And now it is these same enemies of the Nation who, under the guise of patriotism, robbed the Nation of untold billions, who are raising the cry that the Nation is unable to pay the ex-service man a small stipend to partly compensate him for the irreparable injury that they have done to him. It was these same hellions that by their frenzied opposition have prevented the passage of any bonus bill that would be of any real benefit to the ex-service man. This miserable makeshift of a so-called adjusted compensation act really ought to be entitled "a bill for the enabling of the banks to collect additional interest and for the creation of additional Government expense by the creation of unnecessary clerical expense." Under title (V), adjusted service certificates, section 501, the Secretary of the Treasury, upon certification from the Secretary of War or the Secretary of the Navy, is directed to issue to the veteran a certificate which the veteran can take to a bank and borrow 50 per cent of its face value thereon, paying the banker interest there-

for. Now, if the Government is going to issue to the veteran a certificate upon which he can borrow circulating medium paper money, which money will in many instances be United States notes, why the devil can not the Government issue sufficient noninterest-bearing United States notes to pay the veterans' bonus, and pay the veteran in full without compelling him to pay part of his bonus to the banks in interest? If the salaries of the Members of Congress can be paid in United States notes, as they are, why the devil can not the soldiers' bonus be paid in United States notes? Yes; I know that those who think that this Government can not do anything except by indirection and that nothing will be done right unless it gives the bankers and profiteers a share in it will say that this is a wild and visionary proposal, and will shout that the United States notes would be fiat money, and that there would be nothing back of them; but if you would ask them what is back of Government bonds and what would be back of these certificates, they would immediately reply, "Why, the whole credit of the United States Government," and they would be quite correct, except that the United States notes would also have the entire credit of the whole United States back of them also.

The only difference between a United States bond and a United States note is that the bond draws interest and the note does not; and further, that the bond is not subject to taxation, while the United States note, being circulating medium, is. Therefore, the bond is a favored investment for those who belong to the class that have, and want to hide away, their wealth in nontaxable securities and thus escape paying their just proportion of the burden necessary in maintaining the Government. It is high time that something be done to check the rapid concentration of the entire wealth of the Nation in the hands of about 2 per cent of the population. This condition is rapidly approaching, and when that day comes it will mean the dissolution of the Government either from internal disorder or external aggression, for this has been the cause of the decay and the decline of every nation that rose to world power and then declined to oblivion since the dawn of primeval time. I say, in all sincerity, that if something is not done to check this rapid absorption of all the national wealth in the hands of an infinitesimal portion of the population and the dispossession of the masses, there are many men who are now Members of this Congress that will live to see the day when the red banner of Bolshevism will float over this Capitol. For it should be remembered that money of itself is not wealth, but is merely the medium for measuring and controlling wealth. Wealth is food, clothing, shelter, buildings, lands, and tools to work with. The minimum wealth of this whole Nation has been estimated at \$287,000,000,000, and our present national debt at \$24,000,000,000, so I fail to see just how the adaption of one-half of \$1,000,000,000 in noninterest-bearing United States notes would bankrupt the country, for in so long as a nation does not owe more than the total amount of wealth in the nation amounts to, the nation is not broke.

But even this method need not have been resorted to; there were still other methods. One would have been to have taxed back from the profiteers a little of the stupendous and heretofore unheard-of profits that they made during the war on account of the boys being over there, amounting, in some instances, to from 400 to 1,400 per cent. This could have been done by the reenactment of an excess net profits tax, with a tax upon excess dividends, and a tax on stocks and bonds.

There was still another way, and that was to have compelled England and France to pay us the \$500,000,000 interest that they owe us on the \$10,000,000,000 that they borrowed from us, and which they are using to further strengthen their militarism, and use it to pay our soldier boys their long overdue compensation.

And still there was another way. That would have been to have passed House bill 8454, a bill by Mr. HERRICK levying a 50 per cent net profits tax upon the film producers and theatrical shows. This would have absorbed, for the laudable purpose of paying the soldier boys their compensation, some of the excessive and inordinate profits that the movie film producers make and spend in Bacchanalian revels, such as the "Fatty" Arbuckle debauch and many others that the daily press has been filled with during the last six months.

The Democrats are very loud of mouth concerning Republican procrastination in granting compensation to the ex-service man and Republican toadying to the grafters and profiteers. Unfortunately, these charges are only too true. But by what right do the Democrats arrogate to themselves the right to cast stones? Was it not a Democratic President "who kept us out of war"? Who plunged us into war and sent these same boys overseas to become crippled up? And was it not a Democratic administration who flung wide the gates of the United States

Treasury to the wildest orgy of profiteering that the world has ever known? And was it not a Democratic administration who, instead of issuing noninterest-bearing United States notes for the payment of conducting the war, foisted upon the people the so-called Liberty bond graft, wherein each individual had arbitrarily assigned to them a certain quota of bonds which they were required to purchase regardless of whether they were able to purchase them or not under penalty of being charged with being pro-German? As at least 90 per cent of the people to whom quotas of bonds had been assigned had no money with which to purchase the bonds, they were, of course, compelled to go to money lenders and give their notes, with 10 per cent interest, and when their notes became due the bonds, which they were assured would be worth 100 cents on the dollar, had depreciated to 84 cents on the dollar, and the makers of the notes were compelled to forfeit the bonds to the holders of the notes at the then market price, and to pay to the holders of the notes the differential of \$16 upon the hundred, with the 10 per cent interest, making a net loss to the individual to whom the bond had been assigned of \$26 on the hundred; and in some cases, where the holders of the notes were complete Shylocks and also confiscated the 4 per cent due from the Government, of \$30 upon the hundred. This, to my mind, was one of the two major causes for our present era of depression. This, coupled with profiteering, bled the country white financially. And yet this is the party that is asking the electorate to return them to power. Would it not be better for the people to purge the Republican Party of whatever undesirable elements it may contain, and continue the Republican Party in power, than to return the Democratic Party to power after saddling upon the country a calamity from which it will take a generation for the country to recover from its baneful effects?

Mr. FORDNEY. Mr. Speaker, I yield one minute to the gentleman from Pennsylvania [Mr. BURKE].

Mr. BURKE. Mr. Speaker and Members of the House, I am for the soldier bonus bill. When our lads left their native land to fight on foreign soil, the hearts of the American people went with them. The hearts of the American people are with them in their struggle to secure consideration and just recognition from this Government. They followed their flag to a foreign land; they brought it back unspotted and unsoiled. This Nation owes them a debt of gratitude that can never be paid. [Applause.]

Mr. GREEN of Iowa. Mr. Speaker, I have the highest respect for those gentlemen who have frankly avowed that they are opposed to any kind of additional compensation to the soldiers whatever. I would be better pleased, however, if the others who have stated here they were going to vote against it had frankly made the same avowal. Their actions, however, speak for themselves. Have these gentlemen who propose to vote against this measure and now criticize the bill ever approved any of the numerous plans that have been presented? Have they now any plan to present to you? They have not. They never have presented a plan.

Mr. McFADDEN. Mr. Speaker, will the gentleman yield?

Mr. GREEN of Iowa. No; I can not; I have only the short time remaining.

Mr. McFADDEN. The gentleman knows that I have presented a plan.

Mr. GREEN of Iowa. In the two years that we have been deliberating over this bill and wondering whether after all Congress would give the soldiers any compensation nobody has ever been able to devise any plan that met with the approval of these gentlemen. Of course there are gentlemen on the floor here, like the gentleman from Pennsylvania [Mr. McFADDEN] and like some gentlemen on the other side of the House, who can each fix up a bill that he in his wisdom would approve, but that no other man in the House would vote for. [Applause.]

Mr. Speaker, when this bill was first introduced it was almost universally hailed in Congress as a solution of the difficulties surrounding the subject of adjusted compensation, and it seemed to be conceded that it met and overcame the objections which had been made to the bills heretofore introduced. The main objections to previous bills, and the only objections that were ever taken seriously, were made against the cash bonus and the fact that the previous bills, if enacted, would immediately cause large drafts upon the Treasury, which could only be met either by increased taxes or Treasury certificates. The bill now before the House obviates both of these objections. The cash bonus is done away with. No very large sums, comparatively speaking, will be drawn from the Treasury for more than three years. No new taxes are necessary, and nothing could be more useless than to tax the people to raise money that is not needed. Moreover, if we get, within the next three years, the interest

which we expect to receive on what foreign nations owe us, the amount due from England alone will far more than take care of what will be required in the future.

Under these circumstances we expected general approval of the bill, and it would have been so received if an organized and well-financed propaganda had not been started, not merely to misrepresent the bill but to falsify its provisions. As soon as it became evident that the bill would pass by an overwhelming majority bedlam broke loose, with all kind of crazy statements from people who knew nothing about the bill and could not, in the very nature of things, have looked at it at the time they made their objections. Even on this floor to-day there have been so many misstatements of what is contained in the bill that I could not in an hour correct them, if I did nothing else. One common statement is that the bill gives the man who only served on this side the same as those who had overseas service. A casual reading of the bill would show that this is not so. Another statement is that it gives large sums to those who only served a few days on this side. The fact is that those who only served 60 days receive nothing under the bill, and no one gets anything except for the number of days in excess of 60 days he served. Another common statement is that the farm-settlement option would involve the Government in enormous expense under the reclamation provisions. If gentlemen that made such statements had only given a little thought and study to these provisions they would have discovered that this plan is the least expensive to the Government, for those who take the option, of any of the five provided. Those taking it are merely allowed their service-credit pay as a payment upon the tract which they enter, and every other expense by the Government must be repaid in the same manner as upon the reclamation projects now carried on by the Government. Nor can any money be expended under this provision unless it is first approved by the board created to supervise these provisions, next approved by the Budget Bureau, next by the Appropriations Committee, next by Congress, and, lastly, by the President. The only danger connected with this provision is that we have taken such pains to safeguard it that a question may arise as to whether anything will be done under it, and it must be admitted that it will be several years before any of these projects get fairly under way.

Mr. Speaker, I have observed that some metropolitan dailies have been foremost in misrepresenting the bill and abusing those who supported it. This line of criticism, utterly without fact or argument, is one in which the parties using it so especially excel, that I shall not enter into competition with them in its use. I notice, however, that these same newspapers have joined hands with the gentleman from North Carolina [Mr. KITCHIN], who wrote the minority Democratic report, although he was formerly so abhorrent to them. But, Mr. Speaker, I do not intend to use any time discussing that minority report, nor do I need to answer the attacks that have been made in these papers, or, as it seems to me, those which have been made on this floor to-day. They answer themselves with their inconsistencies and their contradictions. You have been told here to-day, on the one hand, that the bill gives the soldiers nothing and that it is merely a "gold brick"; and on the other hand, you have been told in this House by so distinguished a gentleman as Mr. MANN, of Illinois, and others, that enormous sums of money will be paid to the soldiers under this bill. You have been told by one set of objectors that the soldier would get no relief under its provisions; by others you were told that they would take large sums of money which were given them under the bill and squander every dollar of it, a statement not very complimentary to the men that fought our battles and won imperishable glory for our country on the fields of France. You have been told also that the soldier will be able to get no money at the bank, although other gentlemen have told you that the poor banker was being imposed upon by the bill and being compelled to make what they called "forced loans" in great amounts.

If parties who are not familiar with the bill had no better excuses to offer for not voting for it than what we have heard to-day and could only contradict themselves in attempting to justify their action, we would not be surprised. But, Mr. Speaker, we were amazed when the Secretary of the Treasury came before the Ways and Means Committee to hear him state in effect that it would be better for the Government to borrow an indefinite sum to meet a payment due at an unknown time than to take from the banks what might be needed in the next three years; and some of us could not restrain a smile when we heard the Comptroller of the Currency, who admitted that he had approved loans by banks on which the only security were mortgages on real estate running for five years, state that the

soldiers' notes, secured by the promise of the Government, due in three years or less, were nothing but "frozen securities," which ought not to be accepted by the banks. Such statements require no refutation. Like other arguments that have been made here to-day, they refute themselves. They were made by those who do not approve of the soldiers being granted any additional compensation whatever, and who would not be satisfied with any plan which proposed giving it to them.

Mr. Speaker, I never impugn the motives which actuate any Member of this House, but I must say that those who propose to vote against this bill are now found in very poor company. Every man who, all through the war, devoted his energies to his own selfish interest, and thereby piled up a great fortune without aiding the war, is opposed to this bill. Every slacker that refused to take his share of the Government bonds which were offered during the war is opposed to this bill. Every war-time profiteer who gouged the people and bilked the Government until his swollen profits fairly dripped from the ends of his fingers is opposed to this bill. Every man that interfered with recruiting and gave aid and comfort to the enemy is opposed to this bill. Go into any extremely wealthy community filled with people that could pay their share of the expense under this bill and never feel it, mostly people who profited by the war, and there you will find most numerous those who are opposed to this bill. They tell us that we who support the bill are afraid of the soldiers' vote. Is not the real truth rather that those who are opposing the bill are afraid of the influence, power, and the wealth of these classes who have started the propaganda against it and the attacks of newspapers owned by multi-millionaires?

Mr. Speaker, they tell us that we are not ready for this measure, that the country is not financially situated to carry it out. If not, when in Heaven's name will it be? Shall we wait until a greater part of the soldiers have passed away? Shall we wait until those who survive have passed the time when aid would do them any good? Shall we wait until the foes of this bill can say that there is no longer any use for it? Does it not seem as if that was their plan?

You have been sitting here seven hours. A few more words and I conclude.

Gentlemen of the House, in these days when socialism, sovietism, Bolshevism threaten to undermine our institutions, the soldiers that came forward willingly to risk their lives in the defense of their country are still the great bulwark of our institutions, and upon their continued support the safety of this Nation must depend. You can not convince these men that they have been treated fairly after this Government, with at least the tacit approval not only of Congress but of the people at large, paid during the war to workers in our shipyards and ammunition plants from three to five times the wages which they received. Nor can you convince them that this country, by far the wealthiest and best situated financially of any nation upon the globe, is not in a position to carry out the provisions of this bill, when devastated France and ravaged Belgium have joined with Canada, Australia, and England in giving additional compensation to their soldiers since the war. This bill provides for the issuance of endowment insurance policies to the soldiers, having a loan value; but it also, in effect, contains in its provisions an insurance policy for the Government itself and the people of this Nation in the continued support of the great army which won the war. I feel that this bill appeals to your judgment and I say these last words in the debate satisfied that it will pass by an overwhelming majority. [Applause.]

The SPEAKER. The question is on the motion of the gentleman from Michigan [Mr. FORDNEY], that the House suspend the rules and pass the bill.

Mr. FORDNEY. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 333, nays 70, answered "present" 4, not voting 22, as follows:

YEAS—333.

Almon	Beedy	Britten	Carew
Anderson	Begg	Brooks, Ill.	Carter
Andrew, Mass.	Bell	Brooks, Pa.	Chalmers
Andrews, Nebr.	Benham	Brown, Tenn.	Chandler, Okla.
Ansorge	Bird	Browne, Wis.	Chindblom
Anthony	Bixler	Bulwinkle	Christopherson
Appleby	Blakeney	Burdick	Clague
Arentz	Bland, Ind.	Burke	Classon
Aswell	Boies	Burtress	Clouse
Atkeson	Bond	Butler	Codd
Bacharach	Bowers	Byrnes, S. C.	Cole, Iowa
Bankhead	Bowling	Cable	Cole, Ohio
Barbour	Brand	Campbell, Kans.	Collins
Barkley	Brennan	Campbell, Pa.	Colton
Beck	Briggs	Cantrill	Connell

Connolly, Pa.	Hersey	Martin	Shelton
Cooper, Ohio	Hickey	Mead	Shreve
Cooper, Wis.	Hill	Michaelson	Siegel
Copley	Hoch	Michener	Sinclair
Coughlin	Hogan	Miller	Sinnot
Crago	Huddleston	Millsbaugh	Slomp
Cramton	Hudspeth	Mondell	Smith, Idaho
Crisp	Hukriede	Montoya	Smith, Mich.
Crowther	Hull	Moore, Ill.	Smithwick
Cullen	Hutchinson	Moore, Ohio	Sproul
Curry	Ireland	Morgan	Stafford
Dale	James	Morin	Steagall
Dallinger	Jeffers, Nebr.	Mott	Stedman
Darrow	Jeffers, Ala.	Mudd	Steenerson
Davis, Minn.	Johnson, Ky.	Murphy	Stephens
Dempsey	Johnson, Miss.	Nelson, A. P.	Stevenson
Denison	Johnson, S. Dak.	Nelson, J. M.	Stinnes
Dickinson	Johnson, Wash.	Newton, Mo.	Stoll
Doughton	Jones, Pa.	Nolan	Strong, Kans.
Dowell	Jones, Tex.	Norton	Strong, Pa.
Drane	Kearns	O'Brien	Sullivan
Driver	Keller	O'Connor	Summers, Wash.
Dunbar	Kelley, Mich.	Oldfield	Swank
Dunn	Kelly, Pa.	Olpp	Sweet
Dupré	Kendall	Osborne	Swing
Dyer	Kennedy	Overstreet	Tague
Echols	Ketcham	Paige	Taylor, Colo.
Edmonds	Kless	Park, Ga.	Taylor, N. J.
Ellis	Kincheloe	Parks, Ark.	Taylor, Tenn.
Evans	Kindred	Patterson, N. J.	Temple
Fairchild	King	Perlman	Ten Eyck
Fairfield	Kinkaid	Petersen	Thomas
Faust	Kirkpatrick	Porter	Thompson
Favrot	Kissel	Pou	Tillman
Fess	Kline, Pa.	Pringey	Timberlake
Fish	Knutson	Purnell	Pincher
Fisher	Kopp	Quin	Towner
Fitzgerald	Kraus	Radcliffe	Tyson
Focht	Kreider	Rainey, Ill.	Upshaw
Fordney	Kunz	Raker	Valle
Foster	Langley	Ramseyer	Vare
Frear	Lankford	Rankin	Vestal
Free	Larsen, Ga.	Ransley	Vinson
French	Larson, Minn.	Rayburn	Voigt
Frothingham	Lawrence	Reece	Volk
Fuller	Lazarus	Reed, N. Y.	Volstead
Fulmer	Lea, Calif.	Reed, W. Va.	Walters
Funk	Leatherwood	Rhodes	Watson
Gahn	Lee, Ga.	Ricketts	Weaver
Gallivan	Lineberger	Riddick	Webster
Gensman	Linthicum	Riordan	Wheeler
Gerner	Little	Roach	White, Kans.
Gilbert	Logan	Rohsion	White, Me.
Goldsborough	London	Rogers	Williams
Goodykoontz	Longworth	Rose	Williamson
Gorman	Lowrey	Rosenbloom	Wilson
Graham, Ill.	Luhrling	Rossdale	Wingo
Green, Iowa	Lyon	Rouse	Wise
Greene, Mass.	McClintic	Rucker	Woodruff
Griest	McCormick	Ryan	Woodyard
Griffin	McKenzie	Sabath	Wright
Hadley	McLaughlin, Mich.	Sanders, Ind.	Wurzbach
Hammer	McLaughlin, Pa.	Sanders, N. Y.	Wyant
Hardy, Colo.	McPherson	Sanders, Tex.	Yates
Haugen	McSwain	Sandlin	Young
Hawley	MacGregor	Schall	Zihlman
Hayden	Madden	Scott, Mich.	
Hays	Maloney	Scott, Tenn.	
Herrick	Mapes	Shaw	

NAYS—70.

Ackerman	Freeman	Lee, N. Y.	Reavis
Black	Garner	Lehlbach	Robertson
Bland, Va.	Garrett, Tenn.	Luce	Sears
Box	Garrett, Tex.	McArthur	Sisson
Buchanan	Glynn	McFadden	Snell
Burroughs	Gould	McLaughlin, Nebr.	Snyder
Burton	Graham, Pa.	Magee	Summers, Tex.
Byrns, Tenn.	Greene, Vt.	Mann	Tilson
Cannon	Hardy, Tex.	Merritt	Tinkham
Chandler, N. Y.	Harrison	Mills	Treadway
Clarke, N. Y.	Hawes	Montague	Underhill
Cockran	Hooker	Moore, Va.	Walsh
Collier	Humphreys	Newton, Minn.	Ward, N. Y.
Connally, Tex.	Husted	Oliver	Wason
Davis, Tenn.	Kahn	Padgett	Winslow
Dominick	Kline, N. Y.	Parker, N. J.	Woods, Va.
Drewry	Knight	Parker, N. Y.	
Fenn	Lanham	Perkins	

ANSWERED "PRESENT"—4.

Deal	Layton	Moore, Ind.	Wood, Ind.
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NOT VOTING—22.

Blanton	Himes	Mansfield	Rodenberg
Brinson	Jacoway	Ogden	Speaks
Clark, Fla.	Kitchin	Parrish	Taylor, Ark.
Elliott	Klecza	Patterson, Mo.	Ward, N. C.
Fields	Lampert	Rainey, Ala.	
Hicks	McDuffie	Reber	

So, two-thirds having voted in favor thereof, the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Patterson of Missouri and Mr. Lampert (for) with Mr. Kitchin (against).

Mr. Speaks and Mr. Ward of North Carolina (for) with Mr. Deal (against).

Mr. Elliott and Mr. Kleczka (for) with Mr. Layton (against).

Mr. Jacoway and Mr. Fields (for) with Mr. Hicks (against).

Mr. Blanton and Mr. McDuffie (for) with Mr. Himes (against).

Until further notice:

Mr. Wood of Indiana with Mr. Taylor of Arkansas.

Mr. Ogden with Mr. Brinson.

Mr. Moores of Indiana with Mr. Clark of Florida.

Mr. Rodenberg with Mr. Mansfield.

Mr. Reber with Mr. Rainey of Alabama.

Mr. DEAL. Mr. Speaker, I would like to withdraw my vote of "nay" and answer "present." I am paired with the gentleman from Ohio, Mr. SPEAKS, and the gentleman from North Carolina, Mr. WARD. Had they been present, they would have voted "yea."

Mr. CLARKE of New York. Mr. Speaker, although my colleague, Mr. HICKS, is paired, I am requested by him to say that had he been present he would have voted "nay."

Mr. BURTON. Mr. Speaker, I am requested by my colleague, Mr. HIMES, who is absent because of illness, to say that had he been present he would have voted "nay."

Mr. LAYTON. Mr. Speaker, I want to withdraw my vote of "nay," because I am paired with the gentleman from Indiana, Mr. ELLIOTT, and the gentleman from Wisconsin, Mr. KLECZKA.

Mr. LANGLEY. Mr. Speaker, I have a general pair with the gentleman from Florida, Mr. CLARK, but I am satisfied from what he has told me that if present he would vote for this bill, and therefore I wish to let my vote of "yea" stand.

The result of the vote was announced as above recorded.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Craven, its chief clerk, announced that the Senate had insisted upon its amendments to the bill (H. R. 9859) making appropriations for the Post Office Department for the fiscal year ending June 30, 1923, and for other purposes, disagreed to by the House of Representatives, had agreed to the conference asked by the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. TOWNSEND, Mr. STERLING, Mr. MOSES, Mr. WALSH of Massachusetts, and Mr. BROUSSARD as the conferees on the part of the Senate.

ENROLLED BILLS SIGNED.

The SPEAKER announced his signature to enrolled bills of the following title:

S. 3265. An act construing the expression "all employees in the classified civil service of the United States," as used in section 1 of the act of May 22, 1920, entitled "An act for the retirement of employees in the classified civil service, and for other purposes."

S. 3209. An act granting to the Northern Pacific Railway Co. the right to construct and maintain a bridge across the Mississippi River at Minneapolis, in the State of Minnesota.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. RICKETTS, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States, for his approval, the following bills:

H. R. 7881. An act to authorize the Governor of the Territory of Hawaii to ratify the agreements of certain persons made with the commissioner of public lands of the Territory of Hawaii, and to issue land patents to those eligible under the terms of said agreements; and

H. R. 10559. An act making appropriations for the Departments of Commerce and Labor for the fiscal year ending June 30, 1923, and for other purposes.

EXTENSION OF REMARKS ON ADJUSTED COMPENSATION BILL.

Mr. GORMAN. Mr. Speaker, I do not like this bill—H. R. 10874—to provide adjusted compensation for veterans of the World War, but I am going to vote for it. I do not like it because, in my opinion, it does not treat the saviors of civilization with even a modicum of the liberality which a rich, powerful, and grateful nation ought to bestow upon its gallant defenders.

I do not like to visualize the veteran compelled to hawk his nonnegotiable certificate and pay interest for a loan thereon when he should have received cash for his adjusted compensation directly from Uncle Sam. This is called an adjusted compensation bill, but that is a misnomer. Some of my colleagues have referred to it as a bonus bill, but that is an insolent appellation, because a bonus begins where adjusted compensation leaves off. I am going to vote for it, because those who control the bill and those who control the parliamentary situation have been compelled to decree, in the face of a storm of opposition, that the veterans will take this bill just as it is or nothing. The rule permits of no way of improving the bill by amendments or a motion to recommit, and if it were defeated the veterans would not have a China-

man's chance of ever getting adjusted compensation. It is a case of Hobson's choice—take it or leave it. Therefore on the principle that a half loaf is better than nothing at all, I will vote for this bill, doing so, however, with a deep conviction that we are not measuring up to the American standard of national justice in this exhibition of warped prodigality.

During and since the war everybody received a bonus except those who fought the war. The three-dollar-a-day stay-at-homes had their pay boosted all the way from \$5 a day to \$30 a day. The corporations, the banks, the shipbuilders, the munitions makers, the food profiteers, the rapacious landlords—everyone engaged in business at home—obtained bonuses piled upon bonuses until the sky line was reached. Even the newspapers, some of which are denunciatory of adjusted compensation for World War veterans, received their bonuses in increased subscription and advertising rates during the war orgy. Yet when the heroes of war ask for a small measure of the stipends they lost while engaged in a life-and-death struggle they are told it is sordid to put a price upon bravery and sacrifice. Piffle! Such sophistry is nauseating. If they were exacting toll for their bravery they would become possessed of all the wealth of the Nation. It was their sacrifices which saved our nationhood. It was their bravery which determined the present rate of exchange—which debased the German mark and Austrian crown and made the American dollars the highest-valued coin in the entire world.

If those sacrifices were not successfully and heroically made the opulent opponents to adjusted-compensation legislation would now be impoverished by the confiscation of their wealth in the payment of indemnities to the different set of victors.

There are many methods any one of which might be resorted to in order to give the defenders of the Nation adjusted compensation more commensurate with their deserts than is provided for in this bill. Adequate adjusted compensation might be paid in cash out of the excess profits of corporations, out of the pyramided profits of war contractors, out of the spoils of the war's 30,000 newly made millionaires, out of the economies effected by the Director General of the Budget, and out of the curtailed appropriations for the Army, the Navy, and other governmental departments, so intelligently effected by the House Committee on Appropriations.

Adequate adjusted compensation might be paid in cash out of the issuance of bonds, out of short-time negotiable Treasury certificates, or out of the ten billions and interest owed to us by our late allies.

An adjusted compensation bond issue would increase the monetary circulation of the country, place a new spending power in the hands of 4,000,000 veterans, and thus bring about a revival of business through the production of things the people will buy, put the unemployed to work, stimulate agriculture and industry, and make justice the handmaid of prosperity.

Mr. YOUNG. Mr. Speaker, the Representative from West Virginia [Mr. BOWERS] has no press agent and is slow to talk about himself. Probably few know that it was he who suggested the compromise which made it possible to report this bonus bill in a form which would stand a chance of its passage by the House and Senate and its approval by the President.

The Republican members of the committee had been working early and late for days and weeks, and all proposals were being voted down or vigorously opposed, no matter by whom submitted. Finally, late one afternoon the gentleman from West Virginia [Mr. BOWERS] suggested that the cash-payment feature be eliminated; that the Government undertake to make no loans until after a period of three years; and that in the meantime banks should be authorized to make loans upon the soldiers' insurance certificates. This suggestion met with a quick, hearty, and favorable response from all members present. From that time it was only a question of changing the bill to conform to these broad lines. While all members of the committee worked hard, and the chairman particularly worked untiringly, the solution of the problem, which had reached an impasse, belongs to BOWERS.

Mr. BROWNE of Wisconsin. Mr. Speaker, under the leave granted I desire to extend my remarks by inserting a letter written by myself in reply to a letter received by me written by the Harrison, Smith Investment Co., of Philadelphia, expressing my views on the soldiers' adjusted compensation bill:

MARCH 21, 1922.

HARRISON, SMITH & CO.,
Investment Securities, 121 South Fifth Street,
Philadelphia, Pa.

GENTLEMEN: Your letter of recent date opposing the soldiers' bonus bill has been received and contents carefully noted. You state that passing a soldiers' bonus bill spells "inflation," as the sum thus raised will be given away for services already paid for, and, like all moneys thus received, will be spent unproductively, on the old "easy come, easy go" principle.

In answer to the above statement in your letter, I wish to say that the so-called bonus is not in the nature of a bonus or a gift. It is adjusted compensation for soldiers. I take issue with you and emphatically deny your statement that the amount of money appropriated for the soldiers will be given for services already paid for. Thirty dollars a month was allowed the soldiers; part of this amount was withheld for insurance and other deductions, so the soldier received very little. Not 1 soldier in 1,000 was able to bring home one dollar that he had saved. Young men spent from one to two years in the service of their country.

They not only risked their lives but underwent the severest hardships and privations which will tell on their health in future years. They made no complaint but fought with a courage and enthusiasm that placed them side by side with the bravest of our soldiers in other wars, and in all ways they lived up to the highest traditions of American valor.

After winning the war these citizen soldiers returned to their homes and were welcomed by a grateful people. But what about their former employment, for none of these healthy, strong young men were idle when they enlisted? A very large proportion found others in their jobs that they had formerly occupied, and they found a million more men than there were jobs. They also learned that civilians doing the same work they had formerly done had received from two or three or even four times the compensation they had received for the same work. They also learned that some of the men who seemed the most patriotic and cheered the loudest upon America's entering the war capitalized their patriotism and exploited the people and made large fortunes by so doing. That corporations in existence in 1917, when we entered the war, were capitalized at \$25,000,000,000. That these same identical corporations, besides paying enormous profits, oftentimes exceeding 100 per cent, passed over to surplus and increased their capital stock the enormous sum of \$10,000,000,000, this tremendous increase of corporate wealth being entirely due to the war. That one individual in the United States in one year of the war had an income of \$34,000,000. Two other individuals had incomes of sixteen million each; and 248 men, whose incomes were each over \$1,000,000 in a single year, and these people had exerted enough influence to have the excess-profits tax repealed and the surtaxes lowered, and now propose a sales tax on everything we eat and wear to raise revenue to pay the expenses of the war.

With the enactment of the Fordney bonus law the United States will then have done less for her soldiers than Canada has done for her soldiers.

I intend to support the so-called bonus bill, which is more properly an adjusted compensation bill, and regret that this bill does not deal more generously with the veterans of the World War than it does.

I am, yours respectfully,

E. E. BROWNE.

Mr. O'BRIEN. Mr. Speaker, it is my intention not only to vote for the bonus bill but to influence as many others as I possibly can to obtain their support for this measure. While this bill is not entirely satisfactory to me; while in fact it is rather a shifting, evasive proposition, and has not received the honest consideration it deserves, and while it does not go far enough as a matter of honest dealing, it is a step in the right direction, and as such I approve of it, feeling that my course will be sustained by all fair-minded people of the country. There has been some propaganda in certain circles against this bill, but it not only proves the stupidity, arrogance, and selfishness of those who are against the bonus bill, but it has made those who are in favor of it more determined than ever before to carry the measure to a successful conclusion. The opposition to it has developed among a certain class of international bankers who would involve us in foreign broils, who would wipe out, if they dared, the debt of \$11,000,000,000 that European countries owe us, and who are now most active in effecting a foreign pact or treaty that virtually means an alliance of this country with England and Japan.

I well recall the many days shortly after war was declared when we assembled in the armory and to patriotic music marched gaily to the train and wished Godspeed to the boys who were about to become part of the greatest Army that the world ever knew, and which fought for the greatest cause that human endeavor could ever inspire. From those who by force of circumstances were compelled to remain at home the hearts, the hopes, and the prayers went with them, and it was this perfect, though invisible, bond of sympathy and affection for our boys that led them on to die and dare in their efforts and determination to protect the altars and the homes of their sireland. What the result has been and what have been the benefits for democracy and what the benefits have been to our own country the world well knows. And if this country has forgotten, Europe will long remember the accuracy of our fire and the thrust of our steel.

When the news of the first great American victory was wafted over the ocean to us, how we cheered and cried with joy over the valor of American arms, and as triumph after triumph was later recorded, what a feeling of exaltation came into our hearts that the final issue could never be doubted. With the termination of the war and the return of the American soldiers, our happiness knew no bounds; but such a sentiment did not long endure.

When we saw the armless sleeves, the crutches, the sightless eyes that would never again look upon the beauty of nature or behold the faces of their loved ones; when we saw those whose sense of hearing had been forever lost and to whom the beauty of music would be as nothing; when we saw the hollow-chested,

gaunt, and tottering bodies, the nerve-wracked, gassed specimens of humanity; when we saw those who, upon their departure, were in the first flush of manhood, return with a high color upon their cheeks and the fever and body-rending cough that showed that the dreaded consumption had claimed another victim for its own; and, even now, when we contemplate the thousands who still lie on a bed of pain, and those whose reason has been dethroned, to whom death will be a welcome relief, and when we further contemplate the fact that little or nothing has been done to alleviate their condition, we are almost impelled to ask, Is it true that Republics are ungrateful? I do not believe that we will permit the story to be transmitted to future generations that this great and powerful Government of ours has been unmindful of its duties toward its defenders.

Upon their return the thought of added compensation in the way of a bonus or remuneration never entered the minds of the American soldiers, but when this suggestion was made the people in their enthusiasm regarded as a fitting tribute in some slight way to show their appreciation of the heroism and accomplishments of our boys. Certainly the soldiers themselves never even hinted at such a proposition. They were satisfied to return to their homes and take their places in the industrial and commercial marts and other fields of endeavor which they had willingly left for the Nation's honor and defense in its time of peril.

To-day the ex-service man is concerned not so much with the thought of a bonus as he is with being placed in his original position so that he might again become a useful member of society and have the same opportunities for forging ahead that he had before the great catastrophe happened. The ex-service man does not want pity. He despises that as much as he laughed at death in the trenches. He wants the opportunity to receive that square deal which a great many mountebanks say should be his, but which has been so brutally denied him. He wants to forget about war and its horrors, and be restored to that place in American life where, by his industry and ability, he can perform work as beneficial to his country in peace time as he did on the field of battle. If those so-called captains of industry will not take care of him to such an extent, then it is the duty of this Government which he defended to make provision for him, either through the bonus or some other method that will help him to a new start in life and eventually result in the opportunity of making a decent living. The time to do that is now. One hundred dollars at the present time will be worth three times that amount in the future when, by the very force of circumstances, the country has regained its financial and industrial footing and necessity does not press as hard upon them as it does to-day.

The injustice of this whole affair is particularly noticeable when it is recalled that hundreds of thousands of these young men, in shouldering the gun, were taken suddenly from lucrative positions, in many instances with promises that their old places were theirs upon their return, and these young men are now forming a part of the bread line. One case in particular is fresh in my memory concerning an enlisted man from my own town, who, after receiving his honorable discharge from the Army, tramped the highways and byways for more than a year looking for an opportunity to supply himself with the bare necessities of life. In the city of New York it is a matter of recent record that in the line forming on the outside of one of the charitable institutions waiting for a pitiable dole of food were found two majors, four captains, several lieutenants, and a great number of privates.

Complete statistics are lacking to show to what particular extent this condition prevails in other cities throughout the rest of the country, but there is no doubt that this condition does exist and yet little or no effort has been made to remedy the situation. The financial interests are shocked at the mere mention of a bonus bill for the soldiers, but these same interests did not refuse nor did they protest against the granting of \$1,000,000,000 to the railroads, which still continue to stifle trade by their oppressive freight rates and other charges. Moreover, these same interests have been busy in spreading their propaganda to the effect that the ex-service man does not desire the bonus and are supported in their fight by those who are not primarily interested in the soldier. To those who are fortunate enough not to need this support from the Government, I would say there is no law compelling them to accept a bonus, and they can show their patriotism by returning it to the Government and so permitting it to go into other channels of commercial activity.

Another method of camouflage that is being resorted to by the financial interests is the alleged argument that it would take billions of dollars and many years to settle the question.

By such means do the financial interests hope to terrify the country and so arouse public sentiment against the bonus.

There is no question as to who won the war. The American soldiers alone saved Europe from the worst catastrophe in its history. If it had not been for the American soldiers Europe would not recover for the next 500 years. If the war had lasted six months longer, a condition which the American soldiers prevented, the drain on the National Treasury would be a great deal heavier than it is now with the speedy determination of the war, and the cost would have been double the amount now required in the bonus bill. If America had been defeated the probabilities are that we would not only lose some of our territory, but we would be paying an indemnity of \$1,000,000,000 a year for the next century. Why, then, object to these young men who actually saved our country from such a terrible possibility of receiving a comparatively small amount, the financial effect of which upon the whole country will quickly pass away. Why object to paying such a comparatively insignificant amount, when, if reverses had come to us, future generations would be carrying the almost unbearable burden of prolonged taxation.

Nor can we forget the eleven billions of dollars that European countries still owe us. We not only fought and won the war through American manhood, but our National Treasury was opened to the European powers to take therefrom any amount of money that might be necessary for their purposes. Not an attempt has been made to collect or pay this honorable debt. Not only would this sum meet all requirements in the matter of the bonus, but its liquidation would mean the beginning of an era of prosperity such as this country has never known. Seven hundred millions of dollars in interest alone remains unpaid, and this would go a long way toward meeting our financial requirements. It has been said that it would be an delicate matter to urge the immediate payment of the debt of these European countries. Has anybody in authority as yet attempted to demand the payment of the debt, with interest? If not, why has payment not been requested? The European powers were certainly not backward in asking us to loan them money. Why, then, should we now, nearly four years after the conclusion of the war, hesitate to demand what is rightfully ours?

Another question arises is why can these foreign powers pay a substantial bonus to their soldiers, while ours remain neglected? The answer is that our money is needed over there to pay a foreign bonus bill, and our soldiers must suffer the consequences. It is this sense of injustice that appalls the American people. It is this sense of indecency on the part of the financial interests, after making immense profits from the grime and blood of the American soldier, that shocks the country. A few months ago, on the third anniversary of Armistice Day, with the greatest honors that could be conferred upon a human being, the body of an unknown soldier, representing America in the World War, was placed in the rotunda of the Capitol at Washington. Amid pomp and splendor and majesty the greatest tributes of respect, admiration, and affection were paid to the lifeless clay that typified America in the World War. From the four corners of the earth came nations to lay a wreath of honor upon his bier. Escorted by a great cortege, such as this country has never before witnessed, the body was placed in its final resting place. Nothing was left undone or unsaid to make the occasion the most memorable of any kind in our history. In death no honor was too great to be accorded him; and the country bowed its head in grief in token of the sorrows of America.

If this unknown soldier were so deserving of the homage paid him, why may we not extend this sentiment of reverence to those who survived? We can not be true to the dead and at the same time remain false to the living. Those who have passed away in defense of American liberty have erected a monument more lasting than marble, more enduring than bronze, and their memory shall remain green with the countless millions who are yet to come and call this country blessed. The recollection of their deeds shall be as imperishable as the stars, and in their permanence shall serve as an inspiration to all who are determined to perpetuate American principles and American institutions. Their work is done, but it remains for us to perform our duty to those who, surviving in cripple and mangled form, played equally well their part in perpetuating the principles for which their companions in arms rendered the last full measure of devotion. For myself, I can say that my sense of gratitude to these men can never be fully expressed, because they protected my home, my family, and made it possible for me to still glory in my American citizenship. This sentiment should be shared by every American in this country, and a determination be made to fittingly remember those who

made the permanency of American liberty possible. For my part, let me express the hope that this Government of ours, living up to its traditions, will recognize its duty in this matter, and faithfully perform it. Let it be said that no American soldier, sailor, or marine, who manfully measured up to every situation at the time of the country's peril, will be neglected now by our Government in its hour of security. Let the American people exercise the same will to win as in former instances when success meant the very existence of our Republic, and in holding aloft the torch of justice so that all nations may see, it can be recorded in history that the Government of this generation has preserved our national honor.

Mr. GRIFFIN. Mr. Speaker, nearly two years ago, on May 29, 1920, this House passed a bonus bill, embodying the fivefold plan, very much like the bill before us. What became of it? It went over to the Senate where, after certain formalities having all the outward semblance of serious consideration, it was duly embalmed and buried. In the meantime a presidential election had come and gone. The partial passage of the bill had doubtless served its purpose, and we heard no more about the bonus for our valiant soldiers and sailors until the imminence of the 1922 congressional elections admonished our friends on the other side that they had better make good.

"ITS POLITICAL ASPECT."

This political aspect of the situation is very frankly and aptly shown in the Republican minority report, signed by Messrs. TREADWAY and TILSON. They are not deceived themselves and they are not willing to camouflage for partisan advantage. They say:

6. Attention is called to the significance of the date the certificates are to bear, namely, October 1, 1922. Expert testimony was given of the enormous amount of work that will be required and investigations to be made in order that the certificates shall be properly issued. With a large force of clerks and the best expert assistance possible, comparatively few certificates could be issued by that time, and it would be at least six months before any large number could be put out. The reason for the date, therefore, of the operation of the bill as October 1 next, one month prior to election, is very apparent.

The Ways and Means Committee, to which was assigned the task of rejuvenating the corpse of the old bill, began its work—a work in which not the slightest semblance of partisanship should have been permitted to enter—by holding secret sessions from which the Democratic members of the committee were excluded. They were so greedy for partisan advantage that they would not brook the presence of a single Democrat to share with them the glory. In short, they want this to go out to the world as a purely partisan measure. So be it. They can not, however, prevent us from voting for it. If it fails in the Senate, as it failed before, they alone must bear the responsibility.

HISTORY REPEATS ITSELF.

History has a perverse faculty of repeating itself. The bill of two years ago was brought before the House under a suspension of the rules. This parliamentary device limits debate and bars all amendments. To-day the same ruthless expedient is resorted to. It means that we must take it or leave it—an arrogant exercise of brute force which all self-respecting Members of this House must resent.

BILL NOT WHAT IT PURPORTS TO BE.

The bill before us purports to provide for adjusted compensation for the veteran who was deprived of his economic advantages by reason of his military service. The term, as applied to this bill, is a palpable misnomer. This country is not rich enough to provide real, honest adjusted compensation to make up for the economic losses of its soldiers and sailors. Their losses are far beyond our powers to calculate or appraise. We can never perhaps make up for those losses, but we can, at least, take the first step, the clear and obvious step that is apparent on the face of the proposition. If it is adjusted compensation that will meet the needs of the veteran, why not give it to him plainly and honestly without cluttering up the benefaction with a number of options and alternatives which can have no other effect than to make his relative position worse than before?

REAL ADJUSTED COMPENSATION.

He wants adjusted compensation. Very well, what was his compensation and how can we make him equal to his fellows? In the first place, you took from his pay sums ranging from \$3.25 to \$8 or \$10 per month under the guise of war-risk insurance. This was a preposterous proposition—to ask a soldier to pay for the risk incident to his service in protecting the flag and conserving the wealth of his country! The Government insured its ships; why should it not insure its soldiers and sailors? The first step toward adjusting his compensation, therefore, should be to return to the veteran the amounts deducted from his pay for war-risk insurance.

The next step should be to return to the veteran the allotments deducted from his pay for the support of his dependents. I know for a fact that the draft boards deliberately kept this factor in mind when they separated sons from their dependent parents and young husbands from their wives.

The allotments were compulsory. They amounted, on the average, to \$15 per month. This, together with the deductions for war-risk insurance, and also installments on Liberty bonds, left the devoted, patriotic soldier in the camps and trenches with only two or three dollars to supply him with little luxuries. These are the men who suffered real privation and who are in most need of adjusted compensation. Why not return to them the amounts so deducted for war-risk insurance and allotments?

WHAT WILL IT COST TO DO THE RIGHT THING.

What will it amount to, you ask? Well, the average service was 11 months. The average insurance to be returned would therefore be \$65 and the average allotments to be returned would be \$165, making a total of \$230 to be returned, on the average, to each veteran.

The cost of working out this plan would aggregate about \$520,000,000. Under the bill which I introduced to carry out this proposal (H. R. 10276) I provide for the issuance to each veteran of a certificate of indebtedness for the amount he is entitled to bearing 4½ per cent interest. This he can keep or negotiate at his pleasure. I do not limit him, as the bill now before the House does, to apply only to certain banks to negotiate the Government certificate. He can sell or pledge or negotiate it with whomsoever he pleases and get the face value without impairment and not be obliged to take a certificate, as under the bill before us, upon which he can only borrow half its face value.

My bill further provides that, if he so elects, the veteran may take paid-up insurance for such amount as his length of service warrants.

THE OPTIONS IN THE BILL RIDICULOUS.

As for the other options in the bill before us they have no place in an adjusted compensation bill. The first duty which confronts us is to adjust compensation, and this can only be justly and fairly done by putting all veterans on the same footing and restoring to them such amounts, deducted from their pay, as will make them all equal.

Having done that, then we are prepared to consider the other matters improperly tied up with the compensation question in the bill before us.

VOCATIONAL TRAINING AID.

What an absurdity it is to consider the vocational training of a veteran as such an imposition that it must be dragged into an adjusted compensation act as an instrumentality to deprive him of adjusted compensation. I consider the vocational education of the veteran as a duty the country owes him. I would provide for that by an amendment to the vocational rehabilitation act and consider his acceptance of training as a benefit bestowed on his country. I would establish scholarships in schools and colleges to which an honorable discharge from the United States Army or Navy would be a universal passport.

FARM AND HOME AID.

This addition to the pending "adjusted compensation" bill is also an incongruous inconsistency. We furnish loans to farmers to help them raise their crops. We might very well help the soldier to establish a farm or ranch without violating any precedents. Why tack such a provision as this upon a bill which purports to be intended to adjust compensation?

LAND-SETTLEMENT AID.

There is another anomaly. Why burden an adjusted compensation bill with legislation purporting to encourage the veterans of the World War to settle upon the vacant land? Every man, whether soldier or not, who takes up the pick and shovel of the pioneer and establishes a farm or ranch in the vast unsettled prairies or wildernesses of the land becomes a benefactor of the Nation. The soldier and sailor should be encouraged to take up this task, and he should be helped in his noble undertaking, but he should not have the ridiculous proposition put up to him that if he accepts this burden as one of the alternatives of the pending bill he shall be denied adjusted compensation. In this connection I can do no better than to quote from the exceedingly able minority report of my colleagues, Messrs. TREADWAY and TILSON:

8. Title VIII, known as the land settlement, establishes an expensive machinery of management, offers untold opportunity for reckless expenditure, and under the guise of veteran aid it permits, among other things, the board to lay out town sites and build unlimited highways. Such general authority should not be granted under the guise of veteran aid. Preference could have been given veterans under existing reclamation laws, accomplishing the purpose for which this title purports to be written.

A POLITICAL CATCH-ALL.

On the whole the bill seems to be a political "catch-all," primed and ornamented with a great variety of glittering bait to mystify, to daze, and to coax the soldier and sailor vote. All of which is utterly unnecessary, for all that the veteran has been seeking is an adjustment of his war-time compensation. To do this would take no more than two pages of a simple direct bill. Instead of that the majority of the Ways and Means Committee have constructed an elaborate maze of nine titles or chapters, covering 38 pages. For instance, it has one title or chapter devoted entirely to "definitions" and another on "miscellaneous items." In short, the ingenuity of the drafters of the bill seems to have been taxed to the utmost to produce a labyrinth of words and ambiguous complications.

Ninety per cent of the men who will vote for this bill realize that it is a trap, its objectionable features being purposely retained to entice the minority into a negative vote. I for one do not propose to be caught by such devices. I will vote for the bill.

Mr. GOULD. Mr. Speaker, nearly two years ago, when the so-called soldier bonus bill was passed by the House of Representatives, unavoidable absence from the city prevented my voting on the same. However, in order to be on record, announcement was made that had I been present I would have voted against the bill.

My position in the matter has not changed since that time, and I shall vote against the proposed bonus bill now under consideration.

I fully believe, in view of the economic conditions existing throughout the country, that if this bill becomes a law it will work undue hardship not only on the Government but the country at large. With our national debt of over \$23,000,000,000, payment of interest, running expenses of the Government amounting to approximately \$5,000,000,000 annually, and barely sufficient funds to meet the same, Congress should endeavor to carry out its program of economy in accordance with its pledge to the people as contained in the Republican platform of 1920.

The passage of this bill would add to our already overburdened Government debt billions of dollars of additional expense, and would exceed over and over the millions of dollars which this Congress has so successfully saved the Government by reducing appropriations and other unnecessary expenses. This bill provides for the payment of billions of dollars, but does not provide any means whatsoever, nor does it even contain a suggestion as to where the money is to come from to pay the same. The United States Treasury can not meet this additional expense without additional funds, and as this bill provides no source of revenue it can readily be seen that to meet the obligation which this measure imposes it will be necessary for the Congress at a future date to provide some source from which sufficient revenue can be secured.

In my judgment it will cause additional and increased taxation to all the people. Financial experts of the highest standing estimate that this legislation will increase the debt per family throughout our country to about \$253 per family, and the increased indebtedness equivalent to an amount equal to \$9,000,000 additional on the property and assets of the five counties in my congressional district. In the long run the ultimate consumer himself, who is already taxed to the limit of endurance, will have to pay the bill. The ex-service men, who are supposed to be benefited by this measure, and every member of their families will alike be called upon to stand his and her share of the burden of taxation.

For the past two years the country has been struggling to keep its head above water during the period of war adjustment. Progress has been made; prices and cost of living reduced, and prospects of better business are evident, but all these will rapidly disappear, prices will advance, as will the cost of living, and business will be retarded if additional and increased taxes are imposed upon the country.

I believe that we should do all and everything in our power, financially and otherwise, to assist and help the disabled veterans and their dependents, and the widows and dependents of those boys who did not come back, but to pass at this time such an unsound and uneconomic measure as this proposed soldier adjusted compensation bill in view of the Government's lack of funds and present-day conditions throughout the country, I can see no wisdom, but only calamity in so doing.

Mr. MAGEE. Mr. Speaker, I desire to take advantage of the privilege granted by the House to each Member to extend his remarks in the RECORD upon the pending adjusted compensation bill for the purpose of expressing briefly my personal views thereon. In doing this I hope that what I may say will not be construed by anyone as reflecting in any way upon the action or motives of any of my colleagues. They voted in accordance with their views. I voted in accordance with mine, and I speak only for myself.

I think that it is indefensible to jam through the House under a suspension of the rules a bill involving the expenditure of public funds aggregating billions of dollars without reading the bill in the usual way for discussion and amendment. This judgment applies with special force to the land-settlement provisions of the bill, involving the reclamation of swamps, deserts, and, generally speaking, arid land. I fail to see where these provisions of the bill have any place whatever in a soldiers' relief bill. If these provisions should be enacted into law, the result would probably be the expenditure of billions of dollars from the Federal Treasury, not in the interest of the soldiers but almost wholly in the interest of land speculators. I am satisfied that an opportunity to amend this bill would result in the striking out of these land-settlement provisions by an overwhelming majority in the House.

So far as adjusted compensation is concerned, my sympathies are with the ex-service men. Having voted for the declaration of a state of war, and for the selective draft act, I would go further for them than I would go for myself. However, an adjusted compensation bill should be based upon principles of sound finance. The Treasury to-day is carrying some \$6,000,000,000 of temporary indebtedness which must be taken care of within the next three years. I understand that the Secretary of the Treasury states that in addition thereto the Treasury is facing a deficit for the coming year of \$300,000,000. In view of the material decrease in the amount of income and corporate taxes that will be paid to the Government, I am of the opinion that this deficit will greatly exceed the above amount. In view of these conditions, it is apparent that any adjusted compensation bill at this time, as has been clearly indicated by the President, should provide the ways and means for carrying out the obligations created in the bill. Otherwise there would be grave danger of bringing business and financial disaster upon the country just at this time when a revival of business has set in. It will certainly help nobody, but will surely injure everybody, to throw a monkey wrench into the wheel of reviving industry.

I am strongly opposed to the adjusted service certificate provisions of the bill. They provide for issuing to more than 4,000,000 ex-service men an I O U, which the soldier is authorized to use as collateral security for the payment of his own promissory note in attempting to get a loan at a national or State bank. Such bank is authorized to loan, as I read the act, up to 50 per cent of the face value of the certificate. The bank making the loan, unless the soldier makes payment on the note, can not realize thereon for a period of three years. I think that such a wildcat scheme of finance would prove generally disappointing to the ex-service men, and that it is only a question of time when they would become bitter toward those who put the camouflage across. An adjusted compensation bill should give the ex-service man cash, or a negotiable security, or a paid-up insurance policy without any string to it, something that would be absolutely his own to do with as he pleases.

I have been impressed with the idea that some of my colleagues fear that if they voted against the pending bill ex-service men would defeat them at the polls. I do not think that it can be possible that there is any real basis for such a fear. I think that the kind of men who fought at Chateau-Thierry, at the second Battle of the Marne, at Soissons, at St. Mihiel, and in the Argonne, the best soldiers the world ever saw, would defend and uphold the man in public office, whether they agreed with him or not, who had the courage to vote in accordance with his convictions, based upon the sole consideration of the best interests of his country. If I am not right in this judgment, then the Nation's defenders would prove to be the Nation's destroyers. The end of the Republic would be in sight, and free government would no longer be safe upon this earth.

The bill further provides that the adjusted service certificate provisions shall go into effect on October 1, a few weeks before the elections. Comment is unnecessary upon a provision of such character. It would be much better to suffer decisive defeat than to take any action which could be reasonably construed as an attempt to use the Federal Treasury for a continuance in power. In my judgment the seats of all the men in the House could not be regarded as worth the price. Such a scheme would be unworthy of any political party. It would be directly contrary to the traditions of the Republican Party, to its great achievements, and to the great principles for which it has uniformly stood.

The question of adjusted compensation to ex-service men should be absolutely divorced from politics and considered upon its merits. In no other way can we impress upon them that they are entitled to and will receive a fair and square deal at our hands. We must provide so far as lies within our power, and without regard to cost, for the relief and care of the man

disabled in the service of his country. We must make reasonable provision for the care and support of the dependents of those who made the supreme sacrifice. We must aid and protect in every reasonable way all who were in the service, to whom the country owes a debt of gratitude that it can never pay. In whatever we do politics should have no place. We should be guided and controlled only by patriotic motives and by what is deemed for the best interests of our heroic soldiers and of our common country.

Mr. MONTROYA. Mr. Speaker and gentlemen of the Congress, I favor and will vote unreservedly to-day for the soldiers' bonus bill. I feel, like all loyal American citizens, that this measure should have been a law long before this in justice to the American boys who defended our country and flag in time of need.

Their great reward has been their service and record in the annals of our country, which will live forever and will be an undying example and source of pride for their families and descendants.

The great mass of the American people, I know, will approve of our action to-day, as they, like we who represent them, feel deep in their hearts the gratitude which we owe our defenders, whose services this Nation can never adequately repay, because there is no method, law, or any other human agency that can reward loyalty and patriotism. Those two attributes and qualities are born in the soul and no human action can weigh them or measure them in gifts or money. Loyalty and patriotism are their own reward in the consciousness of performing a duty to the country and flag.

But it is our duty by our action to-day to recognize, approve, and exalt said qualities by national recognition and pride, not in what little we can do but in the spirit of doing it wholeheartedly, gladly, and enthusiastically.

We can show the boys that our hearts were with them when they went away to war, and that our hearts are still with them and will always remain with them since their return to the country which they honor.

Would to God that we could have with us to-day the thousands of heroes who rendered their lives for our cause and the cause of humanity, but all we can do in such stress of soul is to remember the undying words of the great statesman who said on an occasion after the Civil War, "Cheers for the living, tears for the dead." The world's views have moved since then, and now it recognizes that aid for the living is one of the main essentials of gratitude.

In casting my vote for the bill I do so not as a partisan or in a partisan spirit but as an American, as Representative of my State, New Mexico, performing a duty to the best part of our citizenship—the American soldier. I am glad to be a Congressman at this time to record my vote for this act of pride and justice.

Three of my boys, volunteers, served in the American Expeditionary Forces in France throughout the war, and I owe it to them and to the millions of other boys to be grateful for their services. My boys have rendered me the greatest honor of which I can be proud, more than being a legislator or holder of any other office, that of being the father of sons who have done their duty to our country and flag against all comers.

In regard to soldiers' bonus, I wish to insert as part of my remarks the following verses, sent to me by Mr. W. F. Noble, Mount Dora, N. Mex., touching upon adjusted compensation, the worries and delays in regard to the same as seen by some of our ex-service men way out in the Sunshine State. While the verses are sharp I am glad that our action to-day will result in the future in a milder style of poetry.

OUR WORLD WAR VETERANS.

O country of the noble free,
O nation, strong and great!
Shall we neglect our gallant sons—
Become the base ingrate?
They fought through suffering bells to win
"Our cause," full well we know;
Shall we refuse to pay them now
The debt we justly owe?
Tear off their tattered uniforms
And trall them in the dust;
Go offer up their service bars
Unto the god of Lust;
Exploit their service for mankind,
And coin it into gold;
Go fill your greedy coffers full
Their blood that ye have sold.
Yes, mount on wings of song their praise,
And waft it on the breeze.
Ye silver-tongued, ye orators,
Talk "Heroes overseas";
Thus coin their deeds for guilty fame
That in your souls ye seek;
Nor cringe, nor blush for awful shame
Upon your leprous cheek.

Take billions from our countrymen
And loan it overseas—
Aye, don't forget our profiteers,
For you'll have need of these.
Loan all the nations "over there"
The money that they need;
Yes, all their hungry and distressed
Pray don't forget to feed.

Weep salty tears for Belgium—
Just hand them out our gold;
Poles, Slovaks, Frogs, Italians,
Give them our wealth untold.
Give twenty millions to Soviet,
Armenia twenty more;
Just hand them out our moneybags,
We have a bounteous store.

Our own brave boys who won the war,
Just pay them not a cent,
But tell them, "Be ye very proud
That overseas ye went
And won the day for all mankind
And make the world secure.
Now, go to work an build anew—
A living you'll procure."

Far better had ye scuttled the
Transports that bore them home
And sunk them in the angry deep,
Beneath its raging foam,
Than show such base ingratitude,
Which, like a poisoned dart,
Instills the agony of hate
Within the soldier's heart.

O, country of the noble free!
O, Nation great and strong!
How can ye bend the servile knee
To such a monstrous wrong?
Blind Senators and Congressmen,
You've won us black disgrace,
And every patriot mother flings
Her scorn into your face.

—W. F. NOBLE, Mount Dora, N. Mex.

Mr. ATKESON. Mr. Speaker, I desire to submit a few remarks upon the pending bill under the rule. I have not felt impelled to take up the time of the House and have been content to listen to the speeches of the Members who have discussed this bill pro and con. Upon the bald proposition of adjusted compensation for our soldiers, sailors, and marines in the World War my mind was made up before I became a Member of this Congress.

My greatest interest during the progress of the debate was to see if I could find any reason for changing my mind. I failed to be convinced that I was in error or that I ought not to vote for the bill. In confessing my predilection for the measure I do not mean to say I stood committed in my mind to this particular bill or all of its specific provisions. But I was sure, and am still sure, that our soldiers were and are entitled to some sort of compensation more than they had received. I arrived at this conclusion somewhat by analogy; that is to say, that inasmuch as Congress had adjusted the claims of everybody who had asked or demanded it, I could see no reason why our Army should be made the "goat," or why, after the profiteers and millionaires and multimillionaires, many of them made so by the war, and while our boys were in the trenches in a foreign land, had been generously taken care of, the soldier boys were not entitled to consideration and to an adjustment that would at least even them up a bit. Every consideration, viewed from any angle, led to the conviction that if this great Government owed anybody adjusted compensation it owed it first to the soldiers in a generous degree. I do not regard this measure as generous or adequate. Its provisions are distinctly less than our boys are entitled to; but as it is I give it my hearty and cordial support as the only thing just now possible.

The sooner we get away from the notion that this country exists for the joy and delectation of wicked profiteers and swollen multimillionaires the better it will be for our country. The sooner this Congress realizes there are other people in this country who love the flag and their homes, who are entitled to some consideration at our hands, the better it will be for all of us. The money dealers who produce no wealth have no exclusive right to our coddling and tender care to the injury of 99 per cent of the people who produce, with the help of Providence and by labor, all the wealth in this country.

I can not refrain from referring to the propaganda which found its way to the desk of every Member of this House sent out by the Chamber of Commerce of the United States, an institution which has this city as its habitat. Its dope was positively disgusting. It carried on its face the most intense prejudice against our soldier boys. It was millionaire drivel or "hogwash" ladled out under the guise of commerce. It surely had the commercialized idea of patriotism. It was too bold to be effective and too rotten to be persuasive, so it has done no harm and it is not likely the millionaire class will use it again for organized propaganda.

Every one of our allies has provided in some degree for their soldiers who followed their flag to a common victory. We have provided only for those who fattened off war conditions. Other countries, who are indebted to this country in billions and say they can not pay even the interest, managed to pay additional compensation to their soldiers at a time when it would be of greatest benefit to them. We have waited more than three years, and still hesitate to provide an adjusted compensation for our soldiers. Provision for and care of our injured and crippled soldiers can in no way be involved in the measure now under consideration. That this Government has provided liberally for the injured, crippled, and afflicted no one denies. We are expending more than a million dollars a day to care for and rehabilitate them as far and as fast as it can be done. But this we were bound to do by the very conditions of their service. That matter is not involved here and now, and so I pass it.

There is one feature of this subject not dwelt upon to any extent in this discussion which I think is entitled to some thought. The great body of the World War soldiers were taken from their homes and business by the strong arm of this Government. They were not permitted a choice even to serve on this side the waters. The drafted men became parties to a contract written by the Government and were compelled to sign on the dotted line made by the Government. By that enforced contract they were to receive \$1 per day for service in this country and 10 per cent increase for service overseas. In addition to this, practically every one of them took out life insurance with the Government and paid for it out of their service pay; and any allotment to dependent parents was deducted, thus leaving the soldier with precious little of his pay received by him under the contract dictated by the Government. I am raising no question of right or propriety on the part of the Government to do what it did do. The emergency seemed to make the draft, if not the best, the only way to obtain the necessary Army quickly. But if I had my way about it, this Government, in addition to the provisions of this bill, would pay back to every soldier every dollar he paid out on allotments and for insurance. In my judgment, the sooner this is done the better it will be for the Government; for the time will come, notwithstanding the careful provisions, when pressure will be brought upon Congress to provide a service pension for all World War soldiers, and the Government will not be in good shape to meet that demand until these items are paid and the books squared.

We have listened to the propaganda of the "predatory rich" until we have well-nigh forgotten our duty to the boys who stood in the trenches, who faced the enemy without wincing in the midst of the most merciless shell fire ever known in the history of warfare; who crawled over no man's land in the darkness; who made every sacrifice in the discharge of soldierly duty without a murmur, and who brought victory and glory to our flag and our country. The cry of flesh and blood ought to be heard by us more distinctly than the cowardly wail of the conscienceless profiteer or the whip cracks of the arrogant multimillionaire.

And this reminds me of the most sickening incident connected with both the public and private discussion of this bonus bill, to wit, the attempt by this same bunch of high surtax payers to fasten upon the plain people of this country a sales tax. They seemed to think Congress, in its great desire to pass this adjusted compensation measure, would swallow anything as a means to that end. But they were mistaken. They could not even get a bill reported out by the committee with a sales tax attachment. All honor to the men in this Congress who turned their backs upon that nefarious scheme to lay additional burdens upon the backs of the people least able to pay and lift it from those most able to pay. It is an un-American plan and the American people will never submit to it—at least not while millionaires flourish and multiply in this country.

Mr. COPLEY. Mr. Speaker and gentlemen, the question of whether or not an adjustment of compensation to the soldier is a moral obligation resting on the shoulders of the people of this country is very much like a belief in the miracles of the Bible. If I believe them, no arguments can change my mind. If I do not believe, it is scarcely possible that either arguments or evidence might be produced that will lead me to a change of mind.

I believe an adjustment of compensation to the soldiers is a moral obligation resting on the shoulders of the people of this country, just as there is a moral obligation on the part of our people to settle the so-called contracts through which individuals and corporations would have lost enormous sums of money because of the unexpected and sudden termination of the war.

One hundred and thirty-two of my fellow workers in the industries with which I am connected went to this war. All

those who came back returned poorer than when they went. Their fellow workers who stayed at home had opportunities to improve their conditions, and just about that same number took advantage of their opportunities and they very materially improved their condition because of this war.

Aside from the definitions and administrative features, this bill provides for four great options. The bill passed two years ago contained a fifth option, providing for a settlement in cash. All the other options of the proposed act two years ago were predicated on the principle of a cash settlement. We find ourselves at the present time unable to make a settlement in cash directly from the United States Treasury without seriously impairing the welfare and prosperity of all our people.

We have almost \$7,000,000,000 of short-term securities, including about \$4,000,000,000 in Victory notes, three-quarters of a billion in thrift stamps, and about two and one-quarter billions in short-term certificates, all of which must be refinanced within the next 15 months. Any material amount of cash at the present time taken directly from the Treasury of the United States would unquestionably add to the interest rate which we would have to pay on the \$7,000,000,000 to be refinanced, and this increased interest rate would probably be carried along for a great number of years, thus actually enormously increasing the burden, due solely to the financing of the adjusted compensation within the next 15 months.

This is even more true if we should attempt to sell bonds or short-term certificates of indebtedness at the present time. In fact, any plan other than the one we have presented in this bill would probably be followed by most disastrous results in the long run.

It has been frequently stated this afternoon that this is going to cost \$4,500,000,000. Of course, that means at the end of 20 years. The real fact is that the sum of money necessary to take care of it at the present time is the true measure of the value of the total which we must provide at the present time, and if we postpone these payments we must add interest and compound it annually.

The basis of the payment in cash of the bill two years ago was continued as the basis for the four options remaining after that one had been removed. It was as follows: The veteran was allowed \$1 a day for every day he served in this country and \$1.25 per day for every day he served overseas, counting his overseas service from the date of embarkation to the date of debarkation again on this side. But we had already paid each one of these soldiers \$60, therefore from the number of days' service to be used as a basis this 60-day period was subtracted.

There are two modifications. The first is that if a veteran has less than \$50 coming to him for service it must be paid in cash. This will amount to a little less than \$16,000,000, and will provide for about 470,000 men. There is a second modification, that under this act no man can receive pay for more than 500 days' service, either in this country or overseas, which means that the limit of his cash for service in the United States would be \$500 and for service abroad \$625, providing we had continued the cash feature in the bill of two years ago.

This is called the adjusted service pay, and from this we have drafted the four options.

First, a paid-up endowment insurance policy is issued to the veteran covering a 20-year period. The amount of this is determined by taking the adjusted service pay and compounding it for 20 years at 4½ per cent annually. A short and simple method would be to multiply the adjusted service pay by 3.01+, the plus being so small that it makes very little difference in the total. For instance, if a man has \$100 coming to him, he would have an insurance policy of \$301 plus issued to him. At the end of 20 years this would be paid in cash. If he died meanwhile, it would be paid to his wife or his mother, his daughter or his sister, or whatever beneficiary he might name. All of these insurance policies were made nontransferable, so the veteran could not lose the benefits intended that he should receive through any misfortune or any act of foolishness of his own. However, in lieu of the cash feature which we had cut out of the bill we arranged that he might assign within the first three years by going to any bank or trust company chartered under the laws of the United States or of any State and borrow half of the adjusted pay plus accrued interest up to the date of his borrowing. For instance, if a veteran's certificate for adjusted pay were for \$100, he might borrow \$50 plus the accrued interest at the date of making the loan and assign his certificate of insurance as security to the bank.

This provision led to a great deal of criticism from the Treasury Department and directly from the Comptroller of the Currency. They called these loans "frozen credits," and they have been referred to on this floor as such. Consequently we

called the Secretary of the Treasury and the Comptroller of the Currency and the Governor of the Federal Reserve Board as witnesses at a hearing on Tuesday of last week. The Secretary of the Treasury was asked what were the total assets of the banks entitled to make these loans, and he answered that he did not know. He was asked if these loans should amount to less than eight-tenths of 1 per cent of the assets of the banks whether or not the freezing of that inconsequential percentage would seriously affect either the prosperity of the banks of this country or the solvency of the banks, and he replied that in his judgment it would not. In a letter which the Secretary had written to Chairman FORDNEY estimates were given indicating that the amount of such loans would be less than \$275,000,000.

The Comptroller of the Currency was asked what were the total assets of the banks allowed to make these loans, and he replied that they were a little over thirty-eight billion dollars; therefore these loans, by the Secretary's estimate, would amount to less than eight-tenths of 1 per cent of the total assets of the banks authorized to make the loans.

Governor Harding, of the Federal Reserve Board, was asked if in his judgment the freezing of less than eight-tenths of 1 per cent of the assets of the banks for three years on the securities of the United States Government would seriously impair the resources or effectiveness of the banks. He replied that he did not think it would.

The testimony of all three of these gentlemen indicated that this was a much more desirable loan for savings banks and trust companies, who are in the habit of loaning a very large percentage of their assets on credits which take some extended time to liquidate. As a result of this hearing the committee promptly amended the act—and these are the amendments covered by the rule—such that banks might either discount or sell these loans and transfer the collateral to any other bank which would have been eligible to make the loan originally.

I would like to predict for my distinguished fellow member of the committee from Massachusetts [Mr. TREADWAY] that the trust companies and savings banks of his own State and all the rest of New England will get as many of these loans in their possession as they possibly can before their maturity.

There have been many misstatements on the floor to-day from men opposing this bill, alleging that the veterans would be charged 7, 8, or 9 per cent interest. Under the very terms of this act the maximum rate of interest which any bank can charge is 2 per cent above the discount rate for 90-day paper, as maintained by the Federal reserve banks of the region in which the original loan is made. Governor Harding unequivocally stated that in his judgment no bank would refuse to make a loan for any legitimate purpose to any veteran who lived in the community in which the bank was located. The bank did not dare say it did not have the money, or the depositors would withdraw their deposits. He further added that public sentiment would compel these loans.

I am a stockholder in five banks, and I do not believe for one moment that any one of them would refuse a legitimate loan of this character.

The maximum amount which the banks would be asked to loan in the first three years would amount to less than \$275,000,000, and there are more than 30,000 banks eligible to loan it. It would be an average of less than \$9,000 per bank. It is ridiculous to argue that this would be a menace, and particularly at the present time, when money is piling up in many sections of this country, when deposits are increasing and interest rates are reducing.

The reason why this arrangement was made for the first three years was to carry us well beyond the time when the refunding of all of our short-term obligations was well out of the way.

If this is a moral obligation it is as much a part of the war as the paying of any other expenses, either during that struggle or that have remained unsettled since, and ought to be paid for in exactly the same way. If we count the loans which we made to the other European countries as a part of the war debt, we paid over 40 per cent of the entire cost of this war in four years, and if those loans are ever repaid to us it means that we have paid over 50 per cent of the entire cost of the war in four years. There is but one sane thing to do, and that is to provide for this expenditure when the time is favorable by the sale of a long-time bond and retire a small percentage each year, and I feel perfectly free in predicting to you gentlemen now that long before this period of three years is up it will be possible to float Government bonds well under 4½ per cent.

We have met every objection which has been offered to this bill, with the single exception of the failure to recognize this as a moral obligation.

If any of these veterans have borrowed money for any purpose and on short-term notes, and if these notes become six months overdue, the bank holding the notes promptly notifies

the Secretary of the Treasury, and between May 1 and October 1, 1925, the Secretary will refund to such bank the total of its loans and past-due interest, plus interest on the same. In other words, there is no chance for any bank to make anything excepting a moderate rate of interest out of the veterans.

The Secretary of the Treasury will pay to the veteran who is in default the balance between what he owes the bank and 80 per cent of his adjusted service pay, plus accrued interest to the time of such settlement by the Secretary of the Treasury. The veteran can not possibly get into the hands of a pawnbroker. The United States Government ultimately settles with him. When the Government takes over the loan, after the first three years are up, it is authorized to advance 85 per cent of the adjusted service pay plus accrued interest, and must carry it at 4½ per cent or the same rate which the soldier is receiving. Three years after that, or after October 1, 1928, the veteran can borrow from the United States Treasury 70 per cent of the total of his adjusted service pay plus the 25 per cent plus compound interest at 4½ per cent from the date of issuance, October 1, 1922. To use our same example, if he had \$100 in adjusted service pay at the end of the six-year period he could borrow over \$105. There is no chance for him to lose by any default from that time on providing he keeps his interest payments made, and there is no chance for him to lose very much at any time providing he keeps his interest paid, and there is no chance for any bank or the United States Government to make anything except the rate of interest which I have specified, and no chance for any individual to speculate in these certificates in any way whatever.

The original cash option paid to the veteran his adjusted service pay in 10 equal quarterly installments after the beginning, or taking two and one-half years to pay it all to him. By this plan he can get by borrowing from the banks 50 per cent immediately, and at the end of three years he can get by borrowing from the United States Government 85 per cent plus accrued interest, which would be almost 13 per cent more, or a total of 98 per cent; so if the veteran is in need of money he can get five times as much immediately and within 2 per cent as much at the end of three years, and at the same time retain his insurance feature and his right to all the increment at the end of 20 years.

I feel perfectly free to say to you that in discussing this feature of the bill with any man who believes that it is a moral obligation, I can defend it against any objection which he can make.

We have heard a number of men this afternoon designate this as a gold-brick scheme. Consider what I have just said for a moment and then the following: The total wealth in this country as estimated by the Treasury Department and the Bureau of the Census was \$188,000,000,000 in 1910. The total wealth in 1920 has been variously estimated, in the absence of official returns, as from \$300,000,000,000 to \$450,000,000,000, but the general consensus of estimates is around \$350,000,000,000, or less than \$3,300 per capita. The average adjusted service pay for all the men who are to receive it will amount to almost exactly \$374; therefore the adjusted service certificate of insurance, when we add the 25 per cent, will amount to \$467.50; that is the actual value of the settlement at the present time which we make with each one of these veterans; or, in other words, we are giving each one of these young men in adjusting his compensation for a service which on the average amounts to almost exactly one year, just about one-seventh of the wealth which the average man, woman, and child in this country has accumulated in an entire lifetime. This is indeed a gold brick, but the gold will assay 100 per cent pure. As a matter of fact, it almost exactly represents what the average man who stayed at home and practiced ordinary industry and thrift might have saved over and above his living expenses, and we are therefore putting the average soldier on almost exactly the same financial basis as the average young man who stayed at home. In other words, we are equalizing the opportunity to acquire property between the men who went to war and the men who stayed at home. The veterans knew no such thing as an 8-hour day; there were no union rules. They worked night and day. There were no rules of shop sanitation in no man's land.

The second option provides for vocational training for such of the veterans as may choose this. In this instance the adjusted service pay is increased by 40 per cent, or on an average a man choosing this option would have over \$523 to his credit while he was taking the course of vocational training. This would be paid to him so long as his credit lasted at the rate of \$1.75 per day.

The third option provides for aid in purchasing a farm or a home in town. In this instance again 25 per cent is added, and on the average the young man selecting this option would

have to his credit \$467.50, which the Government would pay on the purchase of a farm or home in town.

The fourth option provides a method of reclaiming lands which are now waste either because they are arid, owing to too little water, or swampy, because of too much, or stump lands, or, in fact, any sort of worthless lands at the present time which could be made valuable by the addition of labor and capital. This is purely a soldier project. It must be selected by soldiers, soldiers must be engaged in the work of reclamation, and soldiers must be given an opportunity to buy these lands.

In event the veteran chooses this option, he has only the adjusted service pay without any additional percentage, amounting, on the average, to \$374. This option provides good employment at fair wages for the veteran and then a chance to buy a home in which the Government furnishes the capital and takes its payments in 25 annual installments, taking over for the first one or two payments, or as long as it lasts, the credit to which the adjusted service pay entitles the soldier.

There has been a lot of criticism about this option generally. In the first place, the Secretary of the Treasury estimated that this might cost \$185,000,000,000 if all the veterans chose this option. That contingency is, of course, impossible. Our estimates are that less than 2 per cent would select this form of adjusted compensation. We showed the Secretary that he had misplaced a decimal point, and instead of amounting to \$185,000,000,000, by his own figures it was \$18,500,000,000. Even this is manifestly two and one-fourth times too high, but we thought we had called his attention to a sufficiently glaring error. The average cost to the Government of all reclamation projects is just about \$2,100 per farm, and therefore to take care of the 4,100,000 men it would require \$8,610,000,000 instead of \$18,500,000,000. If our estimates of 2 per cent are correct, it will amount to only \$172,200,000, running over a period of possibly 8 or 10 years. The adjusted service pay of the 2 per cent would amount to less than \$31,000,000, so the balance, or about \$141,000,000, would be all the Government would have to advance during that period of time.

This would be repaid to the Government in equal installments bearing 5 per cent interest, and if the projects are intelligently selected and honestly administered we will not only get the money back but probably increase the wealth of this country by anywhere from five to ten times the maximum amount which we have ever had invested.

A board is provided and the projects will have to satisfy the board. Then it is sure that they must also satisfy the Director of the Budget, next the Appropriations Committee of the House, next the House itself, next the Senate, and then the President. Gentlemen, I submit to you that this is just about as formidable an array of hurdles as any worthy project has been compelled to face, to say nothing of the added difficulty when the plan is inherently vicious.

We can not pay this adjusted compensation to the soldiers any more than we have paid all the other forms of expenditures incurred by this Government since its inception in any other manner excepting by taxes sooner or later, and I again submit that the amount necessary for the next three years is so small that it will be no drain whatever on the Treasury of the United States, and it will not interfere with nor in the slightest degree embarrass the Secretary of the Treasury in refinancing the \$7,000,000,000 of short-term securities that come due within the next 15 months, and at the end of that time we ought to begin selling long-term bonds to take care of this adjusted compensation just as we have in every other expenditure which was too much for the Treasury at the moment. The interest on these bonds and the principal as well must be paid for in taxes, but by spreading the taxes over a comparatively long period of time the burden is going to be made lighter for each year of the period. The estimate of the entire expenditure for the next three years under this act amounts to not more than \$300,000,000 as a maximum, or less than \$100,000,000 per year, which is about what we expect to save over the Budget estimate in the Army bill alone.

I have tried to cover the bonus bill for you in this discussion. Perhaps I have reasons, which are not financial, to appreciate better than the average man the opportunity which a great war can present for men to improve their financial condition. It is purely personal, and with your indulgence I will take up a few moments more in telling it to you.

My father was a prosperous merchant in a little town in Illinois in 1857. The panic of that year bankrupted practically all of the merchants in the smaller communities of the West, not because they were not good merchants but because we had no stable currency, and the further removed they were from the larger centers, with the limited facilities of that time for transmitting information, the slower they were to learn which cur-

rency was good, which was bad, and which was shaky. The consequence was that they naturally were loaded up with the shaky currency, much of which became bad in their hands. Out of the wreck he saved only 160 acres of ground, which he had purchased from the Government some time before for \$1.25 per acre. In fencing this raw land the next year an accident destroyed the sight of his right eye, and again in 1860 an accident blinded the other eye for about two years and seriously damaged its usefulness for the rest of his life.

The Civil War came on during this period and my father managed his farm, being led around by a little boy, an older brother of mine. Solely owing to the war prices of farm products were so enhanced that he was able to pay all of his debts, leaving him a modest competence.

I was born in 1864. At 18 months of age, like many other children in teething, I was afflicted with ulceration of the eyes. People knew nothing about sanitation in those days and my eyes became infected as a consequence. The ulcers being very much more severe, left scars over the pupils. There are a good many adults in this country to-day blind from exactly the same cause. In 1867 my parents decided to move to the little city in which I now live, only 37 miles from Chicago, in order that I might have the benefit of the best form of medical care.

As a result, at the age of about 7 I was able to see again, and my vision gradually improved as the scars were slowly absorbed through the treatment which I was receiving. Gentlemen, war prices from 1861 to 1865 gave me sight. They enabled my father, practically a blind man, to pay his debts and lay the foundation for a comfortable competence, and the opportunities which they opened up to him they also opened up to other men who stayed at home during that period.

Ever since I have been a Member of Congress no veteran of the Union Army during the Civil War has ever appealed to me in vain if it were possible for me to help him.

The Spanish-American War, fortunately for the people of this country, opened up no such opportunity. It was too insignificant to make much of a ripple in the economics of the world.

I appreciate just as highly the services of the heroic men who offered their own lives at that time that the distressed people of Cuba might enjoy the blessings of justice and freedom, and I have done everything in my power to help them, their widows, and their dependents.

The World War reopened these opportunities to every man who stayed at home.

I believe that one of the powers of this Government must be that it can conscript men whenever its security or honor has been assailed and that these men must sacrifice to the fullest extent if necessary. We were new in the war game. I voted for everything that the Commander in Chief asked for, believing that one head, whether or not it might be the best, was still more effective in a great crisis than two debating societies in either end of this Capitol. I have no criticism to make and no excuses to offer. I accept my full share of responsibility; but I know now and every man in this room knows, I think, that we ought to have conscripted all the man and woman power in this country and all the wealth. No American citizen should have been allowed to enrich himself because of the war while his conscripted fellow citizens were offering their lives in the trenches. We can not make all of these things right. We can not replace the precious lives to the sorrowing fathers, mothers, and wives, but we can replace the earning power to their dependents, and we owe it not only to their memory but to our own self-respect to do so. We can not replace the health, the torn and shattered limbs, but we can restore to them their earning power, and we owe it to our sense of fairness and gratitude to do this. We have already spent more than a billion dollars for the sick and disabled. I am sure that we will continue to provide for them liberally.

We owe it to our sense of justice to replace to those of our boys who came back well in body and mind that which they lost in the competition with their fellow men who stayed at home in the opportunity to acquire a competence in the race of life. We owe it to our country, for no Republic can live where every man votes unless we give to each man an equal opportunity under the law, unless we give to the soldiers of this war who did the most important work an equal opportunity with their fellow workers, although the latter were engaged in other equally necessary occupations in such a time of such national crisis.

Mr. RYAN. Mr. Speaker and gentlemen, the principal arguments that I have heard against this particular measure are to the effect that a tremendous burden will be placed upon our country, that the Treasury and the taxpayers of the United States will never recover from the effects of the same. These all I believe to be greatly exaggerated. There is no one that I

know of who would have hesitated on or about the 1st of November, 1918, to have voted four billion or four times \$4,000,000,000 to help prosecute the war and bring it to a successful termination. Then, again, it is said that a bonus is an insult to the men who took part in the great struggle, and that it casts aspersions upon their patriotism and heroism.

I believe that this so-called bonus bill is really an adjustment of compensation that is a moral obligation resting upon the shoulders of the people of this country. All of those who came back returned surely no richer than when they went. Their fellow workers who stayed at home took advantage of opportunities to improve their conditions, and they very materially improved their condition because of the war.

I have this to say for the gentlemen from New York who have spoken against this particular measure, that when the people of the State of New York voted by a majority of 800,000, or slightly more than two to one, to give a monetary recognition to our soldiers, even though it came out of the pockets of our taxpayers, and these veterans did not serve their State so much as they served the Federal Government, that they did not properly represent the wishes of the people who elected them to office.

When England asked for \$4,000,000, we gave them to her. When France wanted three billion and a half dollars, we gladly surrendered the same to her keeping. Belgium borrowed \$150,000,000, and this without any security or the promise of repayment, and now when our boys come in for what they ought to have we orate all day long and hesitate. If we should collect the moneys due from England and the other nations, it would be a very practicable and easy way of meeting this particular demand. The shipyard workers—in fact, the great majority of the war workers and Government employees—received a bonus, and a great number of them to-day receive a bonus for their work. Is it too much to give to those who suffered as much as those who stayed behind in peace, comfort, and happiness? I am not so heartily in favor of this particular bill, but as it is the best that will be reported out by the committee at this time I am not only going to work for it but support it to the best of my ability. I much prefer the cash-bonus plan, and did suggest in a measure introduced before the House a 4 per cent tax on imports, that would provide the compensation for the veteran without an additional drain upon the taxpayers of this country.

I personally did not hear the tumult and shouting of the armistice celebration which overjoyed New York when it hysterically greeted the news of the victory. You men who stayed here were tremendously patriotic then; but that was in 1919. I was in France recovering from injuries received while in active service over the enemies' lines. Our welcome was indeed splendid when we returned, and I did not believe that a grateful country should ever forget those who sacrificed to the best of their ability in her behalf.

In casting my vote for this bill I do so not as a partisan or in a partisan spirit, but as an American, as Representative of my district, the fifteenth New York, performing what I believe to be a duty to the best part of our citizenship—the American soldier. I do so because it is my belief that such action on my part is the consensus of the opinion of the people that I represent.

The only influences that I can see against the same are the money interests, which launch no logical arguments against it, but who merely cry out against what they claim will be a tremendous burden upon the people. This same agitation is led by the interests who seek to bring about a cancellation of our foreign debt to promote business for themselves, and is done in that spirit of philanthropy that would allow one to give away anything that belongs to some one else as long as his own pockets are emptied in no way. These same people, I feel sure, will now clamor for the collection of this same foreign debt, and may realize that they would never care to put in execution in their own particular business the cancellation of the debts due them, which is practically the same principle that they have advocated prior to the passage of this particular measure.

Mr. FREAR. Mr. Speaker, the letter herewith sent to a handful of people in response to antibonus editorials from New York papers is self-explanatory. The bill was discussed with some detail on March 17, and this letter comments on criticisms of that speech and on propaganda against any soldiers' compensation bill, which has been fast and furious from Wall Street sources for many weeks. It is significant that notwithstanding propaganda against the bonus bill it passed the House, as was predicted in a letter long ago sent Secretary Mellon, by a vote of 333 to 70, or nearly 5 to 1. The letter follows:

WASHINGTON, D. C., March 27, 1922.

MY DEAR SIR: Inclosed find remarks on the soldiers' bonus bill delivered March 17 in the House several days before the bill's passage. Editorials from different New York papers resent references in the speech to "Wall Street." For many weeks the press of New York, with a few notable exceptions, denounced any soldiers' bonus bill, lampooned Congress, and declared Members to be cowards, governed by politics, seeking to "loot the Treasury." The terms of the bill were distorted, accompanied by unfounded tales regarding views of the President, while nine out of ten letters on the bill come from big business men of New York City who joined their mite with the anvil chorus.

Distortion, misrepresentation, or abuse were avoided in inclosed remarks, but the unfair position assumed by Wall Street toward Congress and the soldiers' bonus bill was pointed out. As disclosed by the Pujio report by Justice Brandeis, Tarbell, and others, "stock gamblers," "money gamblers," "profiteers," "railroad wreckers," and equally abusive names have often been applied to the Street. Such terms presumably are as objectionable to legitimate business men of New York as are terms of political cowardice and "Treasury looters" when applied to men with legislative responsibilities.

According to reputable authorities, less independent thinking, less horse sense, and more provincialism exists on Manhattan Island than anywhere else in the world, and that the same New York press has little influence at home, where best known, is indicated by many elections, including the last. That press which flippantly derides the rest of the country and Wall Street nabobs who give orders to Congress should cross the Hudson and learn that nearly 3,000 miles of country lie due west and 100,000,000 people live outside of New York City.

Remarks on the soldiers' bonus are accompanied by a speech on refunding of foreign debts, which discloses that influential New York financiers who favor cancellation of \$11,000,000,000 in Government foreign debts are against granting a comparatively small portion of the same debts to pay any soldiers' bonus. In letter to Secretary Mellon, March 13, quoted, it was said the bill would come from committee with slight opposition and pass the House by a vote of 5 to 1. It was reported from committee by vote of 19 to 5, the same vote was recorded against any sales tax, and the bill passed by the House 10 days later by a vote of 333 to 70, or nearly 5 to 1. Reasons therefor will be found in the remarks.

Very truly yours,

JAMES A. FREAR.

The above letter transmitted speech of March 17 and is self-explanatory.

The subject might be left without further comment, in view of the overwhelming vote evidencing disregard by the House for threats, abuse, and unjust criticism launched on Congress from inspired writers and business men of New York City. However, these writers and business men, representing large financial interests in New York and elsewhere, seem to look upon a soldiers' bonus bill, agricultural legislation, "farm blocs," and all else that does not pour water on the Wall Street wheel as dangerous to perpetuity of a free government. A confused idea exists with them that "farm blocs" and Main Streets generally are conspiring to destroy the power and prestige of Wall Street, which to them is all of our Government worth knowing.

Thousands of Main Streets are to be found in the cities, villages, and hamlets that exist within the borders of our land. Main Street's influence reaches far out from the immediate confines of cities and villages, while millions of farmers, mechanics, and other workers whose rural mail delivery and parcel post bring them in daily touch with public matters form a part of that Main Street. From Main Street and Mulberry Street, Congress sent 100 soldiers to war, compared with every soldier taken from the Wall Streets of the country. Wall Street grows specialists, often translated into selfishness; Main Street invites independent thinking.

The Wall Street man or big business man, if a stockbroker or dealer in futures, margins, or other legitimized speculation or gambling, glances each day first at market reports found in his moral and spiritual press adviser, whether it be the Times, Journal, Sun, or other mentor, and thereafter at the headlines and editorials. Swallowing these press statements and opinions he starts out the day believing the universe contains little that he does not know as he whets his steel for business antagonists of the day. Those in other occupations on the Street with slight variation follow the same program and measure results by financial success in the everlasting Street chase for the almighty dollar. This is not an estimate from Main Street, because Main Street knows little and cares less for Wall Street's methods, but it is an opinion expressed quite generally by New Yorkers and business men of themselves when they pause to think, and some of them occasionally engage in that pastime.

A big deal is to be put over, a large bond issue is coming out, a railroad has been milked or is to be reorganized, dividends paid, dividends passed, and high finance schemes in general are vital to Wall Street, although of little comparative interest to Main Street. The man who started life at \$8 a month and is now rated by expert authorities at \$2,000,000,000 wealth is pointed out with mixed awe and pride even in Wall Street, whereas the farmer 1,000 miles away only wonders "How did he get it?" "How much did I pay toward it?" "How soon

will gas again be boosted in price," and "How far will a dollar's worth run the separator or the tractor?"

Men who control vast continental railway lines, who get large appropriations from Congress for their needy lines, and have their hands on the throttle of many industries are objects of veneration and pride in Wall Street, although the man who throws the switch, or the one who telegraphs train orders, sells tickets, sweeps out during rest periods, at \$75 per month, wonders why manipulators of roads manage to gather several hundred million dollars for themselves while only enough filters down to their fellow workers on Main Street to keep body and soul together. War contractors, who entered the game at the right time, and profited by war essentials, from foodstuffs to guns and branding irons to bedsteads, are among the lucky ones on Wall Street, particularly after Congress authorized a \$3,000,000,000 credit to meet any possible loss, while on the other hand 4,000,000 men whom we sent to war at \$1 a day, 500,000 of whom now look vainly for jobs from Main Street to Mulberry Street, are wondering at the turn of the wheel in this the greatest democracy of the world, which affords no work for them to-day.

It may be a surprise for Wall Street to learn that those back on Main Street and amidst its surroundings are not revolutionists because they fail to understand this philosophy of government, nor are those in Wall Street who have the dollar ideal and the dollar idol necessarily better citizens than the Main Street product.

TWO BILLION DOLLARS IN RECENT FOREIGN INVESTMENTS.

A leading press apostle of finance publishes the following news item coincidentally with passage of the bonus bill:

More than two billion American dollars are working abroad earning dividends (on foreign investments) for their owners on this side of the Atlantic, according to computation of officials of the Federal Reserve Board.

This same paper has daily berated Congress, denounced the bonus bill, demanded a general sales tax as a substitute for income tax, and repeatedly declared that no capital can be found for business investment because of our tax laws, yet every dollar of dividend received from the recent \$2,000,000,000 foreign investments pays its proportionate tax, if reported, and that fact percolating back to Main Street is a well-grounded reason for its habitual distrust of Wall Street propaganda.

Big "business blocs," "bankers' blocs," "railway blocs," and other recognized blocs in Congress and in State legislatures for a half century have had control in their different spheres for so long a time that, like the elephant trumpeting with indignation and fear at a wee mouse, they storm heavily at the modest so-called "farm bloc" of to-day.

In their campaign against any soldiers' compensation bill Wall Street and interests representing the Street, and the press that speaks for the Street have lampooned, misrepresented, threatened, and recklessly condemned nearly five-sixths of the House, including the Main Street vote, registered by the emphatic verdict of 333 to 70 in favor of the bill. One reason for the result occurs through distorted descriptions of the bill and its effect that in scope of general untruthfulness excels the record of Mr. Ananias of old.

Financiers of Wall Street who demand the cancellation of \$11,000,000,000 in foreign debts, at the same time refuse to consider paying a soldier's bonus bill with one-fifth of those debts, although interest on the single British debt, without touching any of the principal, in 20 years would reach more than every soldier's bonus certificate, if carried to maturity. This may be mathematically demonstrated.

Financiers of Wall Street, who enormously profited by the war and are generously profiting to-day, demand of Congress the passage of a general sales tax to relieve them from tax payments based on their net income, and would tax 500,000 unemployed soldiers and 4,000,000 other men who are without jobs, compelling the jobless and all others alike to pay higher prices, including concealed taxes levied on what they consume—on what they eat, wear, and use—in order to relieve wealth from taxes levied according to ability to pay.

DOUBLE THE BONUS BILL IN EXCESS-PROFITS TAXES REPEALED.

Financiers of Wall Street demanded of Congress repeal of the excess-profits tax and reduction of surtaxes that were bringing to the Treasury more than double the cost of the soldiers' bonus bill now under consideration, or \$540,000,000 for 1921. Congress repealed the tax. In like manner inheritance taxes on great wealth, equal to those of Great Britain, gift taxes to prevent avoidance of inheritance taxes, and many other legitimate tax laws have been and are all opposed by Wall Street, although defended by Main Street, because of a belief that any government which enables enormous fortunes to be col-

lected in a lifetime has a special claim on part of such fortunes when the lifetime is ended.

It is not true, of course, as frequently claimed, that Wall Street is composed of cold-blooded, selfish, calculating men, many of whom engage in philanthropies that are published from one end of the land to the other to help the conscience fund, but it is urged that Main Street and the hundred million people who live outside of New York, together with the great mass of people of Mulberry Street and elsewhere who do not breathe the atmosphere of its financial district, are entitled to hold their views without being denounced by the self-appointed masters inhabiting the Trinity Church precincts of the world's great business center.

A claim that America needs Wall Street and that the Street is a necessary part of America, frequently voiced in editorials, is in part true, but only presents half the case. Wall Street could not exist without the lambs that grow on Main Street, nor without farm products that feed the world, nor without labor that runs the railroads, the mines, and business generally. The two streets are interdependent, and any man who fails to realize that fact is one who does not do his own thinking. Both streets will get along better when reason and fair play take the place of prejudice and abuse.

Is it not time, then, for those who assume to speak for Wall Street and for the Street itself, the most powerful in the world, that they make it a power for governmental good and for the general welfare rather than for the reckless condemnation of others and glorification of Wall Street alone?

Less denunciation, less threats, less suspicion, less attempted direction of legislation is a first step toward needed reform.

It may seem useless to bury these few suggestions in the Record instead of being among the elect sometimes found on the pages of mighty journals. That is one of the privileges of Main Street's limited vision, and if it does no good it ought to do little harm. The bonus bill passed the House overwhelmingly because it was right, and the bill should become law because it recognizes a just, moral claim upon our bounty. We are the wealthiest country in the world, and yet are behind all other governments in recognition of the claims of ex-service men, as has been presented by the record.

Mr. PRINGEY. Mr. Speaker and gentlemen of the House, I am for this bill.

I recognize, as you all do, that no nation can long endure that does not honor her soldiers and her statesmen. I am not unmindful that the best minds of Congress have been trying for months to solve the problem of how to lift the hand of taxation from the shoulders of the people, and at the same time raise sufficient funds to meet the obligations of this Government, which are enormous. I am also convinced that the American people do not expect us to plead poverty when it comes to taking care of these noble defenders of civilization and our flag.

I am proud of American arms and of what America achieved on the field of battle. I am proud of the spirit of Washington. I am proud that the blood of our forefathers is coursing through the veins of our noble young men of to-day. I believe the American Government is just such a government as God in His wisdom intended should be instituted among men when He endowed man with an intellect. God was at Yorktown when Lord Cornwallis surrendered his sword, red with the blood of American patriots, to the great chieftain Washington. I believe God was at Appomattox, when Lee surrendered to General Grant, and Grant told him to go back with his horses and plow cotton and corn. I believe that God was at Manila Bay, when tyranny was driven from the Western Hemisphere. I believe that God was on the battle field of France, when our noble young men, with the proud spirit of Americanism, bared their breasts to Prussian steel and exclaimed, "By the gods, they shall not pass."

Gentlemen of the House, let us not forget that when our boys marched away, keeping step to the wild, grand music of war, we waved them a sad farewell and bade them Godspeed. Immediately after their departure financial inflation began and went to the very mountain top of extravagance. Unscrupulous men took advantage of the opportunity and in a short space of time there were made 20,000 millionaires. While our boys were falling, the motto at home among many of these men was, "Get while the getting is good."

When these same boys returned home deflation had set in, and it came back down the mountain side like an avalanche and landed in the low valley of depression. Commander MacNider, of the American Legion, states that we have 700,000 idle soldiers among us to-day. These same boys gave their services to the country at the rate of \$1 a day, while wild speculation and profiteering were running rampant here in our land.

Through the disarmament conference we have established a friendly relationship with the nations of the world. The nations that sat with us in council have a greater respect for America to-day than ever before in our history, and there is not one of them that does not court the friendship of Uncle Sam. We must not forget that there has never been a time in the history of the nations of the world when there was as much strife as to-day, and the time might come—but I trust to God that it never will—when we will need these boys again.

Looking at their achievements from a financial standpoint, although the expenditures were enormous, it is a good investment, because it is not one-tenth of 1 per cent on the value of the Nation and of the civilization they saved. In rewarding our noble boys for their courageous deeds we are simply emphasizing loyalty to our flag, and it will be easier to suppress the red flag here in our own land. We can not close our eyes to the fact that seditious propaganda aiming at the very foundation of our Government is being scattered broadcast in our land.

The adjusted compensation proposed in this bill is small. I wish it could be greater. I wish we could do for the veterans now as we did for the soldiers of the Revolution, for the soldiers of 1812, for the soldiers of the Mexican War, and for the soldiers of the Civil War. We offered to all of these noble men public lands and bade them come upon them and make homes. I regret that as against total appropriations of about \$4,000,000,000 for this current year of 1922, the previous administration, in 1919, spent \$19,000,000,000, and not one dollar of it given as a bonus to the soldiers of the great World War.

As I have said, during the war these boys served for a dollar a day. One-half of that amount was kept from them and sent to their dependent relatives, and a quarter of that amount was retained for Government insurance. They had in the neighborhood of \$7.50 a month for their personal use during the war. During this time the commonest laborer in America was receiving from \$5 to \$10 a day.

It is to be observed that Canada, with a debt of 23 per cent of her estimated wealth, has given \$634.40 to each of her enlisted men; Belgium, with a debt of 80 per cent of her estimated wealth, has given \$493; France, with a debt of 87 per cent of her estimated wealth, is giving \$233.50; England, with a debt of 53 per cent of her estimated wealth, is giving \$189.54; Italy, with a debt of 85 per cent of her estimated wealth, is giving \$73.34; while the United States, with a debt of but 8 per cent of its estimated wealth, has given only \$60.

In 1912, according to the last authentic statistics available, the total wealth of the United States amounted to \$187,739,071.90, and to-day the Government authorities estimate our national wealth at almost \$286,000,000,000, an increase of about ninety-nine billions, that colossal amount having been accumulated for the most part during the period of the war, when the ex-service men had no opportunity to share in it.

In 1916 the gross income earned by individuals and corporations in the United States amounted to 45 billions 400 millions, and the net taxable income, 15 billions; while in 1917 the gross income was 53 billions and the net income 24 billions; and in 1918 the gross income was 61 billions and the net income 24 billions, these years of 1917 and 1918 being the two years of the war when the service men were exiled from civil life, with its marvelous opportunities to amass wealth.

To show that our Government can well afford to be generous in its treatment of our ex-service boys, let me cite a few figures:

France has a national wealth of 58 billions and a national debt of 51 billions. Great Britain has a national wealth of 70 billions 500 millions and a national debt of 37 billions 910 millions. Italy has a national wealth of 21 billions 800 millions and a national debt of 18 billions 650 millions. Proud little Belgium has a national wealth of 5 billions 840 millions and a national debt of 4 billions 670 millions. The United States, with a wealth of 286 billions, has a national debt of 23 billions.

Colonel Forbes, head of the Veterans' Bureau, tells us that there are now on the rolls of the Veterans' Bureau a total of 649,588 persons who are receiving cash, or for whom money is paid out for service, through benefit, on account of service during the Great War. These persons are classified as follows:

Receiving vocational training.....	107, 478
Compensation.....	381, 113
Insurance.....	150, 107
Hospital treatment.....	30, 890

In addition to its other benefits, the Veterans' Bureau is operating for ex-service men an insurance bureau, with no administrative cost to those carrying insurance. Of course, the insured have to pay their actual mortality cost premiums. The insurance in force total 3 billions 500 millions. Up to February

28 the bureau had disbursed more than three hundred millions in insurance benefits.

In conclusion, Mr. Speaker and gentlemen of the House, permit me to say that no words of mine can add luster to the names of the World War heroes. Their fame is undying. Their memory is embalmed in the hearts of a grateful posterity. Generations yet unborn, as they turn to view the course of the human race, will see the forms of the heroes of the World War towering like pyramids above the masses with the torch of civilization and freedom in their hands. As they open the pages of universal history they will see the names of those heroes indelibly written by the hand of ages on pages of silver in letters of gold. I thank you. [Applause.]

Mr. THOMPSON. Mr. Speaker, I am availing myself of the opportunity of extending my remarks on the World War soldiers' adjusted compensation bill.

In 1917, 24,000,000 of young men in the United States were available for military service. Four millions of them were used. They were mostly inducted into military service and their liberty and their lives placed in jeopardy at a dollar a day. The other 20,000,000 remained at home, and received from \$5 to \$10 per day in civil employment far from danger.

The 4,000,000 men taken were used by the Government to preserve the business of the country, and there is not a single business man in the United States who did not receive valuable protection from that service. The American soldiers brought the war to a close a year sooner than had been anticipated, and on the 1st of November, 1918, there was not a patriotic business man in the Union who would not gladly have submitted to any kind of a tax to continue the war to a successful conclusion.

In 1910 the total wealth of the United States was \$188,000,000,000. The estimated wealth of this country is now approximately \$450,000,000,000, or an increase between 1910 and 1920 of \$263,000,000,000. It is estimated by the Government actuaries that the present bonus, if paid off in cash, would amount to \$1,492,000,000. Such sum represents our moral obligation and is the true measure of value which we owe, and which would mean that the cost of adjusted compensation to the World War soldiers would be less than 1 per cent of the increase of the wealth of our country between 1910 and 1920. It is, therefore, obvious that the country is not being looted by settling of a war claim such as the moral obligation of adjusted compensation.

I would hesitate to vote this additional burden on the shoulders of the American people had I not been assured that the interest on the British debt owing us, which will fall due in the late summer, will be applied to pay the soldiers' bonus since the amount to be paid is nearly \$500,000,000. I therefore vote for the bill.

Mr. ROUSE. Mr. Speaker, under the leave granted to me to extend my remarks in the RECORD, I include the following report:

[House Rept. 804, pt. 3, 67th Cong., 2d sess.]

SOLDIERS' ADJUSTED COMPENSATION.

Mr. KITCHIN, from the Committee on Ways and Means, submitted the following minority views, to accompany House resolution 10874:

Of the eight Democratic minority members of the Ways and Means Committee three voted against reporting the pending bill favorably and five voted to report it favorably but do not approve of many of its provisions.

In justice to the Democrats of the committee and of the House who shall vote for the bill, it must be remembered that no Democratic member of the committee was permitted to participate at any meeting either in the discussion or preparation of the bill, nor was any Democratic member allowed even to be present at any meeting for the discussion or consideration of the bill, so this bill is exclusively a barred-door Republican product.

The committee and the House being absolutely under the control of the Republicans, according to Republican methods, this is the only bill which any Democrat in the committee or in the House will be given a chance on which to vote.

So under the Republican scheme the proposition confronting the Democrats is: This bill or nothing. Many Democrats of the House prefer this bill to nothing, as it may be of some little possible aid to some needy veterans. Some prefer nothing to this bill.

We are confident that if the Democrats had control of the committee and the writing of a bonus bill was committed by the House to their charge, they would have prepared and presented to Congress a bill far more just and satisfactory to both the veteran and the Government.

The undersigned are unanimous in the following views:

Undoubtedly a large majority of the Democrats and Republicans in Congress favor a bonus or adjusted compensation of some sort to the World War veterans of the United States, and undoubtedly the House will pass the pending bonus bill, provided the Republicans who profess the most devoted, affectionate, and exclusive friendship for the veteran have the courage to keep their repeated pledges to the members of the American Legion and defy President Harding and Secretary Mellon and the money power, whom they represent, in their violent opposition to a bonus.

We believe that President Harding and the Republicans were right in their first proposition, to wit, that whatever kind of bonus bill or compensation act should be passed, there should be included in it a specific levy of taxation for the payment thereof.

We believe and insist that the amount of the money bonus or service credit which Congress concludes is justly due the veteran should be paid in cash on demand, and we protest against the veteran being given, as is provided by the pending bill, a 20-year due bill, or, as the Comptroller of the Currency calls it, a rain check, which he can pawn with some bank for a loan of only one-half of the amount which Congress by the bill confesses the Government justly owes him, provided, of course, he can get some bank to ignore and defy the administration in its advice to the banks not to loan a veteran a penny on such due bill or "certificate." If the Government justly owes the veteran an additional compensation, as the bill admits, why should it not treat him as it does its other current creditors, pay him on demand in cash? When our country needed his services and required of him sufferings and sacrifice of blood, limb, and life, he went, and willingly, at once. He did not demand an installment plan or delay of 20 years for his services and sacrifices.

The due-bill, rain-check, borrow-money bonus mode of payment, as provided by the bill, is an insult to every World War veteran and a shameful discredit to Congress and the Nation. By the bill, the veteran is given a scrap of paper and told to go out and hawk it from bank to bank in the hope, after being held up for a high rate of interest, of getting a little cash on it, not, however, to exceed 50 per cent of what the bill confesses the Government now justly owes him.

Should a grateful Nation, after by act of Congress it confesses that it justly owes him an amount as additional compensation for his sufferings and sacrifices and offerings of life and limb during the World War, permit the banks, in order for him to get a pittance in cash, to hold him up to the extent of from two hundred to five hundred millions of dollars in interest charges at the high rate of from 6 per cent to 8 per cent, when the Government, according to the reports in yesterday's papers, can and is now getting all the money it wants to pay its current and other expenses on its certificates of indebtedness at the rate of 4 1/2 per cent interest? Why should not the Government also issue certificates of indebtedness, borrow money at 4 1/2 per cent, and pay its indebtedness to the veteran, admitted by the bill to be absolutely just? Why give him a due bill or rain check and then stab it in the back, as does the administration through its Comptroller of the Currency with the warning and advice: "Nonnegotiable—no bank should loan to any veteran a penny of money on it."

Every Republican member of the committee, when it provided in the bill for the veteran to borrow money from the banks on his due bill or "certificate," knew that the administration's Comptroller of the Currency, who is the supervisor of all the national banks, had publicly announced in an interview published in all the papers throughout the country that he was going to advise all the national banks in the United States to refuse to loan a penny of money on them. They knew, too, that the President was opposed to the payment of any bonus or adjusted compensation to the World War veteran except by a sales tax.

The proposition in the bill, with this attitude of the administration and its Comptroller of the Currency, is absolutely a "gold brick" handed to the veteran, and a plain violation of the wide-mouthed pledge daily made for the last two years by the Republicans to the World War veterans. So we are presented with the shameful spectacle of the party that aborted the war, divided our country's war associates, disgraced the peace, deluded the people, deceived the veteran, deserted the wounded, relieved the profiteer, reduced the millionaires' income tax, repealed the excess-profits tax on the profiteers, and which still maintains a blasphemous, bibulous bootlicker at the Court of St. James to besmirch with his drunken banquet babble the high war purposes of the American people and the inspiration of the American soldiers, now offers to redeem its reckless campaign pledges with an I O U, designated as a "certificate," which the administration has, in advance of its issue, fatally impeached and discredited.

They are not conscious of, they do not realize how the insulting, mortifying indignity involved in sending the soldier from the Capitol to hawk his due bill about the country from bank to bank in search of some bank which for a high rate of interest will ignore the administration's advice and loan him a few dollars on it.

The schemers, the conspirators, the assassins who stabbed the peace can never thrill with the ardor of the American soldier who crossed the sea to end war singing, "We won't come back till it's over over there." Envenomed with envy during the war, they never felt that exultant thrill, and as they are incapable of appreciation they are not capable of rewarding such a service.

Their eyes have never seen the light of the torch of Flanders field. With the veteran and his needs they reveal their incompetence. They start and stop. They are for this to-day and for that to-morrow. They potter around in darkness, they fumble, they mull. Incapable of dealing with the economic situation, they have directly brought upon the American people the worst depression that ever came upon them. Equally incapable of dealing with the war veteran situation, they stutter and stagger. Blind, they wander around. They pick it up and put it down. Their last condition is worse than their first. Their victory of November, 1920, has turned to ashes. The honey of March, 1921, has turned to the wormwood of March, 1922. With a bold and impudent effrontery they offer to the American soldiers not the glory of a complete victory or the tribute of the Nation's gratitude, but a pawn ticket or a rain check. "How long, O Lord, how long!" cry the people unto Thee. "When wilt Thou deliver us from the body of this death?"

We favor and insist that whatever kind or sort of bonus or adjusted compensation Congress shall deem justly due the World War veteran should be paid out of the taxes specifically levied for such purpose upon the big incomes of the millionaires and multimillionaires, whose number has more than trebled and whose wealth has increased to the extent of many billions of dollars since the beginning of the war, and upon the conscienceless, excessive profits of the big monopolistic corporations, who have plundered and profiteered upon the people and the Government since January 1, 1916, to the extent of over \$40,000,000,000 of net profits and who persist in continuing their profiteering. These millionaires and multimillionaires and corporations were the real financial beneficiaries of the war. Why should they not now be made to pay this additional expense of the war?

For this purpose we favor the reenactment of the surtax on the large incomes of these millionaires and multimillionaires which was repealed by the Republicans in their revenue act of 1921, and a reenactment of the excess-profits tax which was also repealed by them in said act, with a specific exemption of \$50,000 instead of \$3,000, as provided for in the act of 1918. By such exemption we would lose or sacrifice less than one-tenth of the excess-profits tax. In other words, heretofore corporations making an amount in excess of \$50,000 yearly have been making nine-tenths of all the corporate incomes and have been paying nine-tenths of all the excess-profits taxes, and will continue to make and pay in such proportion if we reenact the excess-profits tax as above set out for this unquestioned war liability.

Ten hundred and twenty-six corporations, with incomes each from five millions to five hundred millions, had several hundred millions more income yearly and paid several hundred millions more excess-profits tax annually than all the balance of the 317,000 corporations in the United States, and these are the corporations which have, during the war and since, and will continue, especially under Republican administrations, to profiteer and prey upon the people of the United States and the Government. By our method we propose to make them bear the largest portion of this additional expense for the World War veterans' adjusted compensation should Congress pass one.

Since the Republican Congress and administration, in its last tax bill, relieved from taxation the millionaires and multimillionaires to the extent of over \$90,000,000 yearly, as estimated by the Treasury Department, on their big incomes—that is, reduced the rate of taxation on the incomes of the millionaires to that extent, and released to the big monopolistic corporations of this country, whose big stockholders are contributors to the Republican campaign funds, over \$450,000,000, according to the Treasury's estimate, annually hereafter, by the repeal of the excess-profits tax—why can not the Republicans now be equally as generous to the brave boys who made sacrifices, who braved the dangers of the sea and the trenches, and who took the risks of life for their country and their flag, and rescind the repeal and make these big incomes and excess profits of the millionaire profiteers, corporate and individual, who, without making a sacrifice, without enduring a hardship, without incurring a risk, remained at home in peace and safety and collected out of the people and the Government billions of blood money, pay whatever sort of bonus Congress may pass. They were filling their coffers here while the boys were spilling their blood there, and are still and will continue to prey upon and plunder the people.

Be it remembered that our brave boys were making these sacrifices, enduring these hardships, and taking these risks and shedding their blood in defense and for the protection of these same millionaires and corporations—these same fabulous blood-money profits—as well as for their Government and for their country.

The Republican administration favors paying the bonus out of taxes levied upon a general sales tax; that is, levying a tax upon the necessity to buy in order to sustain life. It wishes to put the taxes as much as possible upon the people, the soldiers themselves, and relieve the millionaire profiteers, corporate and individual. It desires to make all the people, the poor as well as the rich, World War veterans as well as the rest of the people, pay this tax; that is, it desires the poor veteran, with no property and no income, to pay as much toward the bonus or adjusted compensation as John D. Rockefeller, with his billion of wealth and millions of yearly income.

President Harding and Secretary Mellon boldly offer a bribe to the World War veterans to espouse the cause of the money power in their efforts to establish as a part of our revenue system the vicious policy of a general sales tax. They offer a bonus in consideration of the veteran and his friends favoring a sales tax. They vigorously fight a bonus without a sales tax in the hope that the brave boys will be tempted to yield and be willing to help the President and Mr. Mellon and the money power to drive the first effective wedge under the established policy of the income tax, founded upon the principle of ability to pay, and finally to force from our statute books the revenue policy of the entire income tax—a policy which the people established in our tax system after a quarter of a century of hard and persistent struggle with the money power and the Republican leaders.

We undertake to say that the World War veteran, even for the bonus or adjusted compensation offered by the Republican President and his Secretary of the Treasury, is unwilling to surrender to the money power of the United States the fruits of the people's struggle and victory, and in its stead establish, which the President and Mr. Mellon heartily desire, the vicious principle of taxing the necessity of all the people to buy, proclaiming a new doctrine for the United States—equal burdens by all, rich and poor alike—no relief to any except the millionaires and monopolistic corporate interests. We are unalterably opposed to this Harding-Mellon money-power scheme.

Treat "the boys" white, gentlemen of the Republican Congress. If you really favor the money bonus, pay them, like men, in cash in full and not send them out of the Capitol with only scraps of paper as tramping mendicants at the mercy of the banks in our towns and cities. During the war he treated you and your country "white." He now deserves fair, manly treatment at your hands.

The Republicans ask, How can we get the cash now to pay? We answer: Exactly as we have been getting the cash to run the Government for the last five years. Exactly as the Republicans got the cash to pay \$3,000,000,000 to the war contractors, two billions to give and loan to the railroads for the benefit of the holders of railroad securities, fifty million for war minerals contractors, millions to feed Europe, and exactly as they propose to raise millions for the purpose of paying a ship subsidy.

Levy the taxes as we suggest and issue certificates of indebtedness in anticipation of collection of taxes, to be redeemed when the taxes are paid, as is now provided by law.

When his country called, he offered life and limb. What do you now offer him—a "gold brick"!

CLAUDE KITCHIN.
W. A. OLDFIELD.
CHAS. R. CRISP.
JOHN F. CAREW.
PETER F. TAGUE.

Mr. RAINEY of Illinois. Mr. Speaker, it is a duty lying heavy on the conscience of the American people, enjoying all the benefits of a free country and a democratic form of government, to do justice to the 2,000,000 of the most physically fit and mentally alert and morally sound young manhood who in the face of the world's greatest fighting machine that was built up by a century's training hurled back that menace that sought to dominate the world with autocratic power.

I challenge the statements made by some of my colleagues and the even more ignoble insinuations that many Members of Congress are voting for this so-called "bonus" because we fear reprisal at the polls. The kind of men who fought in the Argonne Forest, at Chateau-Thierry, in the Battle of the Marne, and at Soissons will not in selfish resentment knife on election day any Member of Congress who votes according to his honest convictions.

This adjusted compensation—it is not a bonus or gratuity or charity—will be paid because the American people remember that, while these pick of American manhood were in the trenches and hospitals and camps, others physically, mentally, and morally inferior, who could not be trusted to hold the line on the forefront of civilization, were reveling in the greatest orgy of money-grabbing this Nation ever knew. It will be paid because it is the greatest insurance policy ever written in all the world's history. The future of this country in military preparedness no more than in legislation, in commerce, in industrial enterprises, and in national spirit rests with these returned heroes of the war, who will mold public opinion for the future. It is the cheapest and best national insurance to show these picked young men that loyalty and patriotism and self-sacrifice are highly esteemed and appreciated by all of the people.

Let none say from his heart what some have suggested here with their lips for political sentiment, that this is an attempt to buy patriotism. Loyalty and patriotism are fruits of the soul, but the morale of our young men, who must ever be the Nation's safeguard against foreign aggression, is built up by a public appreciation of these intrinsic qualities.

This is not a "soldier-bonus" measure, as it has been persistently called. It is adjusted compensation for our soldiers, sailors, and marines—an inadequate adjustment and long overdue—but the best that our leaders believe the country can do at this time, and there is imperative reason that action should not longer be delayed.

Why should it be paid at all? Why did their pay need adjustment?

We conscripted them for military service. Out of 24,000,000 registered under the selective draft law—passed by us in Congress assembled—following our directions 4,000,000 were chosen to do the Nation's fighting. They left home, their professions or jobs, suffered every hardship, facing death repeatedly, under physical and mental and moral strain 24 hours in a day. We paid them nominally \$30 a month, or \$1 a day, but by the time they got through with allotment and insurance deductions and buying Liberty bonds at our exhortation their \$30 a month dwindled to \$8, less than 25 cents a day.

We did not conscript labor, which, with 4,000,000 men drawn from their customary places in productive enterprise, no longer felt the keen competition for employment, and revelled in a period of high wages beyond their most eager dreams, where practically every man got as much for one 8-hour day's work as the soldier got in a month for 24-hours-a-day toil, with all the hellish inventions of modern warfare bursting about him and sweeping over him in a fog of gas. Oftentimes they worked side by side in the construction camps, the soldier at \$1 and the other at \$10 a day.

We hired boys and girls and men and women by the hundreds of thousands and put them in mahogany-furnished offices, equipped with all the latest devices for comfort and to make work easy and paid them not \$30 a month but multiplied many times their pre-war salaries, and on top of that gave them a \$240 bonus, which they are still receiving.

Why should we try to give the service man any adjustment of compensation?

Because when he came home from this sickening toil, having won the fight for the world, he found he had lost two years of his life—two years of happiness and ambition. He found the stay-at-home—20,000,000 of them against the 4,000,000 who went—had taken his job, had taken the girl he left behind him, and that out of touch with the business and industrial life, soul-sickened by what he had seen overseas, he had to begin all over again. Depressed by the loss of his buddies, out of money, and out of a job—his plight the result of his patriotic service—he saw how the stay-at-homes had grabbed what might have been his.

According to Federal statistics, there are about 4,000,000 men out of work to-day in this country, and Commander MacNider, of the American Legion, says that fully 700,000 of these are ex-service men.

Whose shame is it that this remnant of the greatest Army in all history is to-day walking the streets idle? Theirs or ours?

This is the richest Nation in all the world, our aggregate wealth being \$286,000,000,000, more than one-third of which accrued during the war, and our debt being approximately only 8 per cent of our wealth. When our boys came home we gave them \$60. But what did our allies do, with debts running from 23 to 57 per cent of their wealth, and who can not even pay us the interest on the \$15,000,000,000 they owe us? They granted immediately substantial bonuses to their soldiers. Great Britain from \$142 to \$7,000; Belgium, \$492; Canada, \$600 to privates and \$972 to officers; France, \$249; and Italy, \$64.

We got the best service; we gave the least to our fighting men. With our money other nations pay bonuses to their warriors, and we have been telling ours we can not afford to give you anything, until the American people, who really pay the bill, have rebelled and demanded that we in Congress, who sent these their sons to war, must do them tardy justice now.

Can not we afford it? But for these boys we and all the world would have been paying Germany an indemnity of at least a billion a year for a century to come. If it had taken them six months longer to win the war, we would have drained the Treasury for ten times what this proposed adjusted compensation will cost.

Can not we afford it? In the last two years our funded public debt has been reduced by \$2,000,000,000 and our floating debt by \$700,000,000. The adjusted compensation bill will not cause new taxes for three years at least, and then the maximum on the loan feature will not be in excess of \$500,000,000, and more likely \$275,000,000.

We did afford to give the war workers at home a \$240 bonus each year, and then gave the returning heroes who broke the Hindenburg line \$60. The shame of this was so great that twenty-odd States could not stand it, and by direct vote of the people provided additional compensation for their own ex-service men.

We paid stay-at-home labor as we went for services. We reimbursed capital, appropriating \$3,000,000,000 to settle claims of war contractors, and as much more to the railroads, a bonus guaranty of 6 per cent even on inflated stock values. We made an advance of \$1,500,000 for seed to the drought-stricken farmers of the Northwest. We gladly gave starving Russia \$20,000,000. We gave Europe \$100,000,000 after the war—and we gave our own heroes \$60—not enough to get them decent civilian clothes.

Out of the war came 25,000 additional American millionaires—and 700,000 ex-service men jobless to-day.

Can not we afford to give these boys adjusted compensation—even though unduly late and entirely inadequate—when instead of hoarding it as the new millionaires will put it in circulation to the benefit of the shopkeeper, the butcher, and baker and manufacturer and farmer and banker, and into every line of business and every home in the country?

But, mark ye, be not all set up with the idea that you are being generous with the ex-service men. We here in the House, voting on this adjusted compensation bill are merely doing our best to get something for these boys. This is the only proposition we have been able to get from the Ways and Means Committee after long months of haggling and waiting and some persistent and adroit efforts to prevent any legislation. We who from the first have insisted that some adjusted compensation must be paid are now hoping that the Senate will do larger justice in giving these boys a more nearly fair adjustment.

We propose to give them less than 1 per cent of the increase in wealth of their country during the days that they were saving their country from being next assailed by the marauding militaristic machine. Is that whole-souled generosity of such spendthrift recklessness that it threatens to wreck the National Treasury?

And remember that increase in wealth of approximately \$100,000,000,000 is what it left after we have shot off \$50,000,000,000. The average wealth per capita in this country—according to the latest available Federal statistics—is \$3,300, and we propose to give to these boys who threw up all their chances in the get-rich-quick days an adjustment of about \$465 per man—will anyone who can figure say we can not afford it?

To a soldier boy out of a job because of his patriotism, who sees that some corporations have been making more than 100 per cent profit, that 1 individual had an income of \$34,000,000, 2 individuals incomes of \$16,000,000 each, and 248 incomes of more than \$1,000,000 during one year that he was "over there," while he was handling only about \$8 a month of the \$30 he nominally received—it is hard to explain that he ought to feel a very deep concern for the financial stability of the National Treasury and forego any adjusted compensation—just as he gave up his job to go to war.

Why try to give these 2,000,000 who went overseas a monopoly on patriotic sentiment and sacrifice? Why not let the 20,000,000 not called in the draft get some small belated share in the war by helping to pay adjusted compensation to those who went across in their stead out of the excess profits and excess pay they collected at home during the period of inflation all along the line?

We assume a sanctimonious pose and say, "We must care, first, for the maimed and sick. We have provided hospitalization facilities as fast as physically possible, and are about to

pass another \$17,000,000 appropriation for more hospitals." Just as though we had not always done the same thing for paupers and insane and criminals. Everlasting shame on us if we would not always do that for a weaker brother—not to mind the human wreckage of the world's greatest war.

When we conscripted our boys for overseas service they did not try to drive a close bargain with us. If they had said, "What will you give us to win the war?" we would have replied, "Write your own ticket." They did their job nobly, heroically, with an abandon of zeal which is the American ideal. Even when they came back they did not say, "What reward do we get?" They had their real reward throbbing in their breasts—the consciousness of a great deed nobly done without thought of price. It is a moral obligation upon us to make it right with these boys—and in no niggardly, penny-squeezing fashion.

We must remember ourselves—as we wish them to remember—that money weighs light in the scales against patriotism.

Mr. DAVIS of Tennessee. Although the adjusted compensation bill involves the interests of about four and one-half million ex-service men and the ultimate expenditure of what is variously estimated at from \$3,000,000,000 to \$10,000,000,000, yet only a short time was granted for a debate in the House and only one-fourth of this time accorded to the Democratic side. As it was impossible for me to obtain time within which to express my views on the floor of the House, I shall take advantage of the privilege granted by the House to each Member to extend his remarks in the Record upon this bill.

This bill was brought up under a suspension of the rules, for the deliberate purpose of precluding any opportunity to offer amendments. In a statement given to the press on yesterday Speaker GILLETT frankly stated that this course would be pursued so as to prevent the Democrats from offering an amendment or a motion to recommit. In this connection he stated that it was apparent from the minority report on the bill submitted by Democratic Members that if given an opportunity they would endeavor to amend the bill so as to provide the necessary revenue by the restoration of the excess-profits taxes and high surtaxes and also to provide for the payment in cash to such soldiers as should elect to take cash. During the debate to-day Republican Floor Leader MONDELL candidly made a similar statement. In other words, the leaders did not dare to permit a vote upon an amendment providing for the enactment of the original five-option plan as officially approved by the American Legion and providing for the necessary revenue therefor to be collected from the war profiteers. Consequently, we were confronted with the alternative of voting for or against the bill in its present form.

I am the friend of and in full sympathy with the ex-service men, as evidenced by my every act and every utterance affecting their interests. I gladly voted for the measure giving preference in Government appointments to honorably discharged soldiers, sailors, and marines, and the widows and children of such; and in every instance where I have made a recommendation for appointment and there was an ex-service man on the eligible register I have recommended the appointment of an ex-service man. I have cheerfully voted for every measure providing for the hospitalization, vocational rehabilitation, compensation, and other benefits for the veterans of the World War. The annual appropriations for these items aggregate more than \$450,000,000 per annum. I have esteemed it a privilege to aid each and every ex-service man who has sought my assistance as to any matter, having rendered to hundreds of them the best service of which I was capable.

I also voted for the soldiers' adjusted compensation bill that passed the House in 1920 and which was permitted to die in a Republican Senate. That bill embodied the regular five-option plan officially recommended by the American Legion, including a cash payment to those who elected to take cash. At the time of its passage through the House we were collecting annually \$450,000,000 in excess-profits taxes and were likewise collecting a large amount by a graduated surtax on the incomes of millionaires and multimillionaires. These taxes had been imposed during the war by a Democratic administration in order to reach the war profiteers who were waxing still richer at the expense of the masses of the people. Besides, at the time of the passage of said former bill through the House the whole country was prosperous, the farmers were getting peak prices for their products, the merchants and manufacturers were doing a prosperous business, labor was drawing the highest wages in history, and the Nation could have easily taken care of the cash payments to be paid under the provisions of the bill. On the other hand, a part of the soldiers had just returned and the others were returning home and needed the assistance to tide them over until they could get back into gainful occupations.

Since that time, in return for large campaign contributions from the wealthy classes, and particularly the profiteers, a Republican Congress, with the approval of a Republican President, has repealed the excess-profits taxes and also greatly reduced the surtaxes on the higher incomes. As before explained, the fear of the restoration of said taxes upon the profiteers and immensely wealthy impelled the Republican leaders to so manipulate the parliamentary situation that it was impossible for the real friends of the ex-service men and of the taxpayers to amend the bill in the interest of either the ex-service men or the masses of the taxpayers, or both.

I contend that no person or corporation had any moral right, during the demoralized conditions obtaining during and following the World War, to make more than a fair, peace-time profit, any profits in excess of a normal profit being ill gotten and unjustifiable, and that equalizing compensation for the ex-service men should in all fairness be collected from the war profiteers by the enactment of a provision taxing the average yearly profits for the six-year period of 1916, 1917, 1918, 1919, 1920, and 1921, in excess of the average yearly profits for the pre-war period of 1911, 1912, 1913, and 1914, or, if a corporation or partnership was not in existence or an individual was not engaged in a trade or business during the whole of such period, then for as many of such years during the whole of which the corporation or partnership was in existence or the individual was engaged in a trade or business. By computing the profits on the six-year basis credits would be given for such losses as may have been sustained during the years 1920 and 1921, and, of course, credit would be given for taxes already paid. In this computation and taxation should be included all stock dividends, which were generally issued for the specific purpose of evading taxation and which, by reason of a decision of the United States Supreme Court, have escaped taxation entirely.

During the time that our soldiers, sailors, and marines were absent from home in the service of their country, it is an undeniable fact that there was an orgy of profiteering here at home. While the overwhelming percentage of our people did not profiteer, and many had a more difficult time than before because of deflated prices and no corresponding increase in their incomes, yet there were large numbers who did profiteer in a most conscienceless manner. Thousands upon thousands of new millionaires were made during the war and most of those who were already millionaires multiplied their millions. In fact, the number of millionaires in this country has been more than trebled since the beginning of the war. The net excess profits made since January 1, 1916, chiefly by the big monopolistic corporations who plundered and profiteered upon the people and the Government, have amounted to more than \$40,000,000,000. These were the real financial beneficiaries of the war. Why should they not be compelled to pay the adjusted compensation of the ex-service men who fought for them as well as the other citizens of our Republic? Why should these holders of such ill-gotten gains not be required to pay this additional expense growing out of the war? Any fair-minded man must admit that taxes should be collected from those who received more than their just share during the war in order to compensate the soldiers who received less than their just share. The Republican leaders know that a majority of the House would not go on record against such a just proposition as this, and that is the reason that they brought this bill up under a drastic gag rule which precluded an opportunity to even offer an amendment. Why are the Republican leaders so against collecting the necessary revenue from those who made billions of excess war profits? Simply because, as is a matter of common knowledge, their obligations for past campaign contributions and their dependence upon further campaign contributions from these millionaire profiteers and favored monopolies are such that they would rather take the chance of taxing and deceiving the masses of the people than to incur the wrath of these holders of vast ill-gotten gains.

The Republican leaders, being unwilling to raise the necessary revenue in the fair and legitimate manner suggested, first turned to a sales tax, which of all the taxes ever devised is a tax upon the poor, as it taxes what a man and his family must eat and wear instead of taxing what a man earns and what he possesses. However, the protest against this proposed iniquitous tax was such that they were compelled to abandon it—for the time being at least. Being unwilling to tax wealth and the profiteers and being afraid to impose any additional tax burdens upon the masses of the people on the eve of the coming election, they have devised this miserable makeshift which has been variously and correctly described as a "bogus bill," "loan-shark bill," "gold-brick for the soldiers," and so forth.

The chief difference between the adjusted compensation bill which passed the House in 1920 and the pending bill is that

the former bill provided that the Government should pay cash compensation to the ex-service men who elected to receive in cash the amounts due them, whereas the pending bill does not provide cash payment to any except those who entered service so late and served such a short period that they are not entitled to more than \$50. These are to be paid in cash. However, under the provisions of the pending bill those men who served overseas, undergoing the dangers and hardships of actual warfare, and those who served long periods in training camps are not to be paid in cash but are to be given certificates, upon which they are accorded the poor privilege of borrowing 50 per cent of the amount to which the bill concedes them to be entitled if they can find a bank able and willing to extend the loan. They are only given the privilege of borrowing on their certificates from banks, not being permitted to borrow from any individual, however much he might desire to accommodate them, as the bill expressly provides that any loan on a certificate by other than a bank or trust company shall be void. The bill expressly authorizes banks to charge from 2 to 4 per cent per annum more than the interest which the certificate bears.

It is estimated by the Department of Labor and the American Legion that there are 700,000 ex-service men out of employment. All of these would naturally desire to be paid in cash the compensation to which they are entitled. There are large numbers of other ex-service men whose financial circumstances are such that they need and would desire to draw cash. These are naturally most interested in the immediate passage of a fair, honest, adjusted compensation bill; and yet, instead of paying them in cash the amounts to which they are entitled, as the Government pays all of its other obligations, the ex-service men under this bill are to be treated in the manner indicated. An ex-service man in easy financial circumstances, able to hold his certificate for 20 years, will finally collect the entire amount with $4\frac{1}{2}$ per cent interest, compounded annually, and if he should die in the meantime the beneficiary would collect the full amount with accrued interest. However, if his circumstances are such that he needs the money now, his only recourse is to attempt to borrow from some bank one-half of the amount now due him and pay a high rate of interest. If he can not borrow from a bank he can not raise any money on his certificate prior to October 1, 1925, and then he can only cash his certificate by taking 80 per cent of the amount due him.

It is a matter of common knowledge that the banks of the country, particularly in agricultural sections, almost without exception have loans outstanding up to the extent of their capacity, and in most instances have large amounts of money borrowed in an effort to meet the demands of their customers; and even then most banks are unable to meet the necessities of their regular customers—farmers, merchants, and others. Consequently, it is highly improbable that the banks, especially in agricultural sections, will be able to accommodate the ex-service men to any extent. In so far as they may feel constrained to do so, it will doubtless be to the detriment of their regular customers, who in large measure are the fathers of the ex-service men. Is it not cowardly for the great Government of the United States to "pass the buck" to the already overburdened banks?

Furthermore, the Secretary of the Treasury and the Comptroller of the Currency have already emphatically declared that they would advise the banks not to lend upon these certificates, upon the ground that they would be nonnegotiable and would constitute the worse form of "frozen credits," not being redeemable by the Government for three years, and would be an unsafe form of banking. In other words, at the same time the leaders in the legislative branch of the Government undertake to satisfy the ex-service men for the purposes of the coming campaign, the executive branch of the Government discredits the certificates.

Conclusive evidence that the Republican leaders, who are responsible for this "bogus bill," fully realize the accuracy of what I have just said is the fact that these certificates are not to be dated or issued prior to October 1, 1922. As the Government is not called upon for more than three years to raise any revenue or to pay any cash under the provisions of this bill, except to those entitled to \$50 or less, which amounts it is estimated will aggregate only about \$16,000,000, why do they defer the issuance of these certificates until October 1? If they are acting in good faith and if they really believe that the men can borrow even one-half of the amounts due them, why do they not issue the certificates immediately after the passage of the bill in order that the hundreds of thousands of men now out of employment and those who for other reasons now need

financial assistance may receive their certificates and borrow upon them? The reason for deferring the issuance of the certificates until a month before the election is palpable. They realize that it will not do for their plan to be put to the acid test before the election. They know full well that four and one-half million certificates could not possibly be made out and placed in the hands of the ex-service men between October 1 and the day of the election. The Republicans have been in complete control of both branches of Congress for more than three years and in complete control of the executive branch for more than a year, during which time they have been feeding the ex-service men upon promises. Now, having waited until the eve of another election, and, although passing this bill through the House in March, they expressly defer the issuance of the certificates until next October, just about a month before the election. Those responsible for this miserable makeshift are not the friends of the ex-service men; they are proceeding solely from a standpoint of political expediency, and at the same time presuming upon the credulity of the ex-service men. They hope and believe that this bill will never pass the Senate, or that if it does pass the Senate, it will be vetoed by the President. However, assuming that there is a possibility of its passing the Senate and being signed by the President, they preclude the possibility of its ineffectiveness being fully demonstrated in actual practice and the enormity of the fraud being fully exposed prior to the date of the coming election.

There is not a single real friend of the ex-service men in the House of Representatives who is satisfied with this bill; there are none of them who do not admit publicly or privately that the facts I have heretofore stated are true.

Five Democratic members of the Ways and Means Committee signed a minority report in which they described this bill, in part, as follows:

The duebill, rain check, borrow-money bonus mode of payment as provided by the bill is an insult to every World War veteran and a shameful discredit to Congress and the Nation. By the bill the veteran is given a scrap of paper and told to go out and hawk it from bank to bank in the hope, after being held up for a high rate of interest, of getting a little cash on it, not, however, to exceed 50 per cent of what the bill confesses the Government now justly owes him.

Should a grateful Nation, after by act of Congress it confesses that it justly owes him an amount as additional compensation for his sufferings and sacrifices and offerings of life and limb during the World War, permit the banks, in order for him to get a pittance in cash, to hold him up to the extent of from two hundred to five hundred millions of dollars in interest charges at the high rate of from 6 per cent to 8 per cent, provided they can borrow on their certificates at all, when the Government, according to the reports in yesterday's papers, can and is now getting all the money it wants to pay its current and other expenses on its certificates of indebtedness at the rate of $4\frac{1}{2}$ per cent interest? Why should not the Government also issue certificates of indebtedness, borrow money at $4\frac{1}{2}$ per cent, and pay its indebtedness to the veteran, admitted by the bill to be absolutely just? Why give him a duebill or rain check and then stab it in the back, as does the administration, through its Comptroller of the Currency, with the warning and advice: "Nonnegotiable; no bank should loan to any veteran a penny of money on it."

They are not conscious of, they do not realize the insulting, mortifying indignity involved in sending the soldier from the Capitol to hawk his duebill about the country from bank to bank in search of some bank which, for a high rate of interest, will ignore the administration's advice and loan him a few dollars on it.

This same report also denounced this bill as "absolutely a 'gold brick' handed to the veterans." Yet four of the signers of this report voted for this bill.

A characteristic attitude taken by Republican Members was expressed by the Representative from Illinois [Mr. GORMAN], who said:

Mr. Speaker, I do not like this bill, H. R. 10769, to provide adjusted compensation for veterans of the World War, but I am going to vote for it. I do not like it, because, in my opinion, it does not treat the saviors of civilization with even a modicum of the liberality which a rich, powerful, and grateful Nation ought to bestow upon its gallant defenders.

I do not like to visualize the veteran compelled to hawk his nonnegotiable certificate and pay interest for a loan thereon, when he should have received cash for his adjusted compensation directly from Uncle Sam. This is called an adjusted compensation bill, but that is a misnomer.

I have given the typical viewpoint of both Republicans and Democrats who denounced the bill in unmeasured terms and then voted for it. I feel the same way about the bill that they do, but, feeling that way about it, I could not conscientiously support it. I vote the same way I talk, and vice versa.

I would have again voted for a fair, honest adjusted compensation bill to-day, and especially would I gladly support such a bill if the revenue therefor would be raised in a proper manner, either by the provisions of the bill or by general legislation, so that the adjusted compensation would not have to be paid by the ex-service men themselves and their parents. However, I am unwilling to stultify myself by being a party to a palpable sham, political buncombe, and assuming that the ex-service men

are fools, by placing myself in the attitude of saying, in substance, to the ex-service men: "Because I am your friend, and in order to further my own political ends, I voted for this bill, fully realizing that we are handing you a gold brick, a thinly veneered sham, with the hope that it will not become a law and be put to the test, or, if it does, that you will not see through it before the coming primary or election."

I have no patience with the criticism of ex-service men, and want it understood that I do not approve same. I am especially intolerant of the imputation of "dollar diplomacy" to ex-service men who seek adjusted compensation; many of those who prate of this at the same time favor permitting the war profiteers to retain their blood money. The fact of the business is that the agitation for adjusted compensation did not originate with ex-service men. However, I fully recognize the justice of their plea. For that very reason I am unwilling to aid in perpetrating a fraud upon them. The Nation's heroes are entitled to better treatment than to be cajoled, deceived, and exploited for political purposes. I believe that they are as intelligent and patriotic as they are brave, and I feel sure that they will ultimately realize that this bill is a false pretense. However, I will not help perpetrate this fraud upon the ex-service men, upon the supposition, which numerous Members of the House freely admit they are proceeding upon, that the ex-service men will not see through the fraud before the coming primary or election. I have a loftier conception of my duty and a higher opinion of the fairness and intelligence of the ex-service men of my district. I do not believe that the ex-service men have any better opinion of a coward in official life than they have of a coward on the battle field.

In conclusion I call attention to the fact that while this bill is unfair to the soldiers yet it does not result in any saving to the taxpayers. It simply defers for a little more than three years the beginning of the collection of taxes to meet the provisions of the bill. In passing up the opportunity to tax the war profiteers and deferring the collection of the taxes for periods ranging from 3 to 20 years, it simply defers the collection of same to a time when the tax burdens will fall all the more heavily upon the ex-service men themselves, who will become larger taxpayers as time goes by.

Mr. TAYLOR of Tennessee. Mr. Speaker and gentlemen of the House, I desire to avail myself of the privilege accorded to all Members of the House to extend their remarks in the Record on the bill under consideration. While this measure does not fully embody my ideas or conform to my wishes in respect to a bonus for our ex-service men, nevertheless I shall accept the verdict of the Ways and Means Committee, which has given the proposition long and laborious consideration, that it is the best that can be done under the circumstances.

From the very outset I have been a conscientious and consistent supporter of the so-called bonus for the soldiers, and I have gradually grown "stronger in the faith" as the contest for this just and highly deserved recognition of our recent war veterans has progressed.

NO NEW PRINCIPLE INVOLVED.

The "bonus," "adjusted compensation," "bounty," or by whatsoever other name you may please to designate it, is no new principle with us or with the other nations of the earth. Since the dawn of history nations and peoples have seen fit, and properly so, by one measure or another to reward their soldiers by material as well as by verbal expression. We are taught in Holy Writ that the fighting Israelites of Biblical days participated in the distribution of the spoils of war as a partial reward and compensation for their services and sacrifices on the field of battle.

The Grecian and Roman soldier not only participated in the division of the "spoils of war," but history tells us that upon his triumphant return he was showered with gifts and gratuities of every character by a proud and grateful populace. So, throughout the ages, this principle has been observed by all of the nations of the globe as a just recognition and partial recompense to those who undergo the mishaps and hardships of "grim-visaged war." I presume, however, that in every instance there have been those who, inspired by honest, conscientious convictions, or by venal and selfish motives, have opposed assigning as a reason or pretext the financial depression of the country, the immorality of the practice, or basing their objection upon some other real, imaginary, fictitious, or fancied hypothesis. Nevertheless, Mr. Speaker, the large majority of the people have always favored the proposition, and the necessary means have always been provided without bankrupting or seriously jeopardizing the credit of the particular nation involved. I assume that we are confronted by substantially the same arguments and objections to-day that were employed by those who opposed the proposition in the past.

No one appears, however, to possess the hardihood to gainsay the soldier's right to a bonus or adjusted compensation; albeit, we are told that the country can not afford it. Opponents of the measure, with sad faces, in sepulchral and lugubrious tones, prophesy dire calamity to the country if the Congress passes the bill under consideration. To hear them talk you would infer that through the proposed legislation, with a reckless abandon hitherto unknown, Uncle Sam is about to cast into a burning brush heap or pour into a bottomless pit, and thereby utterly destroy, the colossal sum authorized to be expended by the provisions of this bill. My friends, whatever sum of money may be paid to the soldiers is not lost or destroyed by any sort of means. It will go into immediate circulation, and instead of retarding the return of prosperity, in my opinion, it will stimulate and hasten it.

WE HAVE THE RESOURCES.

Mr. Speaker and gentlemen of the House, I challenge the statement that this Nation is in such poor financial condition that it can not afford to make this appropriation. We boast of the fact, and it is acknowledged by all of our contemporaries, that the United States is the richest and most resourceful Nation on the face of the earth. Our national wealth is conservatively estimated at from two hundred and fifty to three hundred billion dollars, whereas our national debt, after deduction of the approximately \$11,000,000,000 principal and interest owed us by foreign nations, is only about twelve billion, or less than 5 per cent of our aggregate wealth.

The national wealth of France is considered to be about \$58,000,000,000 and her national indebtedness is about \$51,000,000,000, or more than 80 per cent of her entire wealth. The national wealth of England has been estimated at about \$70,000,000,000 and her national indebtedness at about \$37,000,000,000, or 55 per cent of her aggregate wealth. The national wealth of Belgium is estimated at about \$12,000,000,000 and her indebtedness at about \$5,000,000,000, or approximately 40 per cent of her wealth. The estimated wealth of Canada is about \$10,000,000,000, whereas her estimated indebtedness is about \$2,250,000,000, or about 25 per cent of her aggregate wealth. Since the war England has paid her soldiers a maximum bonus of \$189.54; France, \$233.53; Belgium, \$492; and Canada, \$634.42. If our allies, far more sorely smitten by war's terrible ravages than we, can afford to thus provide for their soldiers, in the name of God and common justice, why can not we?

Mr. Speaker, in October, 1918, it was costing this country to prosecute our war program approximately \$30,000,000 a day. The indications pointed to the continuation of the struggle for at least another year, and perchance much longer. No true American then was heard to complain at the cost of the war. United, with our patriotism fanned to fever heat, we had only one purpose, and that was to win the war and make the world safe for civilization. Thanks to the intrepid, indomitable spirit of the American soldier the war came to a sudden conclusion on November 11, 1918. Now, shall we deny to those gallant men who won the war adjusted compensation which will about equal the sum it would have cost us had the war continued three months longer? I know it is difficult to estimate the value of patriotism in dollars and cents or to calculate the price of human sacrifice. But, my friends, the boys can not live on praise alone. While their heroism has immortalized their names, their physical needs remain the same.

OBLIGATION A MORAL ONE.

It is not contended by the advocates of this measure that the Government is under any sort of legal obligation to pay the soldiers a bonus. The obligation is purely moral, and therefore, in my judgment, all the more sacred and binding. These 4,000,000 American boys did not enter the war altogether of their own volition. They were not even consulted as to the practicability or advisability of the war. They were summoned by their Government from their peaceful pursuits—from the city, from the town, from the hamlet, from the mountains, from the field, and from the factory, from every avocation and profession, the very flower of the land—and rushed into the vortex of the most gigantic struggle that the annals of history have ever chronicled or this old world has ever seen.

The beneficent tenets of the 8-hour day did not apply to them, but from daylight to dark and from dark to daylight they served their country in the training camp, on the firing line, sleeping in muddy, vermin-infested trenches, inhaling noxious and poisonous gases, facing deadly machine-gun fire 'midst flying shrapnel, charging through shot and shell under the merciless aim of treacherous aircraft on foreign soil in no man's land. And for this heroic service to their country they were paid the paltry sum of \$30 per month. And at the end of the month, after deductions were made for allotments to dependent relatives, for life insurance, for Liberty bonds, and

war-savings stamps, practically nothing was left. While these 4,000,000 American boys were thus serving the colors we at home, secure from all harm and in the full enjoyment of home associations, were receiving the benefits of such an era of prosperity, as a result of the war, as this country had never witnessed before. The price of everything—labor and all articles and commodities of trade and commerce—doubled, trebled, and in many instances quadrupled, and the demand far exceeded the supply. The testimony before the Ways and Means Committee showed that soldiers in the construction of Army camps and cantonments worked as carpenters and other mechanics for soldier pay alongside civilian carpenters and mechanics who were paid by the same Government from ten to fifteen dollars per day. While our service men were undergoing hardships and privations unparalleled in history, those who remained at home were enjoying the comforts of peaceful prosperity, some living in luxury and others accumulating enormous fortunes. Many of the boys were forced by the operation of the draft to give up good lucrative positions which they had attained after years of hard work and efficient service only to return and find these positions filled by others and lost to themselves forever. Of course the small pittance which it is proposed to give them will in no wise equal the monetary loss which they have sustained, but it will at least afford them temporary relief, and at the same time testify in a small measure to the appreciation of a grateful Republic.

HAVE WE SUFFERED A LAPSE OF MEMORY?

My friends, let us not so soon forget the heroic sacrifices and brilliant services of our soldier boys. Let not the American soldier experience the cold irony contained in Kipling's celebrated lines—

I went into a theater as sober as could be,
They gave a drunk civilian room, but 'adn't none for me;
They sent me to the gallery or 'round the music 'alls,
But when it comes to fightin', Lord! they shove me in the stalls,
For it's Tommy this and Tommy that and "Chuck him out, the brute!"
But it's "savior of 'is country" when the guns begin to shoot;
An' it's Tommy this an' Tommy that and anything you please;
But Tommy ain't no bloomin' fool—you bet that Tommy sees.

Whenever we forget the sacrifices our soldiers have made and the sufferings they have endured; whenever we cease to weave garlands of glory for those living and scatter roses and lilies over the graves of those that are dead; whenever we fail to honor the scars of valor which they incurred fighting the battles of the Republic; whenever we cease to canonize the unique heroism which they have displayed in behalf of freedom and humanity—then the glory will fade from our flag and liberty will perish among its worshippers.

Oh, how we sang the praises of these boys in the dark days of 1918 and with what feeling and fervor we declared—yea, we asseverated—that nothing was too good for them. With what admiration, not unmingled with anxiety, we scanned the bulletin boards and read the press dispatches telling of their brave exploits—on the ground, in the air, and everywhere. In our mental vision we beheld them now at Chateau-Thierry and Belleau Woods, where the treacherous and bloodthirsty Hun received his first lesson in American courage and American efficiency in arms, administered in typical American fashion by the indomitable American marines. We see them along the Marne crimsoning its waters with their own precious blood. We see them scaling the heights of St. Mihiel and charging through the Argonne, that great Golgotha of human sacrifice and human suffering. And finally we see them utterly amaze the cohorts of the Kaiser by knocking the supposedly impregnable Hindenburg line into a veritable "cocked hat." During those anxious days we went down into the very "shadows of the valley" and on bended knees, as it were, solemnly covenanted with ourselves that the gallant sacrifices of these brave lads must not go unrewarded. Was it only idle, empty sentimentalism that gripped our hearts and misted our eyes in those trying days? Surely not. But, Mr. Speaker, it is time to abandon simply "lip service" and empty adulation and show the boys some substantial manifestations of the country's appreciation.

THE FUTURE UNKNOWN.

Mr. Speaker and gentlemen of the House, one of the chief inspirations of the American soldier in the past has been the self-assumed assurances that a grateful Government will be generous to him or to his dependents in the event of his misfortune. No one knows what garments may be woven in the loom of the future. No one knows when nor from what source our next war may come. Representatives of the greatest powers of the earth recently sat around a conference table in this great Capital City and evolved an agreement which apparently greatly minimizes the possibilities of war, so far as we are concerned, for a generation. To all intents and purposes, we

are standing upon the threshold of an era of enduring peace. Yet, my friends, when we reflect upon the history of the past, with the knowledge of the envy and the avarice and the ambition that afflict the races and nations of the earth, we realize that we have no absolute and certain guaranty against war. A few years ago, with perfect composure, we read in the newspapers one day an account of the assassination of an Austrian prince by a youthful political fanatic. Little did we dream then that this far-away tragedy would be the match that would ignite a conflagration that would set the world on fire and ultimately involve us, the most peaceful Nation on earth, 5,000 miles removed. I pray God we may never have another war, but if we should, perhaps it may proceed from a source just as remote. Napoleon Bonaparte, the greatest military genius in the world's history, predicted that the time would come when the world would either be all Cossack or all republican. Lothrop Stoddard, recognized generally as an expert and authority on the eastern question and author of the "Rising Tide of Color" and the "New World of Islam," declares that events in the Mohammedan world are moving with incredible swiftness toward a crisis. He predicts that if the Moslem millions hurl themselves against Europe, Bolshevism will support the banner of Islam. Of course, if such a cataclysm should come America would be inevitably effected. Lord Northcliffe, the great English publicist and perhaps the greatest statesman of the age, has just concluded a tour of the world on which he made a careful study of world conditions. In a published interview, full of dread forebodings, he called attention to the racial, religious, and political prejudices which he observed in his travels. He confirms the opinion of Stoddard that the Moslem nations are marshaling now preparatory to a contest for world supremacy. We do not know how soon we may call upon the boys again to rally to the colors. God forbid that we shall ever be forced to again summon them to arms; but if we must, let it be understood by example that any man that comes to the relief of the Nation in times of the Nation's stress may expect similar relief at the hands of the Nation "when his evil d y cometh."

Mr. PATTERSON of New Jersey. Mr. Speaker, I intend to vote for H. R. 10874, to provide adjusted compensation for veterans of the World War—the so-called bonus bill—simply as a matter of justice to the 4,000,000 young men who helped to carry our flag to victory, stopped the onrush of the Hun, and saved the world to civilization. Their task was no light one, and was bravely and valiantly done, and in my humble judgment those who fought for us and who were willing to die for us are entitled to their reward.

If I thought this bill was putting a premium on patriotism, as is so often carelessly said, I would vote in the negative; but I can not conceive by any stretch of imagination that such a result is accomplished. The history of all warfare from the earliest recorded time shows that grateful nations rewarded their heroes with gifts of many kinds, and while in the olden days it was the custom to allow the victors to pillage and loot and carry off the spoils of war, the modern rules of warfare prohibit such methods. A grateful Nation rewarded the immortal Washington and his ragged heroes, and the defenders of 1812 and the conquerors of Mexico in 1848 were not forgotten by their compatriots. The participants in the Titanic struggle of 1861 to preserve the Union of States were the recipients of bounties and bonuses, and Uncle Sam has been fairly generous to the survivors in the way of pensions. All this is as it should be, and I am confident that few, if any, of the soldiers of the late World War will be insulted if the representatives of the sovereign people attempt to partially compensate them for the hardships they endured or the material benefits they lost in responding to the call for the defense of civilization and the saving of this country from probable invasion.

During the war we paid bonuses to our Government employees and to our policemen and firemen and other civil workers, and the wages of workmen in the various industries reached unheard-of heights. Why, then, deny the men who fought our battles some adjustment of the compensation that is rightfully due them?

Is this Nation, with its three hundred billions of wealth, too poor to make payment of a debt that is due those who lost so much? The alarmist cries that we already owe \$25,000,000,000 and that the soldiers' bonus will add five billions to that sum, disturbing economic conditions to such an extent that business will be retarded and nothing but disaster can be seen in the offing. Our allies owe us ten or eleven billions—with which money borrowed from us they paid their own soldiers a bonus—and if this was repaid we would be in debt less than \$20,000,000,000. Any firm that possesses assets of three hundred billions and has liabilities of less than one-fifteenth that amount would be considered pretty safe in financial circles and not in much danger of bankruptcy.

Personally I favored a bond issue or a sales tax to pay the soldiers who want a cash bonus, but as under the rule I can not vote for such an amendment, I am willing to take the plan that is offered rather than have no plan at all.

Practically the cash feature is eliminated and a 20-year endowment insurance policy is substituted, worth three times its face value at maturity and negotiable at a bank for a loan under carefully guarded conditions. No bank is compelled to loan on these insurance policies, but it is not likely that many will refuse to do so if they are presented by patriots in distress who need temporary aid and assistance. The cry is that such loans will be "frozen credits" and will keep money from business enterprises that need it to bring the country back to normalcy. The banks practically provided all the funds for all the Liberty and Victory loans, and after the war bought these securities at the depressed market price from the public, scared by propaganda and eager to realize on them at a discount of 15 per cent. Many banks made thousands of dollars by sustaining the credit of the Government in purchasing these bonds, and the Government itself went into the market and bought its own bonds below par. To say now that the banks could not finance a proposition one-tenth the volume of the task they successfully undertook during hostilities is too absurd to need denial.

But to return to the subject of the justice of the claim of the men for adjusted compensation. During the war I was a member of Camden County, N. J., No. 1 draft board from the beginning to the close of hostilities. This was one of the few draft boards that served without compensation and paid its own expenses—with the exception of clerk hire—as the members considered that the Government was under enough expense, with the contractors grabbing for every dollar in sight. In that service to the Government I had a rare opportunity to observe the differences in compensation paid the soldiers and the slackers. Some of the men sent to the Army by the draft boards were, perhaps, unworthy from some standpoints. In the larger cities the idle, vicious, and those criminally inclined were included in the draft, as well as the hard-working and honorable young men. But who among us could have separated the sheep from the goats? Some of the men drafted probably never had made over \$30 a month, but a majority of those drafted by our board averaged \$30 a week, and some as high as \$60 a week. The Government paid them \$30 a month and deducted \$15 a month for support of dependents, \$5 a month for insurance, and \$5 a month for Liberty bonds, leaving \$5 a month for luxuries and cigarettes, the doughnuts that they got being a gift from the Salvation Army lassies.

On the other hand, our draft board was compelled by the law to put on the exempt list hundreds of able-bodied young men who were sent to the shipyards and munition factories where they drew \$10 a day, and the contractors, on the 10 per cent plus agreement, received \$1 a day for each of them for keeping them out of war. That is the fly in the ointment with the service men. While they were wearing khaki and eating beans, the slackers were buying silk shirts and sirloin steaks.

Had the draft law been universal in its application there would now be no need of an adjusted compensation law. Do you suppose for one moment that if you had paid the soldiers \$10 a day, as was paid many a slacker, you would be asked now to adjust the compensation of the service man? Had such a course been pursued the national debt would have been nearer \$50,000,000,000 than the present \$23,000,000,000, with a prospective increase of \$2,000,000,000 under the bill under consideration.

The only people I find against the bonus bill are representatives of the big financial interests who fear a return to the surtaxes and excess profits of the war-time income tax law, but as that danger is past, we can dismiss that ghost of the dark days without further comment.

The plain people favor a bonus for the soldier, as is evidenced by the overwhelming majorities in favor of the plan in those States which have taken a referendum on the subject. One protestant against the bonus, who does not live in my district, threatened me with defeat of the Republican Party by the votes of himself and wife and four servants if I dared to vote for the bonus bill, and I answered him by recommending that he dispense with one of his servants and devote the wages of that employee toward compensating the men who had two years taken out of their careers because of their devotion to the cause of liberty.

Some people are mean enough to say that the war was a mere picnic and a joy ride, and that at the best it was a wonderful adventure in which anyone should have been glad to have participated, but I notice that those people were among those who never got farther than the station to say "good-by" to

the boys on the way to camp, when the latter were surrounded by sobbing and heart-broken relatives who were sure their loved ones would never come back.

It has been charged that I will vote for the bonus bill in the hope of making votes for reelection. That charge is about as base as is the one that the members of the American Legion are selling their patriotism for a mess of pottage. Owing to the propaganda circulated by the financial interests through the New York and other papers controlled by them, it looks as if those who vote for the bill will lose as many votes as they will gain. It is merely another case of being "damned if you do and damned if you don't."

From the threats contained in the press, I figure that I will lose more votes than I will gain. Therefore I draw the deduction that I will vote for the bill as a matter of principle. My party platform and my personal pledges based on that platform commit me to adjusted compensation for the soldiers, and I fully intend to attempt to keep my pledges to the people, however short my career in Congress may be.

The great trouble with the people of the country to-day is that they expect the Republican Party to undo in 12 months all the mischief perpetrated by the waste and extravagance of a Democratic administration in power for eight years. That is an impossibility except for miracle workers, and evidently we are not in that class. We will be fortunate if we can get back to normalcy in the four years of the wonderful administration of President Harding, which has opened so auspiciously. This Republican administration has already cut the expenses of the Government from six billions annually to approximately three billions a year, and the Director of the Budget and the Appropriations Committee have apparently just started to work. Of that three billions, over one-third is necessary to pay the interest on the war debt, and \$500,000,000 are being spent in caring for the soldiers who were disabled or are suffering from the effects of the great conflict. The Army and the Navy and pensions absorb another billion, and a careful analysis will show that the running expenses of the Government are almost back to a prewar basis. To my mind, the work of reconstruction on the part of the Republican Party has been remarkable, and I am confident that under the lead of President Harding and the able statesmen in his Cabinet and on the floor of the Senate and House of Representatives, that a way will be found for our people out of the present slough of despond and that instead of the threatened deficit in the Treasury, owing to the slump in the receipts from income taxes, there will soon be a surplus for the Democrats to squander if the evil day ever comes again to put them in charge of the Government.

Mr. BOND. Mr. Speaker, this bill may be approached from two different angles. That it is a bonus, a gift, a gratuity from a grateful Nation to its victorious soldiers, or that it is adjusted compensation to equalize in a measure, at least, the difference between those who served in the armed forces of the United States with those who remained at home. From the first viewpoint it may be likened to the action of a great business corporation which has had a prosperous year and which makes a return to its faithful employees over and above their fixed salaries or wages, as an appreciation of good services rendered, and to keep up the "esprit de corps" of the organization. Looking at it from this viewpoint, the United States Government during the years 1917 and 1918 was embarked upon the greatest enterprise of its history, to wit, to win the war. The employees, the soldiers and sailors were most faithful and effective. Through their enthusiasm, vigor, strength, and indomitable courage they brought the war to a successful issue months and perhaps years earlier than it would have been otherwise. Had the war lasted but six weeks longer it would have cost the United States in money alone more than this proposed bonus legislation will cost. The United States Government then, looking at this matter as a great business corporation might look at it, might well say such faithful services should be remembered and rewarded by a bonus, a gift, a gratuity over and above the amount of the fixed compensation. Of course, there was a patriotic duty on the part of these boys to render the service, and of course there is a duty of every employee of a great corporation to render full and faithful services in return for salaries and wages received. It is not a price for patriotism any more than the bonus given by large corporation is a price for loyalty. Patriotism to the country and loyalty to the employer are duties which legally and morally require no added compensation. But big business gives such bonus; the country may well do so.

Looking at this question from the standpoint of adjusted compensation, which is in accordance with the views of the American Legion and most of the proponents of the legislation, we have this situation. Approximately 4,000,000 of a total of

24,000,000 of the men in this country who were registered in the selective draft were in the armed forces of the United States during the war. The privates in the Army service received \$30 per month.

The right to contract or to appeal for higher compensation was denied them, and properly so. Those who were not under arms retained their freedom to contract, could work for whomsoever they pleased, whether for essential industries or not. They could sell their services to the highest bidder. Wages and salaries during this period greatly increased. Those who stayed at home received the benefits of this increase. Our soldiers and sailors did not. Many of those who stayed at home were engaged in the manufacture of munitions, shipbuilding, and other industries which produced those things necessary to win the war. They were told that their services were just as essential to the success of our arms as were those of the men in the trenches. Upon the return of the soldiers they learned that many of those who remained at home made \$10, \$15, or \$20 per day. A striking contrast as against the \$30 per month received by the soldier. Had all of our male citizens between the ages of 21 and 31 been drafted, and those required for the military forces used for that purpose and those not so required used in essential industries, no inequality would have arisen. Whatever may be the viewpoint of those opposed to the bonus it must be admitted that this inequality would and did quite naturally result in dissatisfaction on the part of the returned soldier. The so-called bonus bill is an effort to somewhat relieve this discrepancy between the pay of the soldier and the pay of the "stay-at-home." From a practical standpoint, it is impossible to adjust this difference correctly or indeed even approximately, but it is an effort, a conscientious effort, to show these returned soldiers that the country is willing and anxious to do what it can to equalize this difference, and so it is that we have two viewpoints. One that this money is a pure gift to the soldier in grateful appreciation of splendid services well rendered, and, secondly, that it is an attempt to adjust financial differences between the soldier and the "stay-at-home." In either view it seems to me that this country, the wealthiest country in the world, whose material resources were actually increased during the World War rather than decreased, should make this gift or adjustment. In coming to this decision I recognize the sincerity of the position and the force of the arguments in opposition to the bonus. I fully realize that a bonus can not be given without the country having to pay for it and the financial obligations of the country are already great and hard to meet. I can well see why the men of large means, the leaders of industry of this country, view with alarm this legislation. Unfortunately, under our present system of raising revenue, by means of an income tax, 5,000,000 of the people pay for the running of the Government of 105,000,000.

The industrial leaders of the country can well be fearful that this might mean a return of the obnoxious excess-profits taxes, a tax which, in my opinion, is not only not good for the business men but is distinctly bad for the entire people. While the present Congress has reduced the surtaxes from a maximum of 73 per cent to a maximum of 50 per cent, this is not enough. I took pleasure in voting to reduce the surtaxes to 32 per cent. I think this is high enough and should never be permitted to go higher. I did this not because I am in favor of the rich as against the poor or that I am in favor of any one class as against the other, but because I believe that in the long run it works to the detriment of the whole people to have these surtaxes so high. It tends to drive men who have large capital which would otherwise be used in productive enterprises and in the employment of thousands of men into buying tax-exempt securities. It keeps money which would naturally be used in the encouragement of new enterprises out of them, and this prevents many from obtaining profitable employment. Although these high surtaxes may seem to make the rich pay for the expenses of running our Government, this is apparent only and not actually. The people as a whole suffer by this method. If the expenses of this bonus could be spread among the whole of the people, comparatively little opposition would have developed. It might well have been raised by some form of a sales tax by which all would pay in an amount so moderate as not to have been seriously felt by any. I believe that all the people under a republican form of government are willing and desire to pay their fair portion of taxation for the carrying on of the work of the Government. We recognize, of course, that taxes should be somewhat in proportion to wealth, but I think we should also recognize that our laws should not be so framed that the well-to-do pay all the taxes.

The bill under consideration has been so framed as to meet with the approval of the veterans of the late war and yet at

the same time it has been so worked out as to be as little detrimental to the industrial welfare of the country as is possible. The principal benefit provided by the law is the so-called service certificate, which is, in effect, a 20-year endowment policy, with suitable loan provisions. The payment of this gift or adjustment is therefore spread over a period of 20 years in such a way as not to seriously handicap the finances or business of the country. By means of loan values provided in the certificates the veteran in urgent need of funds for immediate use may obtain them.

And so it is that while recognizing fully the force of the arguments against the bonus and taking into full consideration the present financial condition of the country and its obligations created by the war, I have come to the conclusion that, all things considered, this bonus bill should have my approval and my vote. While the problem has not been one free from doubt, after most mature consideration and deliberation I can not in conscience do otherwise than support this measure. I do this freely and without mental reservation, without regard to whether it will make votes or lose votes. I believe the country owes its soldiers fair and generous treatment, and only regret that this action should not have been taken more promptly and in such a spirit that our returned soldiers would feel as I know they do feel, that the country is truly grateful for the great services they have rendered.

MR. LUHRING. Mr. Speaker, it has been frequently said, both in and out of Congress, by those opposed to the payment of a bonus to the ex-service man that those favoring the proposition were actuated solely and alone by political motives, and that the bill would pass because the Members of the House seeking reelection would vote for it in order to curry favor with the soldier. For my own part I resent this gratuitous insult, which would impute most unworthy and despicable motives to the great majority of this membership. I am a candidate for reelection, but my reelection does not depend upon my vote in this particular instance. The ex-service men of my district have had ample proof of my interest in their welfare, not only by the record evidence of my votes in favor of every measure for the betterment of their condition but also by actual service rendered them in the collection of insurance, the adjustment of compensation, and in having them properly placed for vocational training. I have made their troubles my own, and not a day passes without my having taken up some matter for an ex-service man or his dependents with the Veterans' Bureau. In this I have had the active cooperation of friends in the various departments of the bureau, and quick and successful results have followed my efforts. The ex-service man in my district knows this, and he is grateful, too, for the assistance I have so freely and cheerfully given. His letters tell me that and assure me of his support in the coming election.

Of course I shall vote for the adjusted compensation or bonus bill, whichever gentlemen may choose to call it. I vote for it because it is fundamentally right. I vote for it because I am unwilling to say that the splendid services rendered by the boys of my district are not worth \$2 per day. I vote for it because I am unwilling to admit that war contractors and stay-at-homes are the real patriots, and they alone are entitled to the consideration of this Government.

Here is a bill that meets with the approval of the ex-service man. It provides substantial recognition of his services—services that he was compelled to render for the most part on foreign soil—and enables him in a measure to provide for his immediate needs.

MR. SMITHWICK. Mr. Speaker and gentlemen of the House, in availing myself of the privilege accorded to the Members of the House to extend in the RECORD their remarks on the adjusted compensation bill for World War veterans, I wish first to say that I do not approve of all the provisions of the bill, especially the loan-certificate feature. But under the "gag rule," as applied by the majority, those of us who want to vote for some sort of a bonus bill must take this or nothing, and while it has its objectionable features, my own notion is that it has in it more good than bad.

In behalf of the veterans of my district, I want to say that not a post of the American Legion nor an individual soldier nor any other person, for that matter, in the whole third Florida district has written me in behalf of the pending measure. This does not mean that they are not interested in it. Many of them actually need and want this bonus. Only eight persons in the whole district have ever written me in opposition to the bill. My position, therefore, in behalf of the adjusted compensation is my own conviction after having given it serious consideration.

Ours is the richest country on earth, with the smallest percentage of public debt in proportion to its national wealth, and certainly should provide as well for the World War veterans as

any nation on earth. The truth is that all the principal nations of the World War have done more for their ex-service men than we have done for ours.

Great Britain, with a public debt of 53 per cent of its national wealth, has provided an adjusted compensation of from \$142 to her privates to about \$7,000 to her officers. Devastated France, with a public debt of 80 per cent of her national wealth, has given adjusted compensation of \$249 to her soldiers. Little Belgium, mercilessly plundered, with a public debt of 87 per cent of her national wealth, has provided adjusted compensation of \$492. War-torn Italy, with a public debt of 85 per cent of her national wealth, has paid her veterans \$64. Canada not only paid her privates \$600 and her officers \$972, but made monthly payments to the men after discharge until they secured employment, and also advanced them money with which to buy farms. And the United States, with an estimated national wealth of \$286,000,000,000 and a public debt of only 8 per cent of the national wealth, has paid her ex-service men only \$60.

Why have all the principal nations in the World War made provision to pay their fighting men more than their service pay? It was in response to a world-wide sense of justice because conditions at home were similar in many respects in all of the nations engaged in the war.

When most of the able-bodied men were called to the colors, with the demand for labor intensified in all industries, wages increased to the highest point in history. The men who were not called into service earned from \$5 to \$10 and more per day, while the men who were called upon to face the firing line received only \$1 per day. When the deductions for war-risk insurance, family allotments, and Liberty bond payments are considered, the boys in the service had little more than \$8 per month left from their dollar-per-day pay. The same conditions that required these men to go to the front brought about a situation that produced in this country 30,000 millionaires while the war was on, which, to my mind, plainly shows that while these men were at the front fighting for the flag somebody was profiteering on their people back home. These profiteers ought now to be willing to give up a part of the enormous wealth they accumulated out of these unfortunate conditions in order that the veterans, who returned to their homes without money and to find no jobs, may have their compensation adjusted.

This Government has recognized the principle of adjusted compensation to the business interests in the country, and the Congress has appropriated over \$3,000,000,000 for claims on canceled war contracts, not including the amount paid to the railroads for guaranties of pre-war earnings. The men who represent these interests, and who have received their adjusted compensation, are largely the ones who are responsible for the propaganda against a square deal for the soldiers, sailors, and marines.

The propaganda in opposition to this bill that has swept through this country originated largely with those who are in favor of the cancellation of the debts owed us by foreign nations. They want these debts written off of the books in order that they may the more quickly receive payment on the obligations they hold against foreign Governments.

I am unalterably opposed to the cancellation of one penny of the interest or the principal of any of the foreign debts owed to these United States. It would be a crying shame for this country to neglect its own veterans while canceling debts amounting to something like \$11,000,000,000 owed by people who are taking our money and paying their fighting men more than we will pay ours, even if the bill under consideration becomes the law.

Mr. LAWRENCE. Mr. Speaker, I have listened to the arguments both for and against the matter of adjusted compensation until it seems to me that the memory of some of our people and their legislators is very short. It should require no great effort on the part of anyone to recall those days that saw America enter the lists against the Kaiser, and her sons forsake their vocations and the positions they had won for the training camps and the battle fields of France. Who paused then to think of expense? Truly it was no time to think of such. While those who stayed at home reaped the profits of high wages and contractors robbed the Government with their cost-plus system of contracts, these boys sailed away to such hardships as you and I will never know. How we cheered them. How our hearts thrilled with pride as we bade them farewell. To many of them it was a last farewell, and you and I did not know but that it might be the last for each of them. Gone were their positions, the large salaries, and business profits that fell to those who stayed behind. Thrown out as a barrier between us and the war lord of Europe these men received the sum of \$1 a day, out of which they were asked to subscribe for Liberty bonds. Did they do it? You know they did. Nothing was too

much for them to give. They responded to the extent that many of them only drew cash to the amount of \$7.50 per month, out of which they could save nothing. Those that were spared, many of them incapacitated, returned to find their positions filled by others, the cost of living more than doubled, and, although their bonds for which they had sacrificed many comforts and necessities had greatly depreciated in value, they must needs sell them in order that they might live. Approximately \$10,000,000,000 of the money derived from the sale of bonds, to which these soldiers subscribed millions of dollars, was advanced to our allies, and, I would call to your attention, that in doing so our boys indirectly aided in the payment of a bonus to the allied soldiers. For, while our soldiers received as bonus the princely sum of \$60 each, England paid her soldiers \$190, France \$249, Belgium \$492, and Canada \$631. Are you proud that we, the richest Nation on earth, with all our vast resources, have paid our ex-service men the smallest bonus of any of the allied countries? Then why hesitate to pass this bill, designed to discharge a part of our obligation to these ex-service men? Who can deny the obligation?

What do you suppose is the reason behind all this propaganda that decries the "placing of a price on patriotism," broadcasted through the large newspapers of the country and by the chambers of commerce. Is it their interest in the economy of Government expenditures? They would have you think so, but that can not be their reason, for it was from this same source that now so greatly magnifies the cost of this payment there came appeals to repay the railroads, the shipbuilding companies, the men of big business for the money lost to them during the war. Anyone and everyone who had any kind of a contract or implied contract besieged Congress to reimburse them for losses which I am constrained to believe in many cases were imaginary. It cost the Government \$40,000,000,000 in actual cost alone to carry on our part of the war, and it does not seem plausible that those firms with whom the Government contracted should have suffered such heavy losses.

Gentlemen, what of the cost that would have been ours if the courage and daring of our boys in France had not brought the war to a close so much sooner than any of us deemed possible? Three months more of war would have cost us a great deal more than the sum entailed in the payment of this bonus. Those who profited most by the war would have you believe that the majority of the people are not in favor of bonus legislation, and again I take issue with them. The rank and file of our citizens desire to do justice to the World War veterans. The average man does not attempt to belittle the service they did for him and his country. It is not from his slender savings but from the money sacks of the profiteers that the dollars come the hardest. I know that in my own State of Missouri, as well as in many others, bonus legislation has been adopted by popular vote and overwhelming majorities, and in those issues the same arguments were used that have been employed on the floor of this House, "that it would be too heavy a burden on the taxpayer," "that the ex-service man would squander the money," "that it would be of no benefit," and many other arguments which had best be termed excuses.

Gentlemen, I honor the ex-service man. I do not consider him as a waster, a spendthrift, a vagrant. The service man of yesterday will be the business man, the Congressman, the Senator of to-morrow, and he can, I believe, put the sum received to as good a use as any man. Let us not forget the burden of debt that might have been ours had not his disregard for death and suffering so quickly ended the Kaiser's dream. Had Europe been conquered, think of the task we should have had to turn aside that march of a world empire. The question, then, resolves itself into this: "Do we owe them?" Our allies have recognized, and have in part discharged, their obligation to their ex-service men. There are none deserving of more credit than the American soldiers, who were instrumental in so large a degree in bringing the bloody conflict to a speedy close. I therefore give this measure my hearty support.

Mr. VOLK. Mr. Speaker, at various times different plans have been suggested and bills introduced to grant the ex-soldiers adjusted compensation or a so-called "bonus," in recognition and as evidence of the gratitude on the part of the American people for their wonderful services during the late World War.

During the first session of the Sixty-seventh Congress I introduced an adjusted compensation bill which provided for the issuance of Government bonds, tax exempt, drawing interest at 5 per cent, negotiable, and maturing at the end of 20 years. It also provided for a paid-up insurance policy based on single premium rates.

During the second session of the Sixty-seventh Congress I introduced a bill containing substantially the same fivefold plan which has just passed the House of Representatives, with the

exception that the veteran could, if he so desired, receive his cash payments in quarterly installments of \$100. The necessary funds were provided for by means of a manufacturers' sales tax of 1½ per cent limited to two turnovers. This bill was patterned after the Canadian sales tax, which has received so much commendation, and worked out so satisfactorily for the Canadian people; so much so that it is called the "painless tax."

The fact that the adjusted compensation act would pass was never in doubt. Yet subsidized newspapers made bitter attacks on the proposition. It was called at different times "a raid upon the Treasury" or "an attempt to purchase the veteran vote." Neither of these statements is worthy of a moment's consideration. No one knowing the character of the men, and surely it is not claimed that they have changed since the war, expects that such a statement will be taken seriously.

Again, it was said that the financial condition of the country would suffer if we provided for the payment during the year of \$500,000,000, the estimated amount necessary to provide for four quarterly cash installments of \$50 to each veteran choosing the cash plan. It seems strange that no such argument was advanced when we paid \$500,000,000 to the railroads of the country, nor when we provided \$3,000,000,000 under the Dent Act to take care of the canceled war contracts, nor is anything said of the strain occasioned by the payment at present to Government civilian employees of a \$240 bonus each year. Neither is it suggested that the failure of our allies to pay the interest on their war debts contributes in any way to the present financial depression. Wherever the question of the payment of adjusted compensation or bonus to the ex-soldier has been submitted by referendum to the people they have overwhelmingly and often by a majority of 3 to 1 voted in favor of granting it.

However, the bill is certain of passage in its present form, and I believe that a short statement of what it provides for the ex-service men coming within its provisions would be of interest.

There are five plans. The ex-soldier who is entitled to less than \$50 receives cash. If the amount is above \$50 he receives an "adjusted service certificate" of a face value equal to the sum of the adjusted service credit, increased by 25 per cent, plus interest thereon, for 20 years, compounded annually at 4½ per cent. This, it is estimated, is equal to 3.015 times the adjusted service credit. The certificate begins to run from October 1, 1922. At the end of 20 years the amount will be paid to him if alive or, if he dies sooner, becomes immediately payable to his designated beneficiary or estate.

At any time within three years he may borrow 50 per cent of the face value of the certificate at any bank using his certificate as collateral and giving a promissory note. This amount, however, must be paid back by the end of the three years. After October 1, 1925, the certificate may be pledged with any postmaster, and before October 1, 1928, the borrowing value is 85 per cent of the sum of the adjusted service credit of the veteran plus 4½ per cent from October 1, 1922, to the date of making the loan. After October 1, 1928, and prior to October 1, 1942, the borrowing value is 70 per cent of the sum of the adjusted service credit, increased by 25 per cent, plus compound interest thereon, at the rate of 4½ per cent per annum, from October 1, 1922, to the date of making the loan. The certificate is not otherwise negotiable or assignable, and may not be used as security for any loan except in the way above provided.

Section 308 provides:

No sum payable under this act to a veteran, or to his estate, or to any beneficiary named * * *, no adjusted service certificate, and no proceeds of any loan made on such certificate, shall be subject to attachment, levy, or seizure under any legal or equitable process, or to National or State taxation.

If the veteran defaults in his payments of interest or installments of the principal of the amount borrowed, the certificate is canceled and he receives back the difference up to 80 per cent of the face value of his certificate.

The third plan provides for "vocational training aid" unless the veteran is receiving training under the vocational rehabilitation act, and he receives \$1.75 for each day of his attendance on a course of vocational training, but the total payment shall not exceed 140 per cent of the amount of the adjusted service credit.

There is also "farm" or "home aid" under which to enable the veteran to purchase or make payments on a home or farm or to make improvements on a city or suburban home the veteran receives in one payment or in installments his adjusted service credit increased by 25 per cent. The fifth and last plan is "land settlement aid," which provides for settlement projects on reclaimed lands.

The passage of the bonus bill is merely an act of justice on the part of the Government, and is the discharge of a moral debt owing to the men who stood ready to give everything they possessed, even to sacrifice their lives, in order that the war might be brought to a successful finish.

It is not a bonus but an adjustment of compensation. The men who participated in the war returned poorer than when they left, while their fellow workers stayed at home, took advantage of the condition of affairs then existing, and reaped the benefits of the prosperous times.

We can attempt in a way, though not entirely, to equalize this difference. The passage of the bill will go far toward quieting the feeling on the part of the millions of our ex-soldiers that the people were not sincere in their statements made during the excitement of the war, "There is nothing too good for our boys."

This adjusted compensation act is an insurance policy against future unrest and dissatisfaction. There is hardly any doubt of its early passage by the Senate, and it will show to the ex-service men that further interest in them on the part of the Government did not cease with the end of the war.

Mr. GAHN. Mr. Speaker, in listening to the remarks of certain Members of this House it occurs to me that the opposition to the bonus bill has drifted far from the true course of righteousness and fair dealing.

Not one of them back in the days of October and early November of 1918 would have thought, much less suggested, that the soldiers, sailors, and those doing and helping the intense fighting which was bringing the World War to a victorious close were not deserving of every ounce of our country's resources. We would every one have given our all to them.

Let us not heed their admonitions now; let us hark back to those wonderful and glorious days and do our duty toward them who made it possible for our grand Republic to go forward, as it is, for the world's civilization and betterment, yea, a world of peace.

Some Congressmen say that their "lamp of conscience" must be their guide when voting against the bonus.

But it is my firm conviction, whether they know it or not, those Congressmen are upholding the malefactors of big business.

Scan the list of those who oppose the bonus and it will be found that many are wealthy or have represented wealth.

And again, let me ask, where were the "lamps" of those conscientious objectors when Congress voted to pay \$3,000,000,000 raised by taxes to manufacturing enterprises on their contract losses because the war prematurely ended, cutting off their profits?

Where were their "lamps" when the iniquitous tariff bill rode the skids through Congress?

Where were those "lamps" when the big dye monopoly was given a complete embargo, forcing up the price of clothing?

Where were those "lamps" when the railroads were given paternal guaranties of profits when the Government turned them back after the war?

My guess is that the "lamps of conscience" in those cases were hidden under a bushel or else put out entirely.

The whole opposition to the bonus comes from big business, including the 23,000 millionaires made during the war, the very ones who profited most from the blood and valor of the boys who fought, fought in hardship and deprivations for one dollar a day.

But, thanks to patriotic and sympathetic Congressmen, the bonus bill will pass.

Though it is not a bill which will satisfy all—no law ever was passed that did—it is one which will, partially at least, do something toward making an adjusted compensation to those who fought for our country.

The propaganda that the country's business and finances will be ruined is all bugaboo.

All our allies in the war have paid much higher bonuses than this bill provides, and those allies are on the average in debt to the extent of 50 per cent of their wealth. The United States' debt is but 7 per cent.

Besides, Ohio, and especially my district, is for the bonus, and I am but reflecting their wishes when I vote for it.

It may be that the big majority who are going to vote for this bill are all out of tune; time will tell. But at least we shall vote according to our convictions, and the only "lamp" we shall follow is that of justice.

Mr. GERNERD. Mr. Speaker, while listening to the many eloquent speeches that have been made to-day in support of this just and well-considered bill, my memory wandered to a scene that occurred in my home city in Allentown, Pa., on that summer's morning when our first boys assembled at the court-

house to take leave on that fateful journey that took them thousands of miles away from the environment of their childhood, to fight the cause of a secured civilization. As the hour arrived for departure the streets were crowded with anxious, nervous, and sympathetic people whose emotions were intense and upon whose faces could be read the thoughts that were coursing through their troubled souls. There was martial music to cheer and comfort the boys and their loved ones. Down the streets came the boys with fathers and mothers, brothers and sisters by their side, carrying a few small packages containing the last morsels prepared with a mother's care, to comfort them on their way. There was a "Good-by, Bill," "So long, John," "Good luck, Harry," and here and there a sweetheart was clinging to the shoulders of a strong rugged youth, slowly bidding farewell with kisses that never before were as sweet or possessed so much meaning. The bugle sounded and in a few minutes thereafter the boys started on their march, followed by thousands of citizens. The march to the station seemed short, but none shall ever forget it, for every step was marked by the sacred tears that fell from the cheeks of accompanying friends and relatives. Never have I seen boys so brave as they, whose very hearts must have been at the point of breaking, as they marched on amid the surging crowd and sobbing mothers. But it was soon to be like the passing of a stirring dream, the station reached, the train in waiting, and in double-quick time they boarded. One great mass of humanity stood there, friends and parents were lost in the crowd, and as the engine sent forth its shrill, penetrating whistle, the inevitable hour had arrived, and the wheels of fate carried them forth amidst the tumult of shouts of farewell and Godspeed. All eyes followed that moving train until it was lost in the distance.

Many of those boys are now sleeping on the hillsides of France, close by the scenes of immortal combat. Others returned with scars of honor, while many are vainly struggling to resist the progress of some insidious disease that has been harassing their impaired bodies, which were shattered by the terrible exposures to indescribable hardships experienced in the trenches and in action.

The 16,000 boys from my congressional district were but a small part of our gigantic army of heroes, but I know that they did their full part in the great adventure.

During those stirring days while they were experiencing all the hellish machinations of war, those of us at home were anxiously, fearfully exerting all our efforts to raise the sinews with which to win the war. All of us felt an intense feeling for our brave boys, and we pleaded from the pulpits, the street corners, the movies, and the theaters to keep on giving until it hurt. The people responded, and all felt a patriotism never before experienced, for we appeared to rededicate ourselves to the cause of international liberty. It was grand. It was noble. It was heroic. The prayers of our fathers found expression in every American heart.

Now that that marvelous young manhood has again returned to the peaceful pursuits of American life, shall we withhold from him the mild expression of our gratitude? Shall we prove unfaithful to the high purposes that we gave utterance to when we bade them Godspeed? I for one, as a Member of this great American body, shall stand by them however inadequate this bounty may be. I shall vote for this adjusted compensation bill. Many have said we can not pay; others allege that we are commercializing American patriotism; still others would have us believe that we would plunge the Nation into a financial abyss. But not one of these presumptions has any real merit. How can it be said that a nation whose national resources are conservatively estimated at more than \$300,000,000,000 can refuse to give a listening ear?

In 1910 it was estimated by the United States Treasury Department that the total wealth of the United States was \$187,739,071,090. And the estimate of our national wealth in 1920 is from \$300,000,000,000 to \$450,000,000,000, or an increase during the past 10 years of approximately \$113,000,000,000. Therefore the amount that we propose to give to our boys is a little less than 1 per cent of the increase in the wealth of our people during the period from 1910 to 1920. Truly, this can not be said to be an extravagant expenditure.

Shall the richest Nation in the world turn a deaf ear to the appeals of her warrior sons at a time when thousands are in great need? Are we less appreciative than Canada has been, who gave to each one of her boys the sum of \$634.40, while Belgium responded by giving her veterans \$493. We propose to give to each one of our boys the sum of \$465.50.

No one is insensible to the present business depression, and the great burdens of taxation that we all must bear. But we all are sanguine in the belief that this condition will soon disappear and that the great dynamic energy of America will again

assert itself, when new wealth and production will more than meet the exactions of the National Treasury. For this very reason a cash bonus has not been deemed advisable at this time, and the present bill was conceived and drafted into legislative form. I feel confident that the provisions of the bill can be met without levying additional taxes until the expiration of the next three years, by which time we hope to receive enough interest upon our foreign debts to make it unnecessary to exact this anticipated burden.

There appears to be considerable confusion in the minds of many people as to what this bill undertakes in behalf of the ex-service men, and I shall endeavor to set forth three of its principal provisions.

1. The benefits of this bill are not subject to attachment.
2. The soldier entitled to an amount not in excess of \$50 will receive cash for the full amount due him.

3. The most important provision of the bill is the one which provides for the issuance to the soldier by the Government of an insurance certificate dated October 1, 1922, covering the amount due him. The maximum number of days for which adjusted service credit will be given is 500 over and above the 60 days for which he has already received additional compensation under the provisions of the revenue act of 1918. This credit is established on the basis of \$1 per day for each day of service rendered on this side and \$1.25 per day for each day of service rendered on the other side, across the sea, between April 5, 1917, and July 1, 1919, provided he was "in the service" prior to the signing of the armistice. The face value of the insurance policy is payable 20 years from the 1st of October next and the policy bears interest at the rate of 4½ per cent per annum, compounded annually. At the end of 20 years the insurance certificate will yield a return to the soldier of a fraction over \$3 for every dollar's worth of credit to which he is entitled under the certificate. For instance, if the certificate is based on a credit of \$500, at the end of 20 years the soldier will receive a fraction over \$1,500. If the credit is \$600, then at the end of 20 years he will receive a fraction over \$1,800. In case of the soldier's death before the expiration of the 20 years, his family or other beneficiary will receive at the time of his death the full amount of the insurance that would otherwise be due in 20 years.

What we propose doing by this bill is but an attempt to discharge a moral obligation which I feel we sincerely owe to every ex-service man. It is not a quid pro quo. When we recall that each private received but \$33 per month, out of which one-half was withheld and applied for the use of dependent relatives, and another fourth to take care of his governmental insurance, it can be seen that he had but a paltry sum left, to wit, \$7.50, for his own personal use.

There can never be such a thing as paying for the services that our boys rendered in the Great War. The spirit that went forth, the suffering endured, and the hazards taken are an immeasurable equation. Such a service is the result which comes from the rich heritage of American citizenship. And their adventure shall forever illuminate the pathway of liberty and stir men on to a newer and greater civilization.

Mr. DRANE. Mr. Speaker, so much has been said in connection with the pending bill that nothing new can be said, and for that reason I would refrain from making any remarks thereon, except to say that had I a voice in the construction of the bill I should have produced something for the real benefit of the soldier, rather than the makeshift which has been reported here.

Whatever may be my personal desire in connection with the proposed legislation, under the special rule which governs in the particular case one must either take it in its entirety, and without any change whatever, or must reject it in its entirety.

Confronted with this condition, I am admonished by my own sense of propriety that the legislature of my State at its last session, June, 1921, passed resolutions urging the Florida delegation in Congress to vote for the passage of the then pending "bonus bill," which subsequently passed the House of Representatives and was pending in the Senate when the President, in a personal appeal to the Senate urging the postponement of all legislation for adjusted compensation for World War veterans, in that way brought about the defeat not only of that particular bill but of another then pending in the Senate. These bills of more than a year ago are probably still in some forgotten file in that body, dead; dead by the hand of the President and those who followed his advice.

In this connection, Mr. Speaker, I wish to here place in the Record, as appropriate to the spirit of the American people toward the soldier of the World War, a poem of such tender pathos, such patriotic fire, such beautiful sentiment that to lose it to the world would seem a sacrilege. Sitting in the office of a friend of mine at Tampa, Fla., we were discussing Armistice

Day and the burial of the unknown soldier. My friend modestly exhibited the poem which he had written, and which but for my importunity would never have seen the light of day. It follows:

HIS MOTHER.

[The burial of the unknown soldier, Arlington, November 11, 1921.]
(By Edwin D. Lambright.)

If his mother could know—
Could feel that this luminous glow
Of color that moves along the street,
This rhythmic tramping of martial feet,
This radiant spread
Of the flag overhead,
This highest honor to nameless dead,
Is for him.
Flesh of her flesh! Heart of her heart!
That from palace and hovel, temple and mart,
Flows this reverent human tide,
A people's tribute to one who died—
And that one her boy!
What unspeakable joy
Would shine through the tears
Of her lonely years.
Home, over road and wave,
From the land he fought to save,
From the unnamed grave—
Home!
For him, under the great gray dome,
A world's offering of flowers
Perfumed the love-filled hours.
For him, this glorious day,
A busy Nation paused to pray.
A President voiced, to list'ning host,
The Republic's blessing, coast to coast.
Unknown?
Nay! Now and forever known.
But Oh, if his mother could know!

Mr. BECK. Mr. Speaker, just before starting for the House this morning I received a package of literature from the United States Chamber of Commerce opposing the soldiers' bonus on the ground that it will inflate the currency of the country, that it will do the soldiers more harm than good, that it will disturb "business," because "business" is in no condition to bear its share of this burden.

Yet this very institution would force this burden upon the farmers of this country whose homes are being mortgaged and sold by the thousands for payment of taxes; upon the wage earners of the country, 5,000,000 of whom are out of work; upon the thousands of business institutions in our agricultural communities who are being compelled to seek refuge in courts of bankruptcy; upon the soldiers of the country who are daily being driven to the poorhouse, to the asylum for the insane, and to suicide, and it would do all this by forcing upon us a sales tax, the chief motive behind which is the ultimate repeal of all income taxes upon large and exorbitant incomes. It would do all this as brazenly, as openly, and with as little compunction as, according to estimate, it squeezed \$38,000,000,000 in war profits out of these same people; and it would do it now, just as it did then, and it would urge Congress now, as it did then, to pass a law making it a crime against the Government for these people to complain about it.

UNITED STATES CHAMBER OF COMMERCE A "WAR BABY."

Let us look into the history of this United States Chamber of Commerce a little. This institution was organized during the early part of the war. It advertised to the world that it was organized to help the Government in placing contracts for war munitions in a way that these materials could be produced with the least possible delay and with the greatest possible economy. It was organized at a time when the United States Government needed the wholehearted, loyal, and patriotic support of every citizen or combination of citizens, without thought of personal gain or loss, but with the single purpose of successfully getting through with the war at the earliest possible date with the least possible sacrifice of "life, liberty, or pursuit of happiness." Many of the newspapers carried front-page articles lauding the great patriotism exhibited by some of the members of this organization in telegraphing the President tendering him the free use of their factories to use in any way he saw fit to win the war.

But when we get behind the scenes we observe an altogether different picture. This institution, as I have said, advertised to the world that it organized to help the Government secure the necessary war material in the shortest period of time and at the least possible expense. It began this great patriotic and philanthropic work by organizing committees composed of its own members. It organized a committee on coal supply; it organized a committee on airplanes; it organized one on powder; another on shoes; another on ships; one on nose bags for horses; one on horseshoes; one on halters; one on spurs; others on swivel chairs, bedroom sets, paper napkins, toothpicks, clothes, and a hundred and one other articles.

THE "DOLLAR-A-YEAR" MEN AND GOVERNMENT CONTRACTS.

It then secured the appointment of the members of these committees as Government officials at a "dollar a year" salary. Then the scramble began. Nearly every member of this aggregation wanted a contract and nearly every one of them got it. If, perchance, some member took a contract for about what it was worth, he was later induced to cancel it and take more. If a contractor should not be satisfied with making one collection for completing his contract, he sometimes collected a second time; and in one instance a contractor collected six times for the same bill of goods, and every contract made during the war was at a profit of three to two thousand times what it ought to have been.

Nor is this all. These dollar-a-year chamber of commerce fellows let contracts to themselves for constructing powder plants to manufacture powder, nitrate, gas, and so forth, to the amount of over \$311,000,000, and not a pound of usable material made by these plants ever arrived at the battle front. They let contracts to themselves for constructing port terminals to the amount of over \$145,000,000 that were never used during the war, except in one or two instances were used for storage purposes. They let contracts to themselves for building airplanes to the amount of over \$1,000,000,000, collected the money, and never delivered a single airplane on the battle front. They awarded themselves contracts to the amount of \$60,000,000 on spruce production and on spruce railroads, and then the Government was forced to buy over 90 per cent of its lumber at private mills at three times what it was worth. They awarded themselves contracts to the amount of over \$1,400,000,000 for constructing cantonments, largely by the cost-plus system, that could have been constructed for a half billion dollars less money. They made 3,014 contracts with themselves to furnish shells to the Government amounting to nearly \$4,000,000,000. Under these contracts only 20,000 shells ever arrived at the firing line. These 20,000 shells cost the Government nearly \$200,000 each. The full amount was collected—sometimes in advance—on every one of the above contracts.

Nor is this all. They awarded themselves contracts to furnish three and a half million soldiers 41,000,000 pairs of shoes—12 pairs per soldier, 1 pair for each week day, and 6 pairs for Sunday. We had less than 70,000 horses overseas, and yet these dollar-a-year men awarded themselves contracts for enough horseshoes to be used mostly on these horses to shoe practically every horse in the United States and enough horseshoe nails to allow 400 nails to the shoe. They awarded themselves contracts to furnish each horse used in the Army 10 saddles, 25 halters, 6 saddlebags, 12 blankets, 3 brushes, 9 currycombs, 25 nose bags, and a total of 195,000 branding irons. They ordered 36 spur sets for each officer in the Army. They awarded contracts for furnishing toothpicks, paper napkins, swivel chairs, hammers, paint, and such articles by the carload and by the train load. They let contracts to themselves for building hotels, paving streets, laying gas and water mains and sewers to the extent of over \$3,000,000,000, and are coming to this Congress asking for more money to pay for supposed outstanding bills.

SOLDIER BONUS FOES SILENT ON BIG BUSINESS RAIDS IN TREASURY.

During all this time did this organization ever express any anxiety over the Public Treasury? Did it ever call a halt lest the Government would become bankrupt? Oh, no. Whenever it saw the Government funds running low, running down to a point where its contracts would likely be endangered, it would start a few of its agents out over the country, possibly under the auspices of the National Security League, shouting "traitor," "pro-German," or "disloyal" to the people to scare them, and then proceed to take another million or billion—whichever it happened to think of—away from the people.

While doing these things, did this organization ever send literature to Members of Congress to the effect that the \$38,000,000,000 its members made in war profits "would do them more harm than good"?

But let us not dwell on ancient history. Let us come down to the present Congress. Did this organization or any of its members protest against our completing a useless battleship program that would cost this country over \$600,000,000? Did it protest against the hundreds and hundreds of millions of dollars Congress has been voting to the railroads? Has it objected to the hundreds of millions of dollars the railway officials are unjustly exacting from the people through their system of taking repair work out of the hands of the railroads and awarding it to themselves at from two to five times the price the railroads could do it for? Did it oppose our appropriating millions of dollars to a Shipping Board that squandered over \$3,000,000,000 of the people's money during the war? Oh, no. That is "business."

MY RECORD DURING THE SIXTY-SEVENTH CONGRESS.

I voted against the Shipping Board appropriation. I voted against the battleship appropriation. I voted against the railroad appropriation of \$500,000,000. I voted against the tariff bill which, in my opinion, if enacted into law will perpetuate the profiteering that has been in vogue in this country during the last eight years under the guidance of the chamber of commerce. I voted against destroying the seamen's act. I voted against the battleship appropriation bill. I voted against the revenue bill which relieved wealthy members of the chamber of commerce of hundreds of millions in tax burdens and placed them upon the backs of the poor. I voted against a bill that reduced the tax burdens on large combinations of wealth, making large profits, and proportionately increased taxes on small business institutions making small profits. I voted against the dye monopoly. I voted against increasing the membership of the House from 435 to 460. I voted against refunding the foreign debt; if foreign nations can maintain huge war machines in peace times they can pay their debts. I voted against a bill appropriating millions of dollars to war contractors who claimed to have lost money as a result of acting upon newspaper advertisements, and had no contract with the Government whatever. I have consistently and persistently voted against any and all special privileges and concessions to big business institutions, because they ought to stand on their own feet or fall.

I have voted for every bill that I thought would, even in the remotest degree, protect the producers of wealth and business institutions in small communities against big business encroachments. I voted for free lumber. I voted to give farmers and business men in agricultural communities the same privileges of borrowing money from the Government at the same rates this Congress accorded to the railroads and at the same rates the Federal Reserve Board accorded the speculators of New York City. I voted for a bill that was calculated to relieve the producers of live stock from unjust discrimination of the packers. I voted for a bill curbing the grain exchanges in gambling in "futures" on grain. I voted for a bill to permit farmers to market their produce cooperatively, just as big business markets its wares. I voted for the emergency tariff on farm products. I voted to reduce the Army from 235,000 men to 115,000 men. I voted for compelling Government ships to be repaired in Government navy yards when it could be done at less expense than in private yards. I voted to limit immigration until such time as our own people can find employment. I voted for the peace resolution. I voted for monthly payment of pensions to old soldiers. I voted for the Borah disarmament resolution. I voted to increase taxes on large incomes from 32 per cent to 50 per cent, and will vote for another increase when I have an opportunity.

I have introduced bills to save the dairy interests of this country and the farmers in general from the filled milk, skimmed cheese, and oleomargarine frauds. I have introduced bills that will enable the Interstate Commerce Commission to lower freight and passenger rates by anywhere from 25 per cent to 40 per cent, and at the same time give the wage earners on these roads a chance for existence. In my every act I have tried to do the thing that I thought would be for the best interests of the great mass of common people. That is one reason why I am for the soldiers' bonus.

HOW THE FARMER WAS "DEFLATED."

It is said this bill will inflate our currency. Well, through the action of our Federal Reserve Board our currency has been deflated nearly \$2,000,000,000 within the last two years. Would it not stand a little inflating now, and do it with beneficial results? Would not a little inflation help out in view of the fact that farm values have been deflated to the extent of \$18,000,000,000 within the last 24 months? If we are to have a permanently prosperous Nation, it must come through the prosperity of the masses and not through the prosperity of the few. We never can have a permanent prosperity in this or any other country so long as 2 per cent of the people control 65 per cent of the wealth as is now the case, while 65 per cent of the people are engaged in producing that wealth.

But aside from all this, what is the situation in which the soldiers find themselves? Thousands of them left their businesses and professions, which went to pieces during their absence. Others left school never to return, and still others left their jobs to find them filled upon their return, and all who served as privates received not to exceed \$700 per year in clothes, board, and wages, while the wage earners who remained behind received, on the average, about 50 per cent more than that, though the amount they did receive did not buy as much of the necessities of life as the wages they received before the war.

On the other hand, as I said before, the corporations in this country doing war work made billions of dollars during the war, while, had they been as patriotic as they pretended to be, they

would have given their services and their factories to the Government free of charge. These tremendous profits came, for the most part, from Liberty bonds squeezed out of the poor of this country, out of the fathers and mothers of the soldier boys, and even the soldiers themselves paid a part of it out of their small pittance of \$30 per month. I am not complaining of this now. I did not complain of it then. Neither did any of these people complain, though it came very hard at times to take all the bonds required of them. They knew that if they did not back the boys up no one would. But now the war is over, and, as far as I am concerned, those who failed to make any sacrifice during the war must make it now.

OUR ALLIES FOUND MONEY TO PAY THEIR SOLDIERS A BONUS.

England and Canada adjusted the pay of their soldiers almost immediately after the war, and France and Italy followed later. I wonder if "business" in those countries objected to it. If it did, it was not heeded. It should not be in this country.

The Chamber of Commerce of the United States is proposing a sales tax to pay this bonus or adjusted compensation. But that simply means that the same people who bore the burdens of the war must bear this burden. It means that every time the soldier buys a pair of shoes he pays himself a bonus. It means that every time any consumer buys a dollar's worth of goods he pays a bonus, and if a poor man wears out as many shoes as a rich man he pays as much as the rich. I am absolutely opposed to this scheme of raising the money to pay this just debt, and I do not believe the soldiers favor it. Those who took advantage of the country and made their millions during the war must pay this bill, and if that "breaks" anyone, let it break. The soldiers are being "broke" every day. Thousands of them are idle, other thousands are being driven to insane asylums and poorhouses, and many to suicide. Business, no doubt, needs consideration, but the soldiers need more.

CHAMBER OF COMMERCE SUBSTITUTES PRIVATE POLL FOR 1920 ELECTION.

More than this. The chamber of commerce proceeds to give the result of a vote upon the bonus question taken by its members, with all the solemnity it can muster, and with the apparent authority of a monarch whose word is law. It seems to forget that there are a few other voters in this country who settled the case to the tune of over 7,000,000 majority at the last election. It seems to forget that every party that is represented in this Congress pledged itself to the program which included legislation in line with this bill. It seems to forget that in the 12 States enacting soldiers' bonuses the voters have overwhelmingly registered themselves in favor of this legislation. In fact, it forgets everything except its own pocketbook.

Now this body has a committee on "suppression of free speech." It has a committee whose duty it is to see to it that no one is elected to State or National legislative bodies who will devote their energies to freeing the farmers and wage earners of the country from the clutches of big business, and when I say "farmers" I include business institutions of the agricultural sections of the country. It has a committee on banking whose duty it is to use the banks in the wealth-producing sections of the country for extracting that wealth and shoveling it into Wall Street. It has a committee on water powers whose duty it is to gobble up the water powers of the country, about the only resource left that is yet partly in the hands of the people. It has a committee on highways whose duty it is to squeeze the public on furnishing construction material to highway builders. It has a committee whose duty it is to card-index every individual in the country who has at some time run counter to the aims and purposes of big business, who has dared to defend his fellow men against the bondage that is being placed upon them by Wall Street. Such a one is card-indexed. He is tried, but is denied a hearing in his own behalf. He is sentenced and the brand of Cain is placed upon his head, never to be effaced. This is the invisible government.

This is government of dollars, by dollars, and for dollars, that will go to any length to get dollars. It is the government that snaps its fingers in the face of Uncle Sam every day and says, "Uh, I'm bigger than you are."

SPECIAL INTERESTS BLOCKING ALL MEASURES OF GENERAL BENEFIT.

Its opposition to the bonus bill is only one phase of its general opposition to everything that does not help tighten its grip upon the throats of the people. My support of this bill is only a part of the program I have mapped out for myself to follow, and that is to favor every proposal made in this House for the benefit of the great mass of people.

This bill does not provide for money to pay the cash bonus, but there are bills now before Congress providing for an excess-profits tax and a larger tax on inheritances, to pay for the bonus. I shall support both of these bills. I shall also support any legislation that can be devised that will recover from those

who robbed the Government and its people during the war, sufficient funds to pay this bonus (though the statute of limitations has already run against the worst offenders), and I invite the United States Chamber of Commerce, which now shows such deep concern for the condition of the Public Treasury, to join with me in support of this action and to marshal its powerful agencies for molding public opinion in that direction, with the same energy it has displayed in its campaign for relieving the wealthy from taxes and blocking legislation for the relief of the soldiers.

Mr. ANSORGE. Mr. Speaker and Members of the House, under the present condition of our finances I have advocated, and still advocate, a selective or limited bonus for the sick, the injured, and the needy.

This will take care of all those who are now in need of the bonus and eliminate the well-to-do able-bodied ex-service man who does not need the bonus and does not want it.

WILL SAVE \$3,000,000,000.

It will save to the taxpayers of the country three thousand millions of dollars, without working a hardship on anyone.

The plan is a simple one and can be easily worked out.

THE PLAN.

On February 22, 1922, I submitted the proposal to the Ways and Means Committee of the House in the following letter:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C.

HON. JOSEPH W. FORDNEY,
Chairman Ways and Means Committee,
House of Representatives, Washington, D. C.

DEAR MR. FORDNEY: Permit me to make a suggestion in reference to the soldier bonus.

Many opponents of the measure have assured me that they would not oppose a "selective bonus" for the sick, the wounded, and the needy. There are many ex-soldiers who do not need the bonus and do not want it, and in the present condition of our finances we should not force it upon them. Some method should be provided to divert that portion of the bonus to hospitalization and rehabilitation for the sick and wounded, thereby decreasing appropriations for that purpose.

Perhaps 50 per cent of our ex-soldiers would fall within the category of those who are sick, injured, or in need, and estimating the proposed bonus at from two to five billions, one-half of this stupendous sum would be saved to the Government.

WOULD CALL SELECTIVE DRAFT BOARDS.

The status of the sick and disabled as a result of the war is fixed under the provisions and operation of existing statutes for the benefit of the ex-soldier. I would call into existence for a short period the members of the selective draft boards, before whom those entitled to the "selective bonus" would appear and file certificates properly witnessed and acknowledged. All others would be regarded as not in need of the bonus or not desiring it, and as contributing their shares to the sick and wounded.

FULL FAITH TO CERTIFICATES.

Full faith and credit could be given to the certificates. Since the bonus of those not claiming would go to the sick, the wounded, and the needy, the percentage of those not entitled who would file certificates would be very small.

WOULD LESSEN OPPOSITION.

There would be much less opposition to the bonus bill if it were limited and provision made for those who did not need it or want it to waive it for the benefit of their more unfortunate buddies.

Believe me to be,
Sincerely,

MARTIN C. ANSORGE.

I received the following reply from Mr. FORDNEY:

COMMITTEE ON WAYS AND MEANS,
HOUSE OF REPRESENTATIVES,
Washington, D. C., February 24, 1922.

HON. MARTIN C. ANSORGE,
House of Representatives, Washington, D. C.

DEAR MR. ANSORGE: Thank you very much for your suggestion in regard to the soldier bonus question. I shall be pleased to bring this to the attention of the committee.

Very truly yours,

J. W. FORDNEY.

PLAN NOT ADOPTED BY COMMITTEE.

I regret that this plan for a selective bonus was not worked into the bill by the committee.

I remember but a few years back that the distinguished gentleman from Ohio [Mr. BURTON] filibustered in the Senate for days to save fifteen or twenty millions of dollars to the taxpayers in an appropriation bill. Here, by a few strokes of the pen, thousands of millions could be saved.

HOPES PLAN WILL GAIN HEADWAY—WILL VOTE FOR BEST BONUS BILL—FAVORS ADJUSTED COMPENSATION FOR THE SOLDIERS.

Many Members of the House have told me they favor the limited bonus plan. I hope the proposal will gain headway as the bill progresses through the Finance Committee and the Senate, as a great deal of opposition to the bonus would disappear if it were limited to the sick, the injured, and the needy. As for myself, I shall vote for the best bonus bill we can get. I am in favor of adjusted compensation for the soldiers.

ALLIES HAVE PAID A BONUS.

All our allies have paid their soldiers a bonus.
The maximum amount paid is as follows:

Country:	
Canada	\$634.40
Belgium	492.00
France	233.53
England	189.54
Italy	73.34

Uncle Sam paid his soldiers \$60 each.

UNITED STATES AT BOTTOM OF THE LIST.

I am not willing that the United States, the richest country in the world, should stand at the bottom of the list.

Under the last administration the stupendous sum of \$40,000,000,000 was raised and disbursed in three years. If the war had lasted a few more months it would have cost us as much as the entire bonus and we would still have been the richest country in the world. I am not one of those who believe the country will go into bankruptcy if we add to our war debt adjusted compensation for our veterans.

These boys shortened the period of war by more months than enough to pay the bonus.

I do not believe that my people want America to be cheap in regard to its defenders. Let us come out of it clean, so that in years to come we can say, "We did the job well and then did not forget our soldiers."

WE ARE NOT BUYING THEIR PATRIOTISM.

By giving the boys adjusted compensation we are not buying their patriotism. You could not buy their patriotism for one thousand times a bonus. We are paying them \$1 a day, or \$1.25 a day if they served overseas, to equalize in a small measure the financial losses they sustained when they gave up their jobs or closed down their businesses, perhaps at the very threshold, and entered the service of their country. We are paying them a little bit in addition to the \$30 a month they received, while those at home were earning from \$5 to \$15 a day or more and many were becoming wealthy as a direct result of the war. From the \$30 a month the boys were allotted Uncle Sam deducted insurance and held back a portion for their dependents. And when they returned, their jobs were not waiting for them, as promised, and some of their personal liberties had been taken from them.

ORGANIZED PROPAGANDA AGAINST THE BONUS.

The propaganda against the bonus was instigated and organized by the international bankers and war profiteers who made millions, yes, billions, out of the war, and who want to hold on to every penny of it, even at the expense of the soldiers.

THE "DENT" BILL.

The last Congress, by the Dent bill—it should have been spelled with a small "d"—appropriated three billions of dollars to reimburse the war contractors.

NOW THE SOLDIERS ARE CALLED RAIDERS OF THE TREASURY.

Now, these boys who risked their lives or were subject to call are dubbed by the profiteers "raiders of the Treasury," because forsooth they are to receive an extra dollar a day while they were in service. We paid bonuses to our civil employees, and are still paying them, because everyone knows they are underpaid. They have been receiving and are still receiving, three and a half years after the war, \$240 a year. Should we discriminate in favor of our civil employees and against the soldiers?

The attack on the bonus has been most unfair. It has certainly been one-sided. Many a veteran has been shamed into believing that he is a "raider of the Treasury."

IT WAS DIFFERENT WHEN THEY MARCHED DOWN FIFTH AVENUE.

Oh, it was different when they marched down Fifth Avenue with their tin hats and their guns.

They were going over to save our skins and our homes. They could have had our shirts that day! Now they are thieves and crooks.

IT WAS DIFFERENT WHEN THEY MARCHED UP FIFTH AVENUE.

It was different, too, when they marched up Fifth Avenue—those who did. They could have had the City Hall. "Maybe I am a crook," "Maybe I am a thief" if I take this bonus. So he keeps quiet to-day, or prefers not to have it.

When I sold Liberty bonds in the theaters of my district, in Harlem and Washington Heights, I remember the wave of enthusiasm that swept through the audience when I said that nothing would be too good for the boys when they came back home. I can not believe we did not mean it.

The world moves swiftly. The public soon forgets. But my district is made up of the backbone and sinew of our Nation. I am proud to say that of the hundred or so of letters received

opposing the bonus, all but a few came from corporations outside the district. Not all of the public forget as quickly as others. I for one have not forgotten.

THEY REPRESENT THE MANHOOD OF OUR NATION.

Americans with red blood in their veins, knowing the facts which have been withheld by the newspapers, which presented only one side, do not want Uncle Sam to be second to any nation in regard to our defenders. These boys, 4,000,000 strong, represent the manhood of America. It is bad business to have them disgruntled.

As Representative of my district, the twenty-first New York, where the majestic Hudson flows down into the bay and into the great Atlantic, I do not believe that my people, my friends back home, with a knowledge of the facts, want me to vote to put America, the richest country in the world and the most patriotic, at the bottom of the list. With the organized press, with one exception, opposing the bonus, it takes more courage to vote for it than against it. Believing as I do, it would be cowardly for me to surrender my honest convictions to the press. The New York newspapers have not always truly reflected public opinion. New York State by a 2 to 1 popular vote has decided in favor of the bonus. Other States have done likewise. Within the past few weeks the New York Assembly at Albany, recently elected by the people, unanimously voted to recommend to Congress the passage of a bonus bill.

PROVISIONS OF THE BILL.

The bonus bill before the House is not what I had desired. I hoped for a limited bonus and that the allied debt and the interest would be used to pay it.

However, under the bill before the House no appropriation will be required for three years, with the exception of the small amount necessary for those who receive \$50 or under. During that time the interest on the allied debt, and I hope a refunding of the allied debt, will take care of the payments to be made. The certificates to be given to the soldiers will be equivalent to Government securities, and under the bill the veterans can borrow immediately from the banks 50 per cent and retain their equity in the balance.

The veterans can elect to receive the benefits of any one of the five plans of compensation:

1. Adjusted service pay, where the amount of credit is \$50 or less, as provided in title 4.
2. Adjusted service certificate (title 5).
3. Vocational-training aid (title 6).
4. Farm or home aid (title 7).
5. Land-settlement aid (title 8).

Legislation is a matter of compromise. I shall vote for this bill because it is the only bill before the House and is a move in the right direction. I favor a bonus generally, and shall vote for the best bill we can get. I hope that this bill will be improved upon by the Senate Finance Committee and by the Senate, and that the limited bonus plan will be worked into it.

A PLAN FOR THE SELECTIVE BONUS.

The plan for a selective bonus, limited to the sick, the injured, and the needy, has nearly 100 per cent approval in New York. The most rabid opponents of the bonus have said in answer to the question: "Would you oppose a bonus for the sick, the injured, and the needy?" "No; that is different; that is all right." Much of the opposition to the bonus comes from wealthy ex-service men who do not need the bonus and do not want it. This plan gives them the way out, and also provides a method for any ex-soldier who does not want the bonus to waive it for the benefit of the sick, the injured, and the needy.

It has been estimated that there are 800,000 ex-service men out of employment. Suppose the number of sick, injured, and needy should total 1,000,000, or even more, it would cut the bonus considerably. There would be no practical difficulty in working out the plan, because the certificate to be filed by the ex-service man would be taken at full value. The function of the members of the draft board would be merely to take the oath of the applicant to his certificate. Those not appearing to file claims would waive for the benefit of hospitalization and rehabilitation.

This plan has another very important feature. It could, if so desired, defer for the present the determination of the method of paying the bonus until it were known by the selective system what amount will be necessary. It would also determine accurately by having the ex-service man so specify which desire the cash bonus and which some other plan. It would certainly give us light, which is now lacking in regard to the number of men who want cash. All plans to date have been based upon estimates or guesswork.

No matter what plan is adopted for the raising of the necessary funds for the payment of the bonus, any plan that will cut the amount from 50 to 75 per cent will meet with popular

approval. The proposal will eliminate the able-bodied well-to-do ex-service man who does not want the bonus and take care of all the others.

Mr. FOSTER. Mr. Speaker, I shall vote for this bill, which has the approval of the national commander of the American Legion. It is the best obtainable at this time by way of adjusted compensation. I predict it will soon pass the Senate and after this long delay will become a law. I introduced a bonus bill in each of the two Congresses of which I have been a Member. The last one was "on all fours" with the complete plan of the American Legion, but carried 25 cents per day additional pay. I favored it over this bill, but I shall support this as the best now obtainable.

The draft disclosed 24,000,000 males within the draft age. Four million of this man power entered the war at a wage of about \$1 per day, two-thirds of which was repaid for insurance, allotments, and Liberty bonds. Twenty million were left at home, doing necessary work, for which they averaged twice the usual wage. This bill grants, in part, an adjusted compensation to the 4,000,000 men whose sacrifice and devotion made possible the excessively enhanced earnings of the remaining 20,000,000.

Our Government has been generous in granting millions to help adjust and rehabilitate the railroads of our country. The Government paid billions by way of adjusting contracts with shipbuilders, some of which settlements smelled to high heaven. The cost-plus contractor has also received his adjustment. May I ask on what principle of justice and fair dealing can we at this late day deny to those 4,000,000 boys—the flower of American manhood—an adjustment of their compensation? All of our allies have long since adjusted the compensation of their soldiers, at a time when they owed us \$11,000,000,000, on which they have not yet paid one cent of interest. The time for longer temporizing has passed. The day for action is here.

Mind you, these 4,000,000 boys—400,000 of whom are now out of employment—are not asking for this adjustment as a compensation for military risk assumed. They consider that risk an incident of their service. An American soldier is too game to seek pay for that risk so willingly borne. However, he does object most strenuously to being longer denied an adjustment, already accorded by all his allies, that will wipe out the unfair discrimination between the 4,000,000 who bore arms and the 20,000,000 who did not. It is but an act of simple justice to grant this adjusted compensation. We should have done it long ago.

I introduced two bonus bills, voted for the only one which came to a vote in the House, and will vote for this one to-day. I shall always recall, with pardonable pride, that during my three years in Congress I have consistently and persistently supported all legislation for the care, comfort, and rehabilitation of the wounded soldiers, as well as for the proper recognition of their unwounded brothers, who were more fortunate in that respect. Let us make this vote unanimous.

Mr. ROBSION. Mr. Speaker, and gentlemen of the House, the House by a very large majority, on May 29, 1920, passed the bonus bill, and on that date in a brief speech on the floor of the House I set forth my reasons for my support of the bonus bill. The Courier-Journal and Louisville Times, Democratic newspapers, and owned and controlled by Mr. R. W. Bingham, then denounced the veterans of the World War for asking for this adjusted compensation and branded them as "mercenary patriots" and "vote sellers" and denounced Members of Congress as cowards and bribe givers because of their votes and defense of the veterans of the World War. On June 3, 1920, on the floor of this House, I denounced the charge of Mr. Bingham and his newspapers as being vile slanders, willful and malicious lies. These Democratic newspapers have continued their attacks upon the World War soldier and the Members of Congress who favor this measure. Practically all of the millionaires and big interests of the country have taken part in this assault upon the defenders of our country. I think it proper to set forth at some length the view of the veterans in requesting adjusted compensation and my reasons for the support of this measure. The people ought to know the truth, and I wish to consider the following questions:

1. Do the veterans of the World War want their compensation adjusted?
2. What does the present bill provide for and what will it cost our country?
3. Is the demand of the veterans just?
4. Has our country paid the veterans of other wars a bonus and has our allies in the World War paid their veterans a bonus?
5. Is it the duty of our country to pay this bonus?
6. Can our country pay the bonus without material injury to the country?

VETERANS OF WORLD WAR WANT COMPENSATION ADJUSTED.

The American Legion, the Veterans of Foreign Wars organizations, the Private Soldiers and Sailors' organization of the World War, and all other organizations of the veterans of the World War strongly indorse and urge the passage of the bonus bill which was adopted by the House in May, 1920, and so far as I can learn all of these organizations and the rank and file in general of the veterans of the World War favor the present bonus bill. Now and then you find a veteran of the World War who says he does not want his compensation adjusted. As a general rule this is some officer who got a good salary during his service, received the honors of an officer, and is in good circumstances. As a rule the officers of the World War came from the well-to-do classes and were men of fair education, and do not need this bonus. Under this bill no officer above the rank of a captain can receive a bonus, and, of course, there is nothing in the bill to compel a World War veteran to accept a bonus. If there be any such, he need not make application for the bonus if this bill becomes a law. I have never heard a private soldier yet say that he did not feel he was entitled to have his compensation adjusted. This is a bill more especially for the benefit of the private soldiers and sailors, whose pay was very small.

IF PAID IN CASH WOULD COST ABOUT \$1,492,000,000.

It has been said in newspapers and in public speeches by the opponents of this bill that it would place a burden of about \$5,000,000,000 upon the taxpayers of this country, and would cripple business. Nothing is further from the truth. No extra levy of taxes will be required. If all of the veterans of the World War would take or receive cash for their bonus, it would cost the Government about \$1,492,000,000, but the bill only provides cash for those whose bonus amounts to \$50 or less. This includes 475,000 veterans and will involve \$16,000,000. Under the provisions of this bill the payments will be spread over a period of 20 years, and the cash required to meet these payments will not at the outside exceed \$300,000,000; that is not more than \$100,000,000 per year for the next three years. The Congress will save more than enough in cutting down the Army and Navy in the next three years to take care of all cash required to meet the bonus and then have several hundreds of millions of dollars left.

The Democratic Congress in 1919 allowed the soldiers a bonus of \$60. This bill provides that the basis of the adjusted pay shall be \$1 per day for each day the veteran served in this country over 60 days, and \$1.25 additional per day for services outside of the United States. This would amount to about \$1,492,000,000 if paid in cash. All of those whose claims are \$50 or less will receive cash, and this will amount to about \$16,000,000. Those whose claims are above \$50 may accept either one of four propositions:

The first proposition is service certificates. The soldier is given a certificate for a little over three times the amount of his bonus; that is, if his bonus was \$500 he would receive a service certificate for a little over \$1,500. This is in the nature of paid-up insurance, and he would receive the \$1,500 at the end of 20 years; or, if he died within the 20 years, his dependents or his estate would receive this \$1,500. This would be true if he died the next day after receiving his certificate; but this certificate has other advantages.

The bill provides that any bank is authorized to loan to him one-half of his base bonus—that is, one-half of the \$500, if that is the amount of his bonus—on the veteran's own note with this certificate as security, and after three years from the date of the certificate the soldier could borrow from the Government nearly the full amount of his bonus, without giving any security other than putting up his certificate; and the borrowing power of this certificate increases as the years increase, and if he is living at the end of 20 years he will receive a little over three times what his bonus would amount to; that is, if his bonus was \$100 he would receive \$300 and a little over, or if his bonus was \$400 he would receive a little over \$1,200, or his dependents or estate would receive the amount of this certificate at the time of his death. It is better than a 20-year paid-up life insurance policy.

2. The veteran may go to school until he takes up his bonus and 40 per cent additional; that is, if his bonus amounted to \$500, for the purpose of going to school he would receive \$700, and this would be paid to him at the rate of \$1.75 per day while in school, or if his bonus was \$200 he would receive \$280 for the purpose of going to school at the rate of \$1.75 for each day in school.

3. The veteran may accept the third proposition; that is, if he wants to invest his bonus in a home or farm, the Government will pay on said real estate the amount of his bonus with 25 per cent added.

4. The fourth proposition provides that the Government may reclaim arid lands or cut-over lands and help the soldier improve same with long period of time to pay for same at a low rate of interest.

THE DEMAND OF THE VETERANS IS JUST.

Under the selective draft act in 1917 about 24,000,000 young men of America were available for military service. About 4,000,000 of that number who will be the beneficiaries of this legislation entered the military service. The other 20,000,000 were allowed to remain at home and engage in the productive and gainful industries and occupations of the country. It has been very clearly determined that the men who remained at home and were able to work, and did work, averaged around \$10 per day. This does not include millions of men who owned their own business and carried on their own business. It is difficult to say what that class of men averaged per day. We do know that practically all classes of business earned enormous profits during the war. The war produced nearly one millionaire for every soldier boy who lost his life on Flanders fields. Our national wealth has doubled in the last 10 years. Many laboring men made from \$15 to \$50 per day. Everybody received increases in wages, and the average workman's day was eight hours, while the soldier's working day was 24 hours. There were nearly a million men and women on the Government pay roll in civil employment during the war. Their average pay was around \$1,400 per year, yet a Democratic Congress voted a bonus to those who were receiving \$2,500 per year and less of \$240 per year, and these civil employees have already received more bonus than any soldier could get. The big war contractors had their hands in the Treasury up to their elbows. Most of them were operating under a cost-plus 10 per cent contract, yet immediately after the war a Democratic Congress appropriated nearly \$3,000,000,000 to pay the alleged losses claimed by war contractors. This was more than twice enough to pay the soldiers' bonus.

"UNCLE SAM" AND HIS SONS, JOHN AND BILL.

"Uncle Sam" had two sons, John and Bill. A great danger threatened "Uncle Sam," his home, his family, and his business. He ordered John to take his gun and go many hundreds of miles and some thousands of miles to meet a terrible foe. Bill remained at home, slept upon his mother's good feather bed and ate his mother's cooking. John went willingly and with great courage destroyed the foe and averted the danger that threatened his father, his family, and possessions. After about two years he returned home and Uncle Sam called in John and Bill for a settlement and he says: "Bill, you remained at home; I am going to allow you around \$10 per day for every working day during the war, and John, I think \$1 or \$1.10 per day will be enough for you." John looked up in wonderment and says: "Father, what do you mean by allowing Bill several times as much as you allow me?" And the father responds, "John, you must not claim any more or you will not be patriotic. You will take your pay in the glory you get out of your service and in mud trenches, rain, and snow." Finally, John says: "Father, it is all right for Bill to have \$10 per day and stay at home, but now if you will give me another \$1 or \$1.25 per day in addition to my \$1 or \$1.10 per day and let the payments be spread out over a period of 20 years (I know Bill received his money every week or every month), I will take this and be satisfied." Would not "Uncle Sam" be a strange father if he turned down John's request? Gentlemen, that is the exact situation as it presents itself to this House on this bonus bill. The folks who remained at home averaged \$10 per day for their work and have already received their pay and either spent it for pleasure, for automobiles, or homes, and the soldier boys have come back with nothing and many without jobs and are saying to us that although we gave the other boys \$10 per day in cash, we shall be satisfied if you will give us another \$1 or \$1.25 per day and let it be spread out over a period of 20 years so as to make payments easy. I would rather resign my seat in Congress to-day than to refuse John's request, and it would be a poor "Daddy" who would show this great partiality for Bill over John. I have not had an opportunity to vote for a measure I think more just than this, and the American people should pay it gladly.

WE PAID OUR SOLDIERS OF OTHER WARS A BONUS.

The people of the United States paid to George Washington a large bonus in public lands, and he recommended a bonus for his soldiers of the Revolution and this country provided a bonus in money and land for such soldiers. The soldiers of the Civil War were granted a bonus, and we have granted a bonus in public lands to our soldiers in all of our wars and thousands of soldiers of our wars availed themselves of these public lands,

but all of the desirable public lands have been taken up and we can not offer the veterans of the World War public lands.

Our allies in the World War have paid to their soldiers substantial bonuses. Canada has granted to her soldiers of the World War an average of about \$600 each. The average bonus that our soldiers will receive under this bill is about \$375. No overseas veteran can receive more than \$625 and no soldier serving in this country can receive over \$500 under this bill. We loaned to the Allies and turned over to them in cash since the war more money than would be necessary to pay the soldier bonus under this bill if every veteran should demand and receive cash for the amounts provided in this bill. The last administration turned our money over to the Allies and they paid their soldiers a bonus. We say we can not pay our veterans a bonus. Just after the war closed war contractors filed claims for alleged losses and a Democratic Congress allowed these war contracts for their alleged losses during the war on Government contracts nearly \$3,000,000,000. Our soldiers lost wages and business opportunities, yet there are those who are unwilling to pay them anything. The war contractors received twice as much in so-called losses as would pay the soldiers' bonus. We dug up about \$4,000,000,000 to pay for the losses to the railroad companies and others which were sustained, as claimed, under Government control. After the war we turned over to a so-called representative of the defunct Russian Government enough cash to take care of the bonus for the next three years.

REPUBLICAN PARTY COMMITTED TO PAYMENT OF BONUS.

The Republican Party, which is in control of both branches of Congress and the executive department of the Government, declared in its national platform in 1920 in favor of the soldiers' bonus. This was one of the issues before the American people. As I now recall, President Harding and Governor Cox in their campaign speeches of 1920 both declared themselves in favor of a bonus for the World War veterans. I feel that it is the duty of the Republican Party and my duty as a Republican Member of Congress to vote for this bill and carry out that pledge.

WE CAN PAY THE BONUS WITHOUT MATERIAL INJURY TO COUNTRY.

The big interests of the country and many of the big newspapers have tried to create the impressions that the enactment of this bonus bill without a sales tax would ruin the country. I am opposed to a sales tax to be attached to this bonus bill. In the first place, it is not necessary, and many persons are advocating a sales tax in order to defeat the legislation. They know a sales tax would be very unpopular. In the second place, a sales tax would put the large part of the burden of the payment of the bonus on those least able to bear the burden and it would relieve those who made great fortunes out of the war and are best able to bear the burden. All of the big interests and millionaires of the country are against the bonus—insist that if a bonus is paid we pay it with a sales tax. Under the present tax law men with big incomes and corporations with big profits pay a large bulk of the taxes and, of course, would have to pay a big portion of the bonus unless we raise the money by a sales tax, and all of the big interests and practically every millionaire of this country are fighting the soldiers' bonus. As heretofore pointed out, it would require less than three hundred million for the next three years to take care of the provisions of the bonus bill, or less than \$100,000,000 per year. We are spending nearly that much money each year on Federal aid for highways.

Our Navy has been costing us about \$500,000,000 per year, and our Army has been costing us around \$400,000,000 per year. Because of the success of the disarmament conference we propose to cut down the expense of the Army and Navy nearly \$300,000,000 this year. We save enough this year to take care of the bonus for the next three years. The cost of the Government for the last year of the Wilson administration was \$6,500,000,000. The first year of the Harding administration was around \$4,000,000,000. Harding's administration saved nearly enough the first year to pay double the soldiers' bonus, if every dollar of it was paid in cash now. The Allies owe us nearly \$2,000,000,000 in interest. Congress has passed a law requiring the Allies to give us cash or bonds for their debts and interest to us. No doubt that Great Britain within the next few months will pay us over \$500,000,000 in interest. This will take care of the bonus for at least four years. The interest that the Allies owe us will more than pay the soldiers' bonus.

The Wilson administration spent from July 1, 1918, to June 30, 1919 (only four and a half months of which was war), over \$19,000,000,000. They spent enough every month to more than pay the soldiers' bonus provided in this bill and provided it was paid in cash. In one year they spent more than 12 times enough to pay the soldiers' bonus in cash. The Wilson

administration spent from July 1, 1919, to June 30, 1920, over \$7,500,000,000. Enough money to pay the soldiers' bonus provided for in this bill in cash five times over. The last year of Wilson's administration cost over \$6,500,000,000. This sum would have paid the soldiers' bonus four times and more. When Mr. Harding went into office Liberty bonds were selling around 85 cents on the dollar. Some of the issues now are worth more than 100 cents on the dollar, and the other issues are worth nearly 100 cents on the dollar and going up. Business is on the increase. The outlook is growing brighter every day. In view of what has taken place since the war, why should anyone claim that the soldiers' bonus would upset business and ruin the country.

COUNTRY WILL GET VALUE RECEIVED.

We were spending more each month for war than would pay the soldiers' bonus in cash to-day. The courage and loyalty of our soldiers certainly shortened the war more than one month. The folks at home made enormous profits, and the workers at home received the highest wages in the history of this country. It is only fair for our veterans to feel that their splendid sacrifices should receive proper recognition at the hands of a grateful Nation. This bonus will help many soldiers to get on their feet. The money will be expended among our own people. Their claim is just. The greatest safeguard to the institutions of this country and to its industries and the greatest barrier and check to Bolshevism, Anarchism, and the other isms that threaten our country is this splendid army of World War veterans. It is worth \$1,492,000,000 to the business men of this country for these boys to be satisfied and to feel that their country has not forgotten their sacrifices.

I want to see the Courier Journal, the Louisville Times, and their owner and editor, Mr. Bingham, who got a bonus of \$5,000,000 during the war, denounce the war profiteers; the wasting of millions at Camp Taylor and Camp Knox; the expenditure of \$150,000 per mile on a few miles of road near Louisville by the Government; the granting of \$3,000,000,000 as bonuses for war contractors after the war; the wasting of other billions in the operation of the railroads; the expenditure of nearly \$33,000,000,000 by the Wilson administration from July 1, 1918, for the three years following; the expenditure of nearly \$2,000,000,000 for airplanes, with no fighting plane reaching the battle front to protect our soldiers; the expenditure of nearly \$4,000,000,000 for building wooden, concrete, and other ships, many of which are worthless; the expenditure of hundreds of millions of dollars for powder and shells, and no powder or shells produced; the expenditure in 18 months of ten times the entire cost of the Civil War; the turning over to the French Government of \$1,700,000,000 of our supplies for the sum of \$400,000,000. The last Democratic administration wasted enough money in any one of nearly a dozen projects to have paid the bonus provided for in this bill in cash. I want to see the big interests of this country, the big newspapers of this country—the Courier Journal and Louisville Times—denounce some of this extravagance and waste and quit denouncing the veterans of the World War, who suffered and sacrificed so much, and the Members of Congress who are attempting to do this act of justice to them. But for the waste of the past administration and the cost-plus contracts and the payment of billions to war contractors and war profiteers there would be ample money in the Treasury to-day to give to the American soldier in cash double the amount we are now proposing to give him. Some good people have read these vile slanders put out by the big interests of the country and have been misled. I believe that every unselfish disinterested person who will study this problem carefully will come to the conclusion the Congress is right in granting this bonus to the World War veterans. These are some of the reasons for giving this bill my support and vote.

Mr. MACGREGOR. Mr. Speaker, there has never been any doubt in my mind that the bill providing for adjusted compensation to the service men would pass the House with a very large majority. The people of the country are strongly for the bill, although a small minority, composed mostly of those who reaped large financial benefit from the war, are very vociferous about the lessening of the luster of the patriotism of the boys. In the language of Shakespeare—

The lady doth protest too much, methinks.

I am not at all fearful of the patriotism of the boys; they have shown theirs in unmistakable terms. I am more uncertain as to the patriotism now and heretofore of many of those who are doing the protesting.

It is not my intention to make a speech upon the reasons why the bill should pass. The Members of the House generally are quite convinced upon that subject. I desire, however, to place in the Record a little history.

The statement has been frequently made that this is the first time that the Government has given a bonus to men who have fought the battles of the Nation. Those who make the statement have evidently not been students of history.

WAR OF THE REVOLUTION.

By resolution of Congress September 16, 1776, it was provided that grants of land should be given to men and officers serving during the war as follows:

	Acres.
Colonels.....	500
Lieutenant colonels.....	450
Majors.....	400
Captains.....	300
Lieutenants.....	200
Ensigns.....	150
Noncommissioned officers and privates.....	100

By resolution of Congress June 22, 1779, it was provided that a gratuity be paid to those who enlisted prior to January 23, 1779, of \$100.

By resolution of August 24, 1780, it was provided that seven years' half pay should be given to officers continuing in service to the end of the war.

WAR OF 1812.

Act of Congress, 1812: Noncommissioned officers and men upon discharge to be given a bounty and 160 acres of land. By act of December 10, 1814: Men thereafter enlisted to receive 320 acres of land.

MEXICAN WAR.

Men serving through Mexican War entitled to warrants for 100 acres of land with option of bonus of \$100.

CIVIL WAR.

Men entitled to receive patents for 160 acres of land. Various bounties paid for enlistment and service during war by Federal Government ranging from \$150 to \$400. Amount paid in bounties by Federal Government, \$405,021,000.

In addition, the various States paid bounties as follows:

Local bounties paid.

Maine.....	\$7,837,643.97
New Hampshire.....	9,636,313.00
Vermont.....	4,528,774.88
Massachusetts.....	22,965,550.36
Rhode Island.....	820,768.00
Connecticut.....	6,887,554.27
New York.....	86,629,228.15
New Jersey.....	23,868,966.62
Pennsylvania.....	43,154,986.92
Delaware.....	1,136,599.06
Maryland.....	6,271,992.00
District of Columbia.....	134,010.00
West Virginia.....	864,737.00
Kentucky.....	692,577.00
Ohio.....	23,557,373.00
Indiana.....	9,664,855.00
Illinois.....	17,296,205.00
Michigan.....	9,664,855.00
Wisconsin.....	5,885,356.19
Iowa.....	1,615,171.20
Minnesota.....	2,000,464.00
Missouri.....	1,282,148.55
Kansas.....	57,407.00
Total.....	286,781,256.09

Mr. HAUGEN. Mr. Speaker, it would seem that there should be no further delay in providing for the payment of the soldiers' adjusted compensation, the most meritorious of all claims arising out of the war, especially, in view of the liberal provisions made for the payment of other claims, many based on moral obligations only. In my opinion the soldiers' adjusted compensation should have been one of the first bills to have been taken up after the armistice, and should have been paid in cash at once. I have voted for every soldiers' bonus bill that has come before the House, and have always contended that the sooner the adjusted compensation is paid the better.

I believe that it was a mistake for another body to fail to pass H. R. 14157, the adjusted compensation bill, which passed the House May 29, 1920; but if the bill under consideration is promptly enacted, better late than never. I congratulate the majority members of the Committee on Ways and Means on again bringing in a bill, the proposed bill. If fair to take from the Federal Treasury billions of dollars to pay railroads and others who reaped enormous profits from the war, certainly we should pay the claim of men who gave their service to their country for \$1 a day and who exposed themselves to shot, shell, and poisonous gas. Though I would prefer a bill carrying a cash-payment plan, I welcome the opportunity to vote for this bill, which is far superior to none at all or to a further delay, which I have felt in the past should have been avoided.

What are the facts? Four million of the 24,000,000 men registered were inducted into the military service. The 4,000,000 inducted were forced to leave their homes. One hundred million American people were permitted to remain at home to pursue their occupation or profession. Many lived in luxury. Many

with fat contracts in their pocket feasted on \$8 steaks and accumulated enormous fortunes. Federal employees drawing \$2,500 or less were and still are paid a bonus of \$240 a year. Practically all persons out of the military service shared in the increase of the total wealth of the United States, estimated to have increased from \$187,730,071,000 in 1912 to about \$286,000,000,000 during the war. On the other hand, 4,000,000 men in the service received the meager sum of \$1 a day. Six million farmers, tilling 6,000,000 farms, supplied our soldiers and our allies with food, much of it at a price fixed by agencies of the Government. Food was most essential in making it possible for them in the service to fight and win the war.

Mothers and fathers worked and prayed, and not only sacrificed time and money but endured sleepless nights and breadless days. The sorrow, worry, and solicitude for our country's welfare and those near and dear caused the loss of life in many a home. The loyalty of the American people, their generous support of the Red Cross, the Young Men's Christian Association, and the numerous other worthy and deserving organizations all went to show their backing of our boys who so willingly took their lives in their hands and risked them on their country's altar as a sacrifice.

Considering, on the one hand, the services rendered and the achievements attained by our boys, and, on the other hand, the fact that Congress has passed numerous laws validating contracts aggregating \$3,000,000,000, and has appropriated up into the millions for the payment of claims of various kinds, it would seem that the soldiers' adjusted compensation should have been paid long ago. The railroad act, approved March 21, 1918, guaranteed profits equal to the average net operating income of railroads during the three years ending June 30, 1917, which was estimated to be from one hundred and seventy-five to two hundred million dollars annually in excess of what should have been guaranteed. This, together with subsequent legislation, resulted in taxing the American people approximately \$2,000,000,000 for railroad operation, in addition to the large increase in transportation rates aggregating billions, which, in my opinion, was wholly unjustifiable, and neither of which bills could I nor did I vote for. In view of all the money squandered, authorized, and expended, it would seem that Congress should have lost no time in passing a just and fair adjusted compensation bill. All will concede, had it not been for our boys stopping the enemy at the Marne, breaking the attack at Chateau-Thierry, driving the enemy back at the Argonne, and finally forcing them to surrender, the results of the war would have been different.

According to the committee's report, 16 States had provided, up to January 31, 1921, some form of adjusted compensation for their soldiers. Other countries have acted promptly in the matter. The following table, printed on page 5 of the committee's report, shows the debts and estimated wealth of other countries and what has been done since the war for the soldiers of our allies in the way of payments:

Country.	Maximum payment to enlisted men.	Debt of nation.	Estimated wealth.	Per cent of debt.
Canada.....	\$634.40	\$2,345,000,000	\$10,000,000,000	23
Belgium.....	492.00	4,670,000,000	12,000,000,000	39
France.....	233.53	50,980,000,000	92,500,000,000	55
England.....	189.54	37,910,000,000	120,000,000,000	32
Italy.....	73.34	18,650,000,000	35,500,000,000	52

The United States has paid its soldiers \$60 each and its debt is generally estimated at only 7 per cent of its estimated wealth of \$286,000,000,000. If the States deem it just to pay adjusted compensation, if our neighbor, Canada, with a population of less than 8,500,000 people, staggering under the burden of high taxation and the heavy load of \$2,345,000,000 debt, a debt equal to 23 per cent of its estimated wealth, could afford to pay \$634.40 adjusted compensation to each of her enlisted men, certainly our Government, the wealthiest, most generous, and prosperous nation on earth, with a debt estimated at only 7 per cent of its wealth, can and should pay.

According to an official report Canada had up to the 1st of October, 1921, granted loans to 27,003 of its ex-service men for the purchase and improvement of lands, as follows:

For the purchase of land.....	\$47,457,393.14
For removing incumbrances.....	2,019,836.77
For permanent improvements.....	9,921,591.55
For stock and equipment.....	26,534,191.14
Total.....	85,933,012.60

If Canada could afford to loan \$85,000,000 to assist 27,003 of her ex-service men to purchase land, remove incumbrances, make

permanent improvements, and secure stock and equipment, it seems to me that this great Nation of ours, the most prosperous, by far the richest, and the best situated financially of all the nations of the earth, populated by the most generous people on earth, can afford to do as much at least to pay the ex-service men's just claim. No one will deny that they have a just claim. If not a legal liability, all will recognize the moral obligation.

The adjusted compensation bill proposes to permit the veteran to elect to receive the benefits of any one of the five plans of compensation, which are:

- (1) Adjusted service pay where the amount of credit is \$50 or less.
- (2) Adjusted service certificate.
- (3) Vocational training aid.
- (4) Farm or home aid.
- (5) Land settlement aid.

My understanding is that the adjusted compensation provided in this bill and terms of payment determined upon by the committee meet with the approval of the legislative representatives of the American Legion. If so, and if the ex-service men are satisfied with the amount paid and the time fixed for payments, very well; it is not for me to question the amounts or the terms agreed upon. However, it would seem that if the amount of adjusted compensation agreed upon is justly due—and it by all means is—it should have been paid before and surely it should be paid now, not years hence. As before stated, Congress has provided funds to pay other claims; why not pay this now? Generally, the answer is, "The Treasury is short of funds; taxes and debt are already too high."

We have been short of funds for some time, and the chances are that we will be just as short of funds as we now are when the certificates to be issued under this plan fall due. Hard-luck stories and appeals for extension of time on payments are not always accepted in payment of services or debts, especially by those in need of funds, which, I understand, is the case with many ex-service men. The general practice is when one's note falls due to either pay or renew with interest. My experience has been that a business man's obligations are either paid when due or he submits to terms prescribed by his creditor as to extension and rate of interest. That is the only proper way I know of redeeming obligations. If that is expected of an individual, why should not Uncle Sam redeem his obligations to these worthy claimants promptly and satisfactorily?

The answer most prominently given is that the sales tax is the only available source of obtaining the revenue required.

SALES TAX.

Generally speaking, I am opposed to a sales tax. In my opinion it is one of the last methods of taxation that should be resorted to, but I am in favor of paying the soldiers adjusted compensation, and if a sales-tax provision is necessary to provide the revenue to pay the adjusted compensation to the ex-service men, believing as I do, the quicker the adjusted compensation is paid the better, I should favor one if patterned after that of Canada. If a sales tax is necessary and one is to be imposed, it should follow the Canadian plan which exempts, first, foodstuffs in their natural state; second, the initial sale by the farmer of farm products of his own production; third, the first product of the fisheries, mines, and forests; and which, fourth, requires manufacturers selling goods to jobbers or wholesalers to collect and pay into the Treasury one-half of the sales tax, and the wholesaler or jobber selling to the retailer or consumer to collect and pay into the Treasury the other one-half, or if the manufacturer sells direct to the retailer or consumer, to collect and pay into the Treasury all of the sales tax, and which requires in every case that the purchaser be furnished with a written invoice of all sales, which invoice states separately the amount of the sales tax as provided in the Canadian sales tax act, assented to on June 4, 1921, and put in effect May 10, 1921, which makes the collection of taxes certain and inexpensive. If it is necessary, in order to redeem in cash the obligation to our ex-service men, to impose a sales tax of a fraction of a per cent or even of 1 per cent, which is only one-third of the amount of the Canadian sales tax, I believe that it would be more satisfactory to the ex-service men and all concerned than the issuing of certificates as provided in the bill. It seems to me that if a sales tax is necessary and if it is the only source of revenue available to meet this obligation, every American citizen would welcome the opportunity to contribute in this respect, which would in a degree express his appreciation and debt of gratitude for the heroic services rendered. However, there are other available sources of revenue.

There are a number who made enormous, yes, excessive profits on war contracts, who should welcome an opportunity to share with the boys or, at least, to give up a part of their gain. They should not only be given an opportunity, but they should be made to contribute liberally to this deserving cause.

In my opinion they should not be overlooked. Further, the payment of interest on our \$11,000,000,000 loan to foreign nations should be insisted upon and paid. With more than \$3,000,000,000 of gold coin and gold bullion in the United States Treasury, with more than \$2,000,000,000 in gold held jointly by Federal reserve banks and agents, and that with only about two and one-half billion dollars of Federal reserve notes in circulation and only \$346,681,016 of United States notes outstanding—which amount is about \$1,000,000,000 less than the amount of Federal reserve and Treasury notes outstanding in 1920—undoubtedly a considerable amount of Federal reserve or United States notes could be issued without interest to take care of a part of the adjusted compensation; or if the proposed certificates are issued with interest, if the Federal reserve notes were loaned, interest charged and the interest covered into the Treasury, the interest thus collected would more than offset the interest which the Government would have to pay on the proposed certificates. If \$1,000,000,000 of Federal reserve notes could be thus issued and circulated it would not only provide for a billion-dollar cash payment to the ex-service men but it would also save our Government some forty or fifty million dollars annually in the payment of interest; besides, there are other available sources to draw upon.

AGRICULTURAL LEGISLATION.

In this connection I desire to refer briefly to agricultural conditions and legislation enacted affecting agriculture.

The recent war brought agriculture into prominence and demonstrated its value and preeminent importance. As you will recall, food products were given the right of way; munition trains, passenger trains, and all others were sidetracked for the train carrying food. The splendid achievement of our country was made possible not because of its munitions or automobile factories, but because of its food supply. According to the Statistical Abstract the farmers in the past have furnished more than half of our exports. The highest per cent was 84.3 in 1820. In 1919 they furnished 53 per cent, or \$4,107,158,753 worth out of our total export of \$7,081,469,938. It is clear to all that, without the industry and success of our 6,000,000 farmers and 6,000,000 farm hands, the balance of trade in our favor would dwindle into insignificance and in a short time turn into an adverse balance. Not only that, but, generally speaking, the progress, prosperity, and happiness of practically every man, woman, and child is dependent upon the farmer. Our interests are in common. We go up and down together, hand in hand. It is unnecessary to say that, had it not been for our food supply—our bread basket—the results of the World War might have been different. No matter how brave or strong men may be they can not fight or endure for any length of time, nor can any nation exist, without food. Food supplies energy; yes, life. The United States might, by lowering its wage scale and its high standard of living to the level of other countries, be thus enabled to compete with other countries in the products of its mills and factories and increase its exports of those products so as to exchange them for food, and thus succeed for a while but only for a short time. Just as sure as the sun rises in the east and sets in the west, without the farmer Uncle Sam's factories, mills, and banks would crumble and fall, his railroads would rust, his beautiful towns and cities, including the schoolhouses in the valleys and churches on the hilltops, would disappear, until our beautiful land—with its grand and glorious Government, its splendid and magnificent institutions, its productive fields producing bread, the staff of life, in a sufficient quantity to feed not only our 105,000,000 people but millions in foreign lands—would cease to occupy first place among the nations and much of it would return to unproductivity and forests.

The World War has brought the farmer into prominence. We now more than ever realize that the progress and prosperity of our people and the stability, growth, and greatness of our Nation are dependent upon the tillers of the soil. As a class they compose the great conservative force of our Nation. They are the producers of new wealth, annually producing about 900,000,000 bushels of wheat, 5,000,000,000 bushels of cereals, which equals about one-third of the total wheat and cereal production of the world. According to the report of the Secretary of Agriculture, the estimated value of crops and live stock on the farms on the 1st of January, 1918, was \$24,700,000,000. In amount more than three times the stock of money then in the United States, and that after our presses had been running overtime turning out all sorts of money. According to the recent report made by the Bureau of Markets and Crop Estimates, the average value of 10 crops, consisting of nine-tenths of all crop production, has fallen in two years 59 per cent, or from \$35.74 an acre in 1919 to \$14.52 in 1921.

With the deflated prices on farm products, heavy taxes, scarcity of money, high transportation rates, and unfortunate conditions confronting agriculture, naturally legislation affecting the farmers was the first and all-important to be taken up by Congress in its reconstruction work. Naturally all interested in agriculture expected the party in power to act quickly in the enactment of remedial laws and to secure an honest and rigid enforcement of such laws, especially to enact legislation to promote progress and prosperity on the farm, for, of course, the American people can not be content with anything less. With that in view, and recognizing the limited power of Congress, every member of the Committee on Agriculture, which committee has jurisdiction over all matters pertaining to agriculture, pursued their duties with fidelity and with a firm determination to bring about the results desired. Many seemed to believe that it was in the power of Congress and other legislative bodies to legislate value and prosperity and that all that was necessary was for Congress to authorize the issuance of more money and bonds and to regulate business. Congress and legislative bodies are, of course, limited in their power; as, for instance, it is not in the power of Congress to increase or lessen yield, except through the process of taxation. However, it has the power to levy and collect taxes, to appropriate money for the employment of persons and other means to foster, encourage, and promote agriculture, to issue money, to obligate the Government, and to make loans, but without our natural resources and the integrity of the American people back of it the money issued or obligations incurred would be of little or no value.

Conditions have materially improved. Undoubtedly legislation recently enacted has had much to do with the improved conditions. Evidently our most serious trouble to-day in agricultural districts remote from consumption centers is the present high freight rates. Take, for example, corn in Iowa. A few months ago corn sold as low as 16 cents a bushel; deducting from that 5 cents a bushel for picking and cribbing left 11 cents net for 70 pounds of corn. The farmer then received less than 16 cents a hundred pounds in compensation for his taxes, rent, seed, and year's work in planting, cultivating, and marketing the corn. The railroads hauling the corn to Chicago received 25½ cents a hundred pounds. If hauled to New York, 55½ cents. True, conditions have improved; but even at that, while corn is selling for 40 cents a bushel, or about 60 cents a hundred pounds, the railroads get practically as much for hauling the corn from Iowa to New York as the farmers get for growing it. It goes without saying that with such conditions prevalent the farmers can not pay taxes, interest, and maintain their families as they should, and unless prices on farm products advance or freight rates are materially reduced or the factories, mills, labor, and the consumers are moved closer to the food-producing areas, thus eliminating the great transportation costs, the farmer will necessarily have to transfer his activities to a more remunerative occupation. The Interstate Commerce Commission was given power to fix just and reasonable railroad rates and was authorized to ascertain the fiscal value of railroad property as a guide and basis for fixing such rates. That commission is functioning and claims to have fixed rates accordingly. The United States Railroad Labor Board was organized and authorized to fix the wages of railroad employees. It is also functioning and has determined the wage scale. The Constitution provides that property shall not be taken except by due processes of law—that is, without just compensation. If the rates and wages determined are just and fair, there seems to be nothing further that can be done; however, if the freight rates have been fixed too high, which seems to be the case, a review is in order, and if a review can not be had to determine a just and fair rate it may be necessary to provide for a new commission or to abolish it or to repeal the law and leave the matter—under proper restrictions as to pooling, merging, granting rebates, and all other unfair, unjustly discriminatory practices and devices—to the railroads themselves, to solve their own problems, or for Congress to exercise its power to directly fix just and reasonable rates.

ACTIVITIES OF THE COMMITTEE ON AGRICULTURE.

Congress has amended and enacted since the change of party three years ago more real constructive laws affecting agriculture than it has in any 10 previous years. In less than three years the Committee on Agriculture of the House, of which I have the honor of being Chairman, has reported and had passed amendments to practically every law on the statute books affecting agriculture and has initiated and had passed more new legislation than it had in any previous period of 10 years prior to the war. I might add that any suggestion

that may be made in the future which will better the conditions of the tillers of the soil will be given the same speedy and favorable consideration by the committee.

The Committee on Agriculture in the Sixty-sixth Congress held 111 days of hearings, and so far this Congress 58 days, a number of the hearings starting at 9 o'clock in the morning and running until midnight. The hearings in the Sixty-sixth Congress were on 28 subjects, covered in 7,484 pages of printed testimony, and so far this Congress on 22 subjects, covered in 2,873 pages, a total of 10,357 pages of printed testimony before the committee. In the Sixty-sixth Congress 18 bills were reported from the committee, of which 6 were enacted into law, in addition to the many new, important legislative amendments carried in its agricultural appropriation acts. So far this Congress 19 bills have been reported from the committee, of which 6 have been enacted into laws. In addition, one of the bills reported this Congress has passed the House, while the other 12, not enacted, are on the House Calendar.

The first bill to be taken up, reported, and passed by the Committee on Agriculture in the Sixty-sixth Congress was the Agriculture Appropriation Bill for 1920, H. R. 7413, introduced and reported by me, which carried \$33,900,211. Owing to the urgent demand for legislation, and in order to expedite such legislation, considerable new legislation was incorporated in the appropriation bill. For instance, an amendment to the Pure Food and Drugs Act requiring the marking of the net weight on wrapped hams and bacon, which guaranteed full weight to the consumer and obviated much deception; an amendment requiring the inspection and marking of horse meat, thus bringing it under the Meat Inspection Law and affording protection to the consumer; an amendment to the United States Warehouse Act; an amendment extending the Weeks Act, under which lands for the protection of watersheds of navigable streams are acquired; an amendment continuing the enforcement of the Government regulations covering the handling of the wool clip of 1918, under which the Government has collected and distributed to producers large sums unjustly withheld by the commission men; and, probably the most important of all, an amendment repealing the so-called Daylight Saving Law, which worked such an inconvenience, hardship, and injustice to the farmers, and city people as well, which amendment repealing the law, after a long contest, was passed, vetoed by President Wilson, and finally passed over the President's veto.

The committee authorized me to report and had enacted my bill (H. R. 8624) amending the Food Control Act. It permitted cooperative bargaining by any cooperative association or other association of farmers, which relieved farmers from persecution and unwarranted prosecution unjustly imposed from coast to coast. The testimony before the committee showed that farmers in California, Illinois, Ohio, and other States who had disposed of their farm products by collective sales had been unjustly indicted, arrested, and tried for such sales. The amendments attached a penalty for unlawful profiteering, hoarding, and destroying of necessities. The amendments in addition carried the District of Columbia Rents Act, providing for a commission to regulate rents. The commission has heard hundreds of complaints and has adjusted numerous rent controversies; thus thousands have been given protection against profiteering landlords.

The committee authorized me to report and had enacted a bill authorizing the President to continue the United States Sugar Equalization Board and take over the Cuban sugar crop. Had President Wilson exercised this authority to take over the 1920 Cuban sugar crop the consumer would have been furnished sugar at about 10 cents a pound instead of at the exorbitant price paid, due largely to the establishment by Attorney General Palmer of zones, which permitted the Louisiana sugar grower to receive approximately twice as much for his product as those in the beet-sugar and other districts.

The committee authorized me to report and had enacted the Barbour bill, which authorized the acquisition of certain valuable vineyards.

The committee authorized Mr. HUTCHINSON to report and had passed by the House and Senate his cold-storage bill, which limited the time in which food could be held in cold storage to one year, regulated the sanitary conditions of cold-storage warehouses, and required reports on all food held in cold storage. This bill failed in conference.

The committee authorized me to report and had passed by the House my bill amending the Pure Food and Drugs Act.

The committee authorized Mr. RIMMICK to report and had enacted his bill to loan \$2,000,000 to farmers in the drought and storm stricken sections of this country for the purchase of seed.

The committee authorized me to report and had enacted a resolution defining what constitutes a crop failure in making loans of seed wheat for crop purposes.

The Agricultural appropriation bill for 1921, introduced and reported by me, appropriated \$31,714,784 for the Department of Agriculture. It eliminated and reduced many useless items, a reduction of \$2,185,427 for the year. It carried much important legislation, as, for instance, an amendment extending the plant quarantine act to the District of Columbia; an amendment reducing the number of grades deliverable on a contract under the Cotton Futures Act; an amendment transferring to the Department of Agriculture the reindeer work in Alaska, which is its chief source of food supply and is fast becoming its chief industry; an amendment transferring the enforcement of the tea importation act to the Department of Agriculture, under whose jurisdiction comes the enforcement of all legislation affecting food; and an amendment creating the Joint Committee on Short-Time Rural Credits, of which I have the honor of being Vice Chairman, made up of members of four committees of the House and Senate, which joint committee has held extensive hearings in various sections of the country with a view of establishing a practical system of short-time rural credits, which, it is needless to say, would be of benefit, especially to certain sections of the country.

The committee authorized me to report a number of other bills, including a resolution dealing with the cotton crop; a resolution authorizing the participation of this country in the World's Poultry Congress; a bill providing a grade for American Egyptian cotton; two resolutions calling for the suspension of speculative short sales of grain on the grain exchanges; and bills dealing with other matters.

The committee's hearings embraced a number of bills and subjects which were not reported upon, as, for instance, the establishment of a farm-produce exchange; extension of the Food Control Act; prohibition legislation; cost of living; amendments to the Warehouse Act; an agriculture conference; grazing fees; the guarantee price of wheat; agricultural relief; transportation and marketing of farm products; refund to woolgrowers; various recommendations of the Secretary of Agriculture; and other bills and matters.

Among the most important measures reported and had enacted by the committee so far this Congress—the Sixty-seventh Congress—is the Haugen Packer and Stockyards Act, introduced and reported by me, which was enacted in practically the same terms as my substitute for the Senate packer bill in the Sixty-sixth Congress. This legislation has been under consideration by Congress the past quarter of a century. The act extends over every ramification of the packers and stockyards transactions in connection with the packing business. It gives the Secretary of Agriculture complete inquisitorial, visitatorial, supervisory, and regulatory power over the packers, stockyards, commission men, traders, buyers and sellers, and all activities connected with the slaughtering and marketing of live stock and live-stock products. The act gives the Secretary power to prevent the packers and all persons dealing in the stockyards from engaging in unfair, unjustly discriminatory, or deceptive practice or device; regulate and prescribe practices on the stockyards; prevent abuse; award damages; regulate and prescribe all rates, fees, and charges for services in stockyards, including the fee of commission men, yardage, feeding, watering, weighing, and handling live stock; and prescribes the manner and form in which packers and all concerns operating in stockyards shall keep their books and accounts. The act provides specifically for cooperation in the marketing of live stock through cooperative associations in the stockyards by permitting them to return to their members on a patronage basis their excess earnings on live stock handled, subject to regulations by the Secretary. With the complete and exclusive power granted the Secretary, if any abuse exists we may look for relief if the act is properly administered. If not, it is the fault of those in charge of its administration; but there seems to be no question but that the act is being effectively administered. The act has been upheld unanimously in a vigorous opinion by Circuit Judge Evans and District Judges Landis and FitzHenry sitting in banc in the district court, and on March 21 the constitutionality of the act was argued before the Supreme Court of the United States.

Another very important bill reported and enacted is the Tinscher Future Trading Act, introduced and reported by Mr. TINSCHER, to regulate the grain exchanges. This legislation has been under consideration by Congress for a number of years. The bill enacted gives the Secretary of Agriculture power to prevent manipulation and limit operations in grain futures. It requires that the records of transactions be kept and be made available for inspection. If properly administered, which I am certain it will be, it should give the relief long sought.

The committee authorized me to report and has had passed by the House my amendments to the Pure Food and Drugs Act, known as the "Slack-Filled Package Bill," which prohibits the use of slack-filled or other deceptive forms of packages, as, for instance, spice and cereal packages only partly filled with food, designed to mislead the consumer as to the quantity of food purchased and to exact from him a price based on the apparent rather than the true quantity of the article thus packaged; bottles with inverted bottoms or made of thickened glass designed to magnify the contents; cans containing an excess of liquid, water, or foreign matter and a deficiency of food material; and other containers which give the purchaser a false impression as to the quantity, quality, size, kind, or origin of the food contained therein.

The committee this Congress, in addition to the Packer, Future-Trading, and Slack-Package Legislation, has authorized me to report and has had enacted bills deferring the payment of grazing fees on national forests, thus affording relief to the stockmen of those sections, affected by the agriculture and business depression; a bill granting certain relief to the cotton belt; and a bill appropriating a million and a half dollars for the purchase of seed in the drought-stricken area of the Northwest.

It has held hearings on the subject of filled milk and authorized Mr. VOIGT to report the Voigt bill prohibiting the sale of filled milk—that is, canned skimmed milk mixed with cottonseed or other vegetable oil.

It has investigated the grades for spring wheat and has authorized me to report to the House a bill embodying revised grades, which, it is thought, will be adopted. If so it will materially benefit the producer of wheat.

It has authorized Mr. WARD and Mr. CLAGUE to report two Senate resolutions governing the disposition of certain sugar imported from the Argentine.

It has authorized me to report a bill further extending the life of the Weeks Act, under which land for the protection of the watersheds of navigable streams is acquired; and a number of other bills, as, for instance, my bill authorizing the payment of meat inspectors for overtime, my bill readjusting the salaries of scientists in the Department of Agriculture, and bills affecting other matters.

It has held a hearing on the transfer of the Mount Weather property to the Soldiers' Institute (Inc.), for the benefit of ex-service men.

It has held extensive hearings on forestry legislation, with a view of reporting a bill setting forth a policy governing the cutting of our forests and a plan for reforestation which will prevent exploitation and depletion of this marvelous resource and provide for future generations an adequate supply of timber.

It has made a careful investigation of various plans submitted proposing to stabilize the price of farm products. Exhaustive hearings have been held on this subject with a view of reporting a suitable bill.

It has held hearings on the work and policy of agriculture experiment stations to ascertain the need for further endowment of these stations.

It has held hearings on, and, in all probability, will soon authorize a report on a migratory bird refuge and public shooting ground bill, which will insure further protection to migratory birds and will provide throughout the country public shooting grounds.

It has held hearings on other subjects—a warehouse bill, use of aircraft in spraying trees, DIAL's cotton future amendments, transfer of various bureaus to the Department of Agriculture, recommendations of the Secretary of Agriculture, and other subjects.

Thus I might go on, but I believe sufficient has been said to convince any unbiased mind that my committee—the Committee on Agriculture—and Congress have done their duty. As stated by Mr. MONDELL, the majority leader of the House, in his remarks before the Committee on Agriculture on February 27 last:

No committee has done as much as this committee or inaugurated as much legislation in the interest of farmers as this committee, and I have been for it all.

Mr. JEFFERS of Alabama. Mr. Speaker, as a part of my remarks on the adjusted compensation measure I desire to extend in the Record a letter written recently by me to one of my constituents. In this letter I have tried to outline in plain and simple language some of the things which must be considered in connection with this legislation. Here is the letter I refer to:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., February 21, 1922.

MR. P. S. WILLIAMS,
Talladega, Ala.

MY DEAR FRIEND: Regarding the adjusted compensation bill it can be truly said that there has been so much uncertainty recently as to what form this measure would take in the Ways and Means Committee that it has been hard to make definite statements about it.

The Ways and Means Committee were about ready, it seemed, to report the bill out recently with a certain schedule of taxes attached to it, but they decided not to do that, and again they were about ready to report it out a few days ago with a sales tax provision attached to it, but decided before doing that they would again resubmit it to a subcommittee of the Ways and Means Committee, charging that subcommittee with the framing of the bill as it will be presented by the Ways and Means Committee. We do not know what form it will take, and, of course, every one here is anxious to see what they will recommend.

I believe that the country has been unduly frightened by an immense propaganda which has been and is being carried on by interests that are against any adjusted compensation for ex-service people. I also believe that there is a desire on the part of some of those who are high in the administration circle here in Washington to attach some obnoxious tax to the adjusted compensation measure because they believe such a special tax would serve to create sentiment not only against the measure itself but would also reflect against the ex-service people all over the country. Politicians of this stripe want, I believe, to kill the ex-service men and women as a rising and growing political factor by deliberately trying to make this soldier legislation unpopular with the people.

Very soon after the armistice there were between 50 and 60 compensation bills introduced in Congress. The Ways and Means Committee called in the legislative representatives of the American Legion and requested them to help study the different proposed bills and to help determine what would be best. The representatives of the Legion made an exhaustive study of the bills and investigated the circumstances and conditions of the ex-service people over the country and worked out the five-plan idea. It appeared to be the most feasible plan that could be submitted. Since the day the armistice was signed the ex-service people have been promised some suitable adjusted compensation. The American Legion and other organizations of ex-service people have been given to understand that it was coming. The ex-service people have been led to believe all along that a compensation measure like this was to be passed, not as a matter of charity at all but as a matter of right and justice. Consequently it has gotten to the point now that there is no way for the issue to be settled until an adjusted compensation measure is passed and taken care of. Now that it is actually being considered, and after leaders have publicly promised that it would soon be passed, certain interests are flooding the country with propaganda to scare the people with greatly exaggerated statements about the immediate cost of the legislation. I am glad to say that I feel sure that Congress and the people of the Nation will be agreeably surprised when they see how many of the ex-service people will take advantage of the other and better features of the bill instead of the small cash payments.

About the matter of attaching a special tax to this particular piece of legislation, that is a thing that has not been done before. The hundreds of millions of dollars that have been paid to the railroads out of the Treasury during the last 24 months came out of the taxes paid by the people, of course. They say that was a matter of right and justice that the railroads should be so reimbursed. Be that as it may, it all came out of the pockets of the people in taxes. And I noticed a day or two ago that the railroads still claim that reimbursement is due them to the amount of about \$350,000,000 more than has already been paid, and they expect to "collect" that very soon. But there is no movement on foot to place a special obnoxious tax on the people for the purpose of raising the money to pay the railroads.

It cost billions to reimburse war contractors; the war mineral relief bill carried forty millions; a bill for the relief of Shipping Board contractors carried fifty million; twenty million was voted recently for Russian relief without question as to how the money would be raised; all these measures were put over without any special obnoxious tax being attached to them to make them a stench in the nostrils of the public. Why single out the soldiers' compensation measure to put a special tax upon the people to raise the funds when they have not mentioned any special taxation to pay all these other debts? Why attach all the odium to the soldiers?

The giant interests of the country who are now fighting the adjusted compensation measure were in favor of most of the above "relief" measures, I believe, and they did not want anything said about any taxes necessary to pay those sums of money because of the fact that they do not want to bring the railroads and other special interests into disrepute with the people; but now that an adjusted compensation measure for the soldiers is being considered they do want to put an obnoxious tax on the people in connection with it.

You understand, I am sure, that I am not for a moment saying that you yourself look at this proposition in this light, but I am merely saying that certain things appear to me to be very evident in connection with this propaganda about the adjusted compensation measure. Believe me when I say that all this is written in a perfectly friendly spirit.

I also wish to assure you that I am not antagonistic to the interests of the railroads of the country nor to the interests of the honest business corporations. I realize that the problem of the transportation and the railroads is a very serious one in this country at this time, and one which deserves the best thought and attention of all those who have anything to do with the readjustment of the transportation facilities of the country.

I have given much thought to this subject, naturally, and I can truthfully say that I have tried and am trying to look at the proposition in a broad-minded way. I want to act wisely and do what is right in all things.

Let us consider the civil-service employees and the great army of war workers. Added compensation of \$240 per year was given them to help them meet rising living costs. That's all right; they needed it, no doubt. Now, while thousands of ex-soldiers are unemployed to-day these war workers still have the jobs and are still drawing the \$20 per month as "bonus" or added compensation. That is a matter of right and justice; but it all comes out of the Treasury. There is no special tax attached to that particular expenditure.

If full reparation to the railroads for all losses sustained during the war; if reimbursement for war contractors; if help for the Russians; if a square deal for the great army of war workers; if all this is done in the name of justice, then why not grant this adjusted compensation to the men and women who turned themselves over to Uncle Sam and went away to serve for \$1 per day, less allotment, less insurance, less other items that left a man about \$2 per month which he could squander on tobacco and other luxuries?

Seriously, these ex-service people all over this country need a little help now in order that they may be able to more readily pick up again the broken threads of their civil lives. It is mighty hard for them to come back and take things up again where they left off. They lost out in many ways. They are young Americans, and many of them are right now struggling against odds to begin life all over again as heads of young American families. They should be encouraged. It is America's sacred duty to be considerate now of those who wore her uniform in time of war.

Another thing to be considered is that other countries have given this adjusted compensation to their ex-service people. England granted adjusted compensation ranging from \$150 to \$750 per man.

That brings us to the point that England and other countries owe the United States about \$10,000,000,000. I am much in hopes that some way will be found to finance some part of that debt with sufficient security to provide for all needs, so that no special, odious tax measure will be attached to the adjusted-compensation measure. There are those here, who are in position to know, who say that can be done. Banking institutions in this country, however, to whom our allies also owe money, are against this plan, because they want to try to get their pay from our allies before our Government gets hers.

I favor adjusted compensation for the ex-service men and women of the United States, and I trust it can be worked out so that it will not ruin this rich country of ours, as Secretary Mellon and other interests would have us believe.

Surely our country can give recognition to her ex-soldiers and ex-service women equal to what other countries have done for theirs.

I want you to know that I was very glad to hear from you. I have written at some length on this subject, because I am anxious to put clearly before you the many things in connection with this matter which must be considered. I do not believe there is occasion for great alarm.

It goes without saying that there is nobody in the district to whom I feel more grateful for past kindness than I do you. I certainly hope and trust that I may be able to always retain your friendship and good will.

I do not know what is going to be the outcome of this agitation over this compensation measure, but, as stated above, I have and will continue to look at the proposition in a broad-minded way.

I shall be very glad, indeed, to hear from you again about this or about anything else in which you may be interested. I am here for service, and while I am here I want this office to give to the people of the district the good service which they should receive. Anything you see fit to give me at any time in the way of information, suggestions, or advice will be welcome and appreciated.

With warm personal regard and good wishes to you and all the boys, I am,

Cordially and sincerely your friend,

LAMAR JEFFERS.

Now, Mr. Speaker, with regard to the procedure here on the floor to-day, when this very important legislation is being jammed through in such hasty fashion, let me say that this is certainly in striking contrast to the delay that has applied to this measure. I do not mean that the time for debate has been limited to too short a time, because there is no need for a longer time for debate. But what I refer to is that part of the rule adopted for the passage of this bill which absolutely puts a "gag" upon the Members of this House in so far as offering any perfecting amendment to this bill is concerned.

Why should not Members of this House be allowed to offer amendments to this bill if they want to, and why should not the membership of the House have opportunity to vote on any amendments that might be offered?

I wish to call your attention to an extract from a news item in the Washington Star of March 21, 1922, which is as follows:

Speaker GILLET said the proposition had narrowed down to whether the bill should be put on its passage without opportunity for amendment or with opportunity for one motion from the Democratic side, and that he was inclined to think it would be better not to permit the Democrats to offer the one motion. In this connection he called attention to the minority report on the bill prepared by Representative KIRCHIN, of North Carolina, and some other members of the Ways and Means Committee, in which it was urged that the excess profits and high surtaxes be restored.

To my mind it is clear that the "gag rule" has been put on by the Republicans, as indicated by the above-quoted news item, to prevent the Democrats from offering any amendment to this bill, which amendment might provide for the raising of the necessary funds by restoring the surtax feature on swollen fortunes and otherwise taxing war profiteers. They are the ones who should pay the burden of the bill.

The adjusted compensation certificate, as provided in this bill, is a subterfuge, yet the Members of this House are bound by this "gag rule" and can offer no remedial amendment. The adjusted compensation certificate will, I believe, prove a bitter disappointment.

I believe the committee which has brought out this bill and the committee which has framed this rule, under which this bill is to be jammed through without any opportunity being given to the Members of the House to offer any amendment, are simply afraid to take a chance on allowing the House to vote on any amendment. In my opinion, it is a matter of protecting the profiteers.

We must vote on this bill as it is. We must "take it or leave it." I am going to vote for it. It is the best I can do under the circumstances. In casting my vote for it let me say to the Republican majority on the committee that reported this bill out in its present deceptive and disappointing form that I feel

toward it like the old negro felt about the liquor that his boss gave him. The boss gave old Sam this liquor one evening, and the next morning when they met the following colloquy took place:

The Boss. Good morning, Sam; did you drink that liquor I gave you last night?

Old Sam. Yassar, Boss; yassar; I drunk it.

The Boss. Well, Sam, how was it? How did you like it?

Old Sam. Well, suh, I drunk it all right.

The Boss. Well, how was it, Sam?

Old Sam. Well, suh, I reckon you'd call dat likker jes about right fer er nigger.

The Boss. What do you mean by that expression, "just about right for a nigger"?

Old Sam. Well, Boss, you see dat likker was like dis: ef hit had er bin any better you wouldn't er gl' it to me, and ef hit had er bin any wusser I couldn't er drunk it.

[Laughter and applause.]

Mr. MOORE of Ohio. Mr. Speaker, when the United States entered the World War and sounded the call to arms 4,000,000 men were marshaled for that conflict. They left their homes, their occupations, or preparation for some profession in life. Profuse were the promises that were made in every city, village, and place of embarkation. There is no question but what the throwing of the young manhood of America into the conflict put beyond question the outcome of the war and its victorious conclusion in favor of the allied cause.

Now that the war is over the Nation has set about to readjust as much as possible such things as were disordered during the war. We have been called upon and responded in the business world to make adjustments of contracts and other inequalities. Surely when we have thought about the material we shall not forget the human element that was the determining factor in this great conflict. One hundred and twenty-five thousand of the Nation's young men laid down their lives in camp, on the battle field, or somewhere in this titanic struggle.

There is no question that a great many in our country profited financially during the war. Of course, it is readily admitted that we can not compensate in dollars and cents the sacrifices and losses of those who directly participated in the World War. This bill, which is known as the adjusted compensation bill, is a sincere effort to attempt in a small way an adjustment; at least it will recognize the services of those who responded to the Nation's call and will show that a grateful Republic is appreciative of the services of its defenders.

The Government has been liberal in its provision for our disabled ex-service men and it is safe to predict that this attitude will continue unchanged. Almost a billion dollars have been appropriated to care for our disabled ex-service men and their dependents.

I resent, for the boys who responded to the call to arms, the imputation and suggestion made by some that their influence is purchasable by the passage of this bill. It is a reflection upon their honor which is unwarranted, and upon the honor and integrity of the country of which they are an important part.

We fought side by side with our allies, and, naturally, comparisons are in order. We are the richest Nation in the world; and, while I recognize that this does not give us license for unwarranted expenditures, it certainly does challenge our attention to determine if we should not be as considerate of our soldiers as were the other allied nations. Great Britain, France, Canada, and Australia and other countries gave their soldiers adjusted compensation, and, since these nations recognized the services of their soldiers in this way, it seems to me but fitting that our soldiers should receive this recognition and know that this Nation is just as appreciative of the services of her soldiers as any one of the Allies.

There seems to be no question but what an adjusted compensation bill will be passed. President Harding has expressed his approval of the principle, and it only remains a question as to when and how the promise to the ex-service men shall be carried out. I shall support this bill because it seems the best possible bill under the circumstances, and I believe that it is wise to have the matter determined, both from the viewpoint of the soldier and the country.

A great many of the States of the United States have by popular vote favored an adjusted compensation in the several States. In Ohio, and by the votes in my own district, there was an overwhelming vote in favor of an adjusted compensation for the ex-service men in Ohio. I supported a similar bill in the Sixty-sixth Congress, and I therefore feel that I am registering the overwhelming sentiment of my constituents when I support this measure. To my mind, it is worth while in this way to recognize the services of our soldiers in the World War and thus evidence in a small way the gratitude of a grateful and appreciative Republic. In this way we will translate some

of our promises into performances and some of our sentiment into substance.

Mr. LOWREY. Mr. Speaker, the gentleman from Texas [Mr. BLACK] states that in his whole experience in Congress he has never before considered a bill upon which it was so hard for him to decide how he ought to vote. I agree fully with him in the sentiment. Like the gentleman from Ohio, too [Mr. LONGWORTH], "I have no quarrel with those gentlemen who conscientiously believe it wrong." In the present condition of the Federal finances and the present serious economic conditions everywhere, I admit there is very strong presumption against passing any bill that makes such large demands upon the Treasury. Yet before coming to any final argument I want to mention some things also that give a presumption in favor of our paying our soldiers adjusted compensation.

First. Our allies have done so. Italy, England, France, Belgium, and Canada have paid their enlisted men from \$64 to \$631 each, and yet these countries have national debts of from 23 to 55 per cent of their total wealth, while ours is only 8 per cent. True, some of them might have been wiser to spend their money in payment of their debts, and we might have been better off had they done so. Yet their liberality to their service men gives a presumption in favor of our doing something for ours.

Second. Half the States of the Union have made some provision of this kind for their soldier boys, and in 18 of the States it has been done by the vote of the majority, often the overwhelming majority, of the people, which indicates that a majority of our people favor such a move, and in a democracy the will of the majority is final.

Third. The boys themselves in polls taken through the American Legion seem almost unanimously to consider that this is a just obligation of the Government to them.

But these are only presumptions. The conclusive argument with me is this: By the selective draft many of these ex-service men were required to enlist and serve in the Army or the Navy at \$1 to \$1.25 a day. While they did this almost everybody at home either profited or profited. Labor, farm products, manufactured articles, the output of the mines—everything rose to unprecedented prices. So that those who stayed at home had financial opportunities and made money as never before. I knew boys in their teens, under service age, to receive over \$200 a month for physical labor. I knew one boy who left a shipyard job to enter the service at \$1 a day when he had received \$9 a day for the last day's work done in the shipyard. In camp, soldier boys worked at \$1 a day side by side with civilian employees who were receiving from \$7 to \$10 a day.

Thus the service men were denied all opportunity to profit financially by the conditions from which all other classes were enriched. But again when these service men returned home they fell upon a time of depression. Those who would work for wages or salaries found jobs scarce and many found the places occupied before permanently filled by people who had enjoyed at home the period of prosperity. So we now find from 700,000 to 900,000 of these men unemployed. And hundreds of thousands more working on farms where it is impossible to get actual cost for their products. Now, since these men by their military service made us all safe from German domination and German indemnity, and gave us all the greatest financial opportunity in our history, and since they themselves missed this opportunity, and since they have fallen upon evil times and conditions, and since they call upon us for this measure of relief, I submit it would not be fair or right to refuse them. It may cost us heavily, but if it is right we can meet the cost. And people can afford to do right in spite of cost, and can not afford to do wrong to save cost. But a word more as to the cost.

Our boys brought the armistice from 6 to 12 months earlier than we expected. Had the war gone on for that much longer it would have cost us in money twice as much as the cost of this so-called bonus, to say nothing of the anxiety, sorrow, suffering, and blood.

Second. The money we save in our disarmament move and naval holiday will more than twice pay the bonus.

Third. The money we save by cutting down the current expenses of our Army and Navy would pay the bonus.

Fourth. The reduction which the recent revenue bill made in surtax and excess profits tax, if put on again, would carry the expense of the bonus.

Again, everybody has been "bonused" but the ex-service men. Every Government clerk and employee receiving less than \$2,500 a year had gotten a bonus, at a total cost of millions. The railroads and big contractors have been "bonused" with billions, and our claims committees are constantly considering propositions to remunerate men and corporations who lost by

the war. I am far from satisfied with the bill. I think it ought to carry a plan for raising the revenue. As I recently said in a newspaper interview, I believe the revenue ought to be raised by tax on things that are purely luxuries and on large incomes, inheritances, and unearned increments generally.

I vote for the bill hoping that this improvement will be made in it before it passes the Senate and is signed by the President. I at least hope that the Senate will not be gagged by an unscrupulous and mad majority that would prevent a free and fair discussion of one of the most important measures that could come before a post-war Congress, and that Members there will not be forced to "extension of remarks" in the RECORD, rather than open, honest debate.

Mr. HAYS. Mr. Speaker, on the 29th day of May, 1920, this body passed an adjusted-compensation bill. I worked and voted for the measure at that time. The bill did not become a law, however, for the reason that no favorable action was taken by the Senate. To-day we are considering in this body a new bill very similar to the original bill we passed in 1920. Every argument that helped me form an affirmative judgment in 1920 appeals to me with more persuasive force to-day; and new conditions that have come about add to my conviction in favor of this relief for our ex-service men.

This bill, in its title and in its context, purports to be a measure to provide adjusted compensation for veterans of the World War. It is not a bonus bill. Webster defines a bonus as something given beyond what is usual or strictly due. The compensation provided for in this bill is not a bonus; it is not a gift; it is the payment of a just debt. When the war was on the price of labor was higher in America than it had ever been before. The early stages of the war in Europe, before America became a party to the conflict, paralyzed industry on the other side of the ocean. The hordes of working men in the allied countries and in the Central Powers were withdrawn from the peaceful pursuits of industrial production and were sent to service in the destructive work of war. America, alone among the great powers, was left to supply the wants of the civilized world. We all remember that within a short time after the first hostile gun was fired in Europe every line of industry in our own country had expanded to its maximum capacity. The farms, the forests, the mines, the factories, and the transportation systems all responded to the imperative demand for excess production. Money literally poured into America. Wages were multiplied in every line of endeavor. Unskilled labor went to \$5 per day, and often beyond that sum, while skilled labor was correspondingly higher. Every able-bodied man in the Nation who was willing to work with hand or brain found a market for his efforts at a price hitherto unknown. This was the condition when America entered the war; this was the condition when our Government commandeered the services of more than 4,000,000 stalwart, capable, intelligent American boys; this was the condition in our country when they were required to give up the profitable vocations of peace and to assume the hazardous duties of war at the rate of a dollar a day.

The position of us who favor the bill, briefly stated, is as follows: We know the ex-service men performed a duty that was hard and exacting and attended with extreme peril; we know that they received only a fraction of the pay they could have earned in civilian life, free from danger and amid congenial surroundings; we believe the heavy loss they sustained in pay should be adjusted and settled.

No question arises here as to the right of the Government to make this call upon its citizenship; no question arises as to the right of the Government to limit its legal liability to the rate of \$1 per day plus maintenance, with an added 10 per cent for foreign service; no question arises as to the legal obligation of the draftees and volunteers to accept the terms of service so fixed. The business we have in hand to-day is to determine whether we will insist on the harsh terms of a hard bargain or whether we will recognize the equity of a moral obligation.

In time of stress the Nation has exercised its power to commandeer the business of a man or a corporation or a great transportation system, but in every instance when the business was returned, the owner has been held free from loss. Immediately after the armistice was signed and while the ink was scarcely dry on that great document, the Government contractors presented to Congress their demands for settlement. They had invested their money in contracts with the hope of growing rich out of the war, but not one of them has put his life in peril for the Nation. Congress settled with them, and I have no complaint to make about it, because their contracts imposed upon the Government a legal obligation. Honesty on

our part demanded a settlement and we made it. We owe these ex-service men a debt that is backed by a moral obligation, and we should pay it.

We hear opponents of the measure say it is an effort to put the dollar mark on patriotism. They forget that Lincoln applied for and received a liberal compensation for his service in the Black Hawk War. They forget that Washington, in a like manner, received an extensive grant of land for his service in the Revolutionary War. Yet I am sure that no opponent of the bill would challenge the patriotism of Lincoln or of Washington.

American patriotism is not a commodity for sale in the market places; it is a pearl without price; it is a sublime trait of character that has a worth not measurable in cash. Every American boy knew when he put on the uniform that he was assuming all the perils and hardships attending the enterprise of war; he knew his health or his life might be the price of his devotion to duty; and yet he stood ready to pay that price if need be. Just how well our forces fought will be the theme of future song and story. They fought as we would have them fight when the opportunity offered, and they were constant in seeking that opportunity. In the dark days of the conflict we applauded their willing sacrifice, and to-day we are proud of their achievements. Now, let us not forget the practical, human side of their existence. The war is over. The memory of a duty well done does not restore the lost business opportunity nor fill an empty pocket. The knowledge of past service will not buy a suit of clothes nor pay a grocery bill. The work these men did for the Nation was certainly as valuable as the work done in civilian duty at home. Then, is it not fair to restore to them at least a portion of the income they lost while in service?

In reply to an insinuation made on the floor of the House to the effect that those of us who vote for the bill will do so to win favor with the soldiers, let me say: My standing with the veterans of the district I represent is not dependent on this vote; they already know of my activities in their behalf. The three years I have spent in Congress have been given to hard work and quiet effort on behalf of my constituents, without attempt to gain the limelight of newspaper publicity. But the records of the Veterans' Bureau will show that during my service here few Members of Congress have handled a larger number of personal relief cases for ex-service men than I have handled, and few Members have scored a higher percentage of good results in that work than I have scored. I have studied the problems of these young men with sympathetic interest and have never turned a deaf ear to any appeal for claim adjustment. In all matters of legislation affecting their welfare I have voted for their best interests, and I have not felt that any such vote infringed the rights of the general public.

Mr. Speaker, I will support the bill.

Mr. PARKER of New Jersey. Mr. Speaker, I will vote for every relief that is possible for the sick, wounded, and disabled soldiers and their dependents. A bonus to those who are well is a different matter.

I have given careful and conscientious consideration to this bonus bill, otherwise known as the adjusted compensation act. I can not favor that bill on general principles nor in these days when we have not sufficient revenue and are likely to have less.

I was a boy of 16 when the Civil War ended and I should be willing to give all that I own to wear the Grand Army button. There is no training like that in the field for learning how to deal with men. When I first came to Congress all the leaders were Civil War veterans. My friends now who have been in the front and who have kept their health will find, as the years go by, that they get far ahead of those who were unable to go with them.

It is not plain that they really received less than those who stayed at home. It is true that \$30 a month, the base pay, is not large, even if there were extras, but the soldier received food, housing, and clothing free, and while larger wages were paid at home during the war, rents and prices went up faster than wages, and extravagant living increased still more. It will not be found that the war workers saved very much. They spent all they got.

This was especially true where those who stayed at home were married and had families to support, while those who were abroad were free of such expenses.

The high prices hit those hardest who had small salaries or small properties and income; the aged, the widow, and the orphan. We all know such cases. There were millions who borrowed money at 6 per cent to subscribe for Government bonds at 3½ per cent and then could not sell those bonds for what they paid for them.

The rise of wages during the World War was generally small compared to the growth of expenses. The great rise in wages came in 1919 and 1920 after the boys got home. They shared in the benefits of that demand for work. It is only since 1921 that work has become scarce. All now share in the present distress, caused by the fall of prices, stoppage of industry, high taxes, and the uncertainties of commerce and exchange. The Government expects a deficit next year in spite of all economies.

The misery of war is that it so often hurts the deserving and helps the profiteer, but it is impossible that legislation can remedy all the injustice that was done.

The soldier, like anyone else, stands by the bargain that he has made and asks for no more.

If it were just to pay a bonus, the United States has not now the money. It owes over six and a half billion dollars in short-term notes, which must be paid within two years, and that money must be borrowed. Taxes are falling off. The United States income tax is based on profits, and it will give no revenue if there be losses instead of profits. Profits depend on prices which have fallen off on farm products and are likely to decline in everything else; transportation, rents, wages, and retail sales. Meanwhile many of the mills are shut and the doctors of finance only worry us by their assurance that the patient is better. Over a billion and a quarter dollars of other claims are pending against the Government. The critical question is where the revenue is to come from, and every sensible man should agree with the President that no further obligations should be placed upon the United States unless provision is made for getting in the money. In a word, ways and means should go together.

We must also agree with the President that we can not increase the present taxes on capital without driving it out of business, and that the only practical means of raising new revenue is a simple sales tax, such as was used during the Civil War and was recommended by Sterling, of Illinois, when the first revenue bill was passed; a tax which will be equal and fair and distributed in the course of business among all classes of the community.

This bill evades the question of revenue by issuing certificates of indebtedness. If these were marketable, they would break the credit of the United States by swamping the market with new short-term obligations. They are therefore made unmarketable and useless to the holder, except that banks may lend upon them up to 50 per cent at an interest of not more than 2 per cent above what the Government pays, and if the poor soldier does not pay his loan both the loan and certificate are made payable by the Government in 1925 at 80 per cent, or a fifth discount.

That is to say, national banks are to be authorized to lend on three-year obligations, although the first rule for a bank ought to be that none of its notes ought to run over three months. We are assured that there would be very few such loans. If there are good times, it is quite possible. If there are bad times, every one of these certificates will be discounted.

I am not in favor of playing with the credit of the United States, and should have expressed my opinion on this subject long ago, except that I felt it a duty to wait until the bill should come out of the kaleidoscope into its final form.

But the worst injustice is done to the soldier himself. The poor fellow who could not get abroad gets an adjusted credit of a dollar a day. The soldier who got to the fighting line and had that glory and satisfaction gets a quarter more. The veteran who is poor and has to borrow is paid only four-fifths of this compensation, or \$80 out of \$100. The veteran who is better off and can hold his certificate gets \$125 for every \$100 of this compensation, with 4½ per cent compound interest, free of Government tax—a higher rate than is paid anyone else—and at the end of 20 years he receives \$301.50 for every \$100 of his adjusted service credit, while his poor brothers only got \$80.

The whole system is unfair—one of usury for the benefit of the man who can afford to wait and of penalty to the man who can not.

No one can reckon the amount to be paid by the United States. There are over a billion and a half days. If times are bad and all veterans must borrow, the United States must pay a billion and a quarter dollars in 1925 in cash. Such an indeterminate obligation is dangerous in shaky times, when we have to refund six to eight billion dollars of short-term obligations.

We owe \$24,000,000,000 already and should be very careful before we add billions of short-term obligations to our debt without provision for their payment and with such great injustice and discrimination against the soldier who is poor.

I can not support this bill. It is unjust to the soldier himself and it is unsafe at this time.

Mr. SHELTON. Mr. Speaker and Members of the House, I do not desire to unduly criticize the view of anyone who does not view the bill as I do. I shall gladly give to others the privilege I ask for myself. I long ago realized that men could be honest and yet not agree. I have carefully weighed this question, and after analyzing it as best I could I have reached the conclusion that justice requires that I should support the bill. Let us look the matter squarely in the face. We admit that we had reached a condition that made war inevitable. A law was passed to draft the young men of our country for service. What kind of men were wanted? We all know; the very flower of the youths of our country. Young men that were sound of body, of good morals, and good intellect. They were taken, drilled a short time, then sent across the seas, there to stand in the water and mud, rain and sun, facing the foes of civilization. And to their credit and our honor they faced them. While they were there at the command of their country and ours, some of them scaling the heights and crossing no man's land, many of them falling never to rise again, they were getting the sum of about \$33 per month, and many of those that were left here were left standing with both hands outstretched to grab the dollars that were thrown recklessly all over the country. While many of the boys were pouring out their lifeblood, many here were raking in the dollars. Why this great discrimination? I believe that the Government had the same right to draft you or me to do any of the governmental work that we were competent to do, at a salary fixed by the Government, that it had to draft our boys to fight the battles that gave to them and us among the greatest honors that ever befell mankind. I do not agree that we are paying them what we are owing them. I contend that it is only a token of the honor and esteem in which we hold them. Nothing that we can do can ever pay them for the sacrifices that they made for us.

The opposition claim that it will wreck the financial institutions of our country to take such a great amount of money as will be necessary to pay the amount that will be called for out of the banks. Do they think that the amount that will be taken from the banks by the soldier boys will be destroyed? They need not fear. It makes me think of a circumstance in my own life. We had a mean cat, and my mother wanted me to kill her or take her away off somewhere so we would not be bothered with her any more. I took her about 3 miles away and turned her loose, and when I got home there was the cat. The same will be true in the case of the money the soldier boys get from the banks. They may go to the bank and get their loan and depart, and before they see the bank any more the money will be there transacting business as before. It is said that our expenses were \$44,000,000 per day at the time the armistice was signed—\$44,000,000 per day! Suppose the war had gone on another year, what would we have done? We all know what we would have had to do, pay the cost. Could we have done so? Yes; all say yes. Then, if we could have raised more than \$16,000,000,000 to pay costs, why can not we now raise less than one-fourth of that amount for the defenders of our country and the benefactors of mankind?

I am glad to know that a great majority of those at home were just as loyal as our soldier boys, and did all they could in giving of their means and sacrificing in any way they could for the comfort of the boys. It was a small minority that feasted upon the unfortunate circumstances.

Some of the opposition have declared that those favoring the bill were bidding for the support of the soldier boys in the coming campaign. It seems to me that that was a serious reflection upon the intelligence of the ones uttering such remarks, and an insult to the soldiers. If, after picking our country over and selecting the best, one is justified in such remarks, what manner of man are we?

I should be exceedingly glad if it were possible that those who raked in their millions could be made pay the bonus proposed by this bill.

Some say that other soldiers were not paid bonuses. What are the facts? From time immemorial the soldiers who fought the battles of their country have been rewarded afterwards in lands and otherwise. What would the world say after England, France, Italy, Canada, Australia, and Belgium have given liberal bonuses if the United States House of Representatives should vote down this bill, if America, the greatest Nation on earth, the best Government in the world, the richest country on the globe, the country that has always justly claimed to have the most generous people anywhere, should refuse to pass this bill?

It has always been my motto "to stand by those who stood by the flag."

ADJOURNMENT.

Mr. FORDNEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 35 minutes p. m.) the House adjourned until Friday, March 24, 1922, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. PORTER: Committee on Foreign Affairs. S. J. Res. 173. A joint resolution authorizing the President to appoint a commission to represent the Government of the United States at the centennial celebration of the independence of Brazil, to be held at Rio de Janeiro in September next; with amendments (Rept. No. 824). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

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

By Mr. RAINEY of Illinois: A bill (H. R. 11020) providing for an international live-stock exposition cancellation stamp to be used by the Chicago post office; to the Committee on the Post Office and Post Roads.

By Mr. GILBERT: A bill (H. R. 11021) for the prevention of venereal diseases in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. BLAND of Indiana: A bill (H. R. 11022) to establish a commission to inquire into labor conditions in the coal industry; to the Committee on Labor.

By Mr. MADDEN: A bill (H. R. 11023) providing for a "Pageant of Progress Exposition" cancellation stamp to be used by the Chicago post office; to the Committee on the Post Office and Post Roads.

By Mr. DOUGHTON: A bill (H. R. 11024) to authorize the appropriation of additional sums for Federal aid in the construction of post roads, and for other purposes; to the Committee on Roads.

By Mr. KAHN: A bill (H. R. 11025) to amend section 9 of an act entitled "An act to define, regulate, and punish trading with the enemy, and for other purposes," approved October 6, 1917, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. ROBSION: A bill (H. R. 11026) to amend the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes," approved July 11, 1916, as amended and supplemented by the act approved November 9, 1921, and for other purposes; to the Committee on Roads.

By Mr. MICHAELSON: A bill (H. R. 11027) authorizing the Secretary of the Treasury to pay war-risk insurance to the mother of Harry G. Healy; to the Committee on Interstate and Foreign Commerce.

By Mr. KISSEL: Memorial of the Legislature of the State of New York, urging the retention of the Brooklyn Navy Yard and continued in full operation; to the Committee on Naval Affairs.

By Mr. CULLEN: Memorial of the Legislature of the State of New York, urging that the navy yard at Brooklyn be retained and continued in full operation; to the Committee on Naval Affairs.

By the SPEAKER (by request): Memorial of the Legislature of the State of New York, urging that the navy yard at Brooklyn be retained and continued in full operation; to the Committee on Naval Affairs.

By Mr. RIORDAN: Memorial of the Legislature of the State of New York, urging that the navy yard at Brooklyn be retained and continued in full operation; to the Committee on Naval Affairs.

By Mr. DALLINGER: Memorial of the Legislature of the Commonwealth of Massachusetts, favoring an amendment to the Constitution of the United States giving Congress power to regulate the hours of labor of women and minors; to the Committee on the Judiciary.

By Mr. PAIGE: Memorial of the Legislature of the Commonwealth of Massachusetts, favoring an amendment to the Constitution of the United States giving Congress power to regulate the hours of labor of women and minors; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS.

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

By Mr. DYER: A bill (H. R. 11028) for the relief of William Elder; to the Committee on Claims.

By Mr. KEARNS: A bill (H. R. 11029) granting a pension to Elizabeth K. Carr; to the Committee on Invalid Pensions.

By Mr. MURPHY: A bill (H. R. 11030) granting a pension to F. G. Millsack; to the Committee on Pensions.

Also, a bill (H. R. 11031) granting a pension to Jennett Pangle; to the Committee on Invalid Pensions.

By Mr. PURNELL: A bill (H. R. 11032) granting a pension to Roy S. Davis; to the Committee on Invalid Pensions.

By Miss ROBERTSON: A bill (H. R. 11033) granting a pension to Maranda N. Small; to the Committee on Invalid Pensions.

Also, A bill (H. R. 11034) granting a pension to Tenny A. Littlejohn; to the Committee on Invalid Pensions.

By Mr. WEAVER: A bill (H. R. 11035) granting a pension to John B. Free; to the Committee on Pensions.

Also, a bill (H. R. 11036) granting a pension to John E. Vaughn; to the Committee on Pensions.

Also, a bill (H. R. 11037) granting an increase of pension to John M. Carver; to the Committee on Pensions.

PETITIONS, ETC.

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

4795. By the SPEAKER (by request): Petition of the Massachusetts State conference of bricklayers, masons, plasterers, marble masons, and tile setters, at Lawrence, Mass., favoring compensation for veterans of the World War; to the Committee on Ways and Means.

4796. By Mr. ANSORGE: Plan submitted by Julius Hyman, as secretary of the committee on education of the Allied Patriotic Societies of New York, 15 William Street, New York City, in furtherance of its plan for Americanization of the foreign born by "home teaching of English to foreign-born residents of New York City by pupils of our public schools"; to the Committee on Education.

4797. By Mr. APPLEBY: Papers to accompany House bill 10968 for the relief of Nathan Matthews; to the Committee on Claims.

4798. By Mr. BARBOUR: Petition of members of the Junior Order United American Mechanics of the State of California, endorsing the Sterling-Towner educational bill; to the Committee on Education.

4799. By Mr. DYER: Petition of the Sportsmen's Protective League, of Carthage, Mo., opposing the transfer of the Forestry Division of the Department of Agriculture to the Department of the Interior and favoring the passage of the Tincher bill (H. R. 9599); to the Committee on Agriculture.

4800. By Mr. GALLIVAN: Resolution unanimously adopted by Dorchester Post, No. 498, Veterans of Foreign Wars, of Dorchester, Mass., Edward J. Feeley, adjutant, urging passage of the adjusted compensation bill; also resolutions adopted at a public mass meeting held by the Veterans of Foreign Wars on March 21, 1922, asking for immediate passage of the soldiers' adjusted compensation bill; to the Committee on Ways and Means.

4801. Also, petition of the Pleasant Social Club, of Boston, Mass., urging passage immediately of the adjusted compensation bill; to the Committee on Ways and Means.

4802. By Mr. KINDRED: Petition of J. Leslie Kincaid, adjutant general of New York State, relative to the Army appropriation bill (H. R. 10871); to the Committee on Appropriations.

4803. Also, petition of Joseph Blauvelt and others, of New York City, opposing the passage of House bill 9753 or any other Sunday bill; to the Committee on the District of Columbia.

4804. By Mr. KISSEL: Petition of the Brooklyn Young Republican Club, of Brooklyn, N. Y., opposing the bonus bill and favoring aid to all disabled veterans of the World War; to the Committee on Ways and Means.

4805. Also, petition of the adjutant general of the National Guard of the State of New York, regarding the National Guard of New York and House bill 10871; to the Committee on Appropriations.

4806. Also, petition of the Merchants' Association of New York, New York City, regarding the amendment to the Post Office appropriation bill, for the resumption of pneumatic-tube postal service in the city of New York; to the Committee on Appropriations.

4807. Also, petition of the memorial and executive committee of the Grand Army of the Republic, Kings County, Department

of New York, relative to the passage of a bill providing a pension of \$72 a month for the veterans and \$50 a month for their widows, and favoring monthly payments of Civil War pensions; to the Committee on Invalid Pensions.

4808. By Mr. MACGREGOR: Resolution of Niagara Frontier, Buffalo Chapter, Daughters of 1812, urging the appropriation of \$30,400 for the purpose of erecting a retaining wall for the protection of property at old Fort Niagara, and the repair and renovation of the buildings located therein; to the Committee on Appropriations.

4809. By Mr. MAPES: Petition from citizens of Coopersville, Nunica, and Conklin, Mich., protesting against the passage of House bill 9753, a bill to secure Sunday as a day of rest in the District of Columbia, and of any other Sunday bill; to the Committee on the District of Columbia.

4810. By Mr. A. P. NELSON: Petition of farmers of Polk County, Wis., favoring the Beck-Fordney bill or some other bill that will effectively prohibit the manufacture and sale of filled milk anywhere within the United States; to the Committee on Agriculture.

4811. By Mr. RIORDAN: Petition of the Merchants' Association of New York, relative to the Senate amendment to the postal appropriation bill, for the resumption of pneumatic-tube postal service in the city of New York; to the Committee on Appropriations.

4812. By Mr. SINCLAIR: Petition of J. H. Christensen and 18 others of Mercer, N. Dak., urging the revival of the United States Grain Corporation and a fixed price on wheat; also petition of Frank Baker and 38 others of Donnybrook, N. Dak., urging the revival of the United States Grain Corporation and a fixed price on wheat; to the Committee on Agriculture.

4813. Also, petition of Muddy Valley Farmers' Club of Williston, N. D., urging the revival of the United States Grain Corporation and a stabilized price on wheat; to the Committee on Agriculture.

4814. Also, petition of Andrew Omholt and 11 others of Williston, N. Dak., urging the revival of the United States Grain Corporation and a stabilized price on farm products; also petition of R. Kaebnick and five others of Kongsberg, N. Dak., urging the revival of the United States Grain Corporation and a stabilized price on farm products; to the Committee on Agriculture.

4815. Also, petition of P. W. Horbenko and 29 others of Dogden, N. Dak., urging the revival of the United States Grain Corporation and a stabilized price on farm products; to the Committee on Agriculture.

4816. By Mr. SNYDER: Petition of R. S. Blackburn and others of Utica, N. Y., against the enactment of House bill 4388 or Senate bill 1948, pertaining to the exercise of religious liberty; to the Committee on the Judiciary.

4817. By Mr. TAYLOR of New Jersey: Petition of sundry citizens of New Jersey protesting against the passage of House bill 9753; to the Committee on the District of Columbia.

4818. By Mr. TOWNER: Petition of Rodney T. Martinsen and 1,228 other citizens of Brooklyn, N. Y., asking for the passage of the Towner-Sterling educational bill; to the Committee on Education.

SENATE.

FRIDAY, March 24, 1922.

(Legislative day of Thursday, March 16, 1922.)

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

THE FOUR-POWER TREATY.

The VICE PRESIDENT. The Senate resumes the consideration of the pending treaty.

The Senate, as in Committee of the Whole and in open executive session, resumed the consideration of the treaty submitted by the President of the United States between the United States, the British Empire, France, and Japan, relating to their insular possessions and insular dominions in the Pacific Ocean.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Arkansas [Mr. ROBINSON] to article 1.

Mr. REED. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Chair is of the opinion that under the unanimous-consent agreement it is necessary to proceed at once to vote.

Mr. REED. But a suggestion of the absence of a quorum is in order at any time, under any circumstances, as a point of order. I do not think that can be disputed.

Mr. ROBINSON. Mr. President, the custom has never prevailed in the Senate of counting a quorum. The universal rule is that when the absence of a quorum is suggested the Chair automatically and without discretion directs the calling of the roll. I am sure the Senator from Massachusetts [Mr. LODGE] will concur in this statement as to the practice.

Mr. LODGE. I have no objection to calling for a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

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

Ashurst	Gerry	McNary	Shortridge
Ball	Glass	Moses	Simmons
Borah	Gooding	Myers	Smith
Brandegee	Hale	Nelson	Smoot
Broussard	Harrell	New	Spencer
Bursum	Harris	Newberry	Stanfield
Calder	Harrison	Nicholson	Stanley
Cameron	Heflin	Norbeck	Sterling
Capper	Hitchcock	Norris	Sutherland
Caraway	Johnson	Oddie	Swanson
Colt	Jones, Wash.	Overman	Townsend
Culberson	Kellogg	Owen	Trammell
Cummins	Kendrick	Page	Underwood
Curtis	Keyes	Pepper	Wadsworth
Dial	King	Phipps	Walsh, Mont.
Dillingham	Ladd	Pittman	Warren
du Pont	La Follette	Poin Dexter	Watson, Ga.
Edge	Lenroot	Pomerene	Watson, Ind.
Elkins	Lodge	Ransdell	Weller
Ernst	McCormick	Rawson	Williams
Fernald	McCumber	Reed	Willis
Fletcher	McKellar	Robinson	
France	McKinley	Sheppard	
Frelinghuysen	McLean	Shields	

Mr. ROBINSON. The Senator from Massachusetts [Mr. WALSH] is detained from the Senate on account of a delayed train. I am advised that he is expected to arrive about 1 o'clock.

The VICE PRESIDENT. Ninety-three Senators have answered to their names. A quorum is present. The question is on the amendment of the Senator from Arkansas [Mr. ROBINSON], which the Secretary will report.

The ASSISTANT SECRETARY. Add at the end of article 1 the following:

Each of the high contracting parties will refrain from entering into or being a party to any secret treaty, agreement, or understanding with any other power or powers during the life of this treaty.

Mr. ROBINSON. On agreeing to the amendment I demand the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. FERNALD (when his name was called). I have a general pair with the senior Senator from New Mexico [Mr. JONES]. I transfer that pair to the senior Senator from Pennsylvania [Mr. CROW] and vote "nay."

Mr. ROBINSON. I desire to repeat the announcement made a few minutes ago that the Senator from Massachusetts [Mr. WALSH] is unavoidably absent on account of a delayed train. If he were present, he would vote "yea."

The roll call being concluded, the result was announced—yeas 32, nays 61, as follows:

YEAS—32.

Ashurst	Glass	La Follette	Shields
Borah	Harris	McKellar	Simmons
Broussard	Harrison	Overman	Smith
Caraway	Heflin	Owen	Stanley
Culberson	Hitchcock	Pittman	Swanson
Fletcher	Johnson	Reed	Trammell
France	Kendrick	Robinson	Walsh, Mont.
Gerry	King	Sheppard	Watson, Ga.

NAYS—61.

Ball	Frelinghuysen	Myers	Smoot
Brandegee	Gooding	Nelson	Spencer
Bursum	Hale	New	Stanfield
Calder	Harrell	Newberry	Sterling
Cameron	Jones, Wash.	Nicholson	Sutherland
Capper	Kellogg	Norbeck	Townsend
Colt	Keyes	Norris	Underwood
Cummins	Ladd	Oddie	Wadsworth
Curtis	Lenroot	Page	Warren
Dial	Lodge	Pepper	Watson, Ind.
Dillingham	McCormick	Phipps	Weller
du Pont	McCumber	Poin Dexter	Williams
Edge	McKinley	Pomerene	Willis
Elkins	McLean	Ransdell	
Ernst	McNary	Rawson	
Fernald	Moses	Shortridge	

NOT VOTING—3.

Crow Jones, N. Mex. Walsh, Mass.

So Mr. ROBINSON's amendment to article 1 was rejected.

Mr. ROBINSON. A parliamentary inquiry.

The VICE PRESIDENT. The Senator will state his inquiry.

Mr. ROBINSON. Are there pending undisposed of any further amendments to article 1?

The VICE PRESIDENT. There are no amendments now pending to article 1. The question is on agreeing to article 1.