

## PETITIONS, ETC.

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

2814. By Mr. BEGG (by request): Petition of sundry voters of Tiffin, Ohio, praying for the passage of the Civil War pension bill; to the Committee on Invalid Pensions.

2815. By Mr. BIXLER: Petition of sundry residents of Elk County, Pa., urging further relief for Civil War veterans and dependents; to the Committee on Invalid Pensions.

2816. Also, petition of sundry residents of Sharon, Pa., for the relief of Civil War veterans and dependents; to the Committee on Invalid Pensions.

2817. Also, petition of sundry residents of Stoneboro, Pa., for the relief of Civil War veterans and dependents; to the Committee on Invalid Pensions.

2818. By Mr. CARTER of California: Petition of 240 voters of Berkeley, Calif., urging that legislation be passed at this session granting increase of pensions to veterans of the Civil War and their widows; to the Committee on Invalid Pensions.

2819. By Mr. CRAMTON: Petition signed by Cecil Arndt and 32 other residents of Tuscola County, Mich., urging passage of the Civil War pension bill; to the Committee on Invalid Pensions.

2820. By Mr. EATON: Petition of 66 voters of Trenton, N. J., for passage of Civil War pension bill; to the Committee on Invalid Pensions.

2821. By Mr. ESLICK: Petition of Mrs. Anna P. Carr and sundry others, urging passage of Civil War pension bill; to the Committee on Invalid Pensions.

2822. By Mr. GALLIVAN: Petition of the International Longshoremen's Association, Anthony J. Chlopek, president, 744 Bramson Building, Buffalo, N. Y., urging early and favorable consideration of the longshoremen's compensation bill, H. R. 12063; to the Committee on the Judiciary.

2823. By Mr. HAWLEY: Petitions of sundry members of Portland (Oreg.) High School Teachers' Association, favoring the passage of Senate bill No. 291, to create a department of education; to the Committee on Education.

2824. Also, petition of sundry citizens of Monmouth, Oreg., for Congress to take steps to bring to a vote the Civil War pension bill; to the Committee on Invalid Pensions.

2825. By Mr. HERSEY: Petition of A. S. McPheters and 39 other residents of Orono, Me., urging passage of the Elliott pension bill; to the Committee on Invalid Pensions.

2826. By Mr. HOGG: Petition of Barbara Frietchie Tent, No. 16, National Alliance Daughters of Veterans, asking for increase in pension for Civil War veterans and their widows; to the Committee on Invalid Pensions.

2827. By Mr. JOHNSON of Illinois: Petition of sundry citizens of Jo Daviess County, Ill., urging passage of Civil War pension bill; to the Committee on Invalid Pensions.

2828. By Mr. KETCHAM: Petition of 55 residents of Hopkins and vicinity, requesting relief for Civil War veterans and their widows; to the Committee on Invalid Pensions.

2829. Also, petition of 64 residents of Watervliet, Mich., requesting relief for Civil War veterans and their widows; to the Committee on Invalid Pensions.

2830. By Mr. KIESS: Petition of sundry citizens of Millport, Pa., favoring the passage of a bill to increase the pension of Civil War soldiers and their widows; to the Committee on Invalid Pensions.

2831. By Mr. KIRK: Petition of various citizens of Magoffin County, Ky., requesting the passage of the Civil War veterans' pension bill at the present session of Congress; to the Committee on Invalid Pensions.

2832. By Mr. KOPP: Petition of Harvey Long and 56 other citizens of Mount Pleasant, Iowa, asking that increased pensions be granted to the Civil War veterans and their widows; to the Committee on Invalid Pensions.

2833. By Mr. McKEOWN: Petition signed by Mrs. Eveline Mooney, R. B. Tullas, S. T. Tullas, Phil Haught, and sundry others, all citizens of Coal County, Okla., urging the immediate and favorable consideration of the Elliott pension bill; to the Committee on Invalid Pensions.

2834. Also, petition signed by J. L. Hull, Burt Stovall, Charles Carter, Bill Adair, J. W. Rice, John Rice, Edward Swengle, Irene Ellis, and J. H. Fowler, all of Seminole, Okla., urging the immediate and favorable consideration of the Elliott pension bill; to the Committee on Invalid Pensions.

2835. Also, petition signed Peter Smith, Ruby Sivadon, Mrs. G. T. Wright, R. R. Collins, and others, all citizens of Creek County, Okla., urging the immediate and favorable consideration of the Elliott pension bill; to the Committee on Invalid Pensions.

2836. By Mr. MAJOR: Petition of numerous citizens of Slater, Saline County, Mo., urging that immediate steps be taken to bring to a vote the Civil War pension bill in order that relief may be accorded to needy and suffering veterans and the widows; to the Committee on Invalid Pensions.

2837. By Mr. MOORE of Kentucky: Petition of Gilmon Flener and 128 others, urging immediate passage of Civil War pension bill; to the Committee on Invalid Pensions.

2838. By Mr. MURPHY: Petition of Hugh Miller and sundry others, favoring passage of general pension bill; to the Committee on Invalid Pensions.

2839. Also, petition of Mr. L. A. Buster and sundry others, favoring passage of general pension bills; to the Committee on Invalid Pensions.

2840. By Mr. NELSON of Wisconsin: Petition of 46 citizens of Boscover, Wis., signed by Mary E. McCord and sundry others, urging immediate passage of the Civil War pension bill in order that relief may be accorded to the needy and suffering veterans and widows to be benefited under this act; to the Committee on Invalid Pensions.

2841. Also, petition signed by Mrs. Hannah E. Doylan, urging the immediate passage of the Civil War pension bill; to the Committee on Invalid Pensions.

2842. By Mr. O'CONNELL of New York: Petition of the American Association for Labor Legislation, urging the enactment of Senate bill 3170, the longshoremen's accident compensation bill, before the adjournment of the present session of Congress; to the Committee on the Judiciary.

2843. By Mr. PHILLIPS: Petition of sundry citizens of New Castle, Lawrence County, Pa., urging that immediate steps be taken by Congress to bring to a vote the Civil War pension bill; to the Committee on Invalid Pensions.

2844. Also, petition of sundry citizens of Butler County, Pa., urging immediate steps be taken by Congress to bring to a vote the Civil War pension bill; to the Committee on Invalid Pensions.

2845. Also, petition of sundry citizens of New Brighton, Beaver County, Pa., urging that immediate steps be taken by Congress to bring to a vote the Civil War pension bill; to the Committee on Invalid Pensions.

2846. By Mr. RUBEY: Petition of sundry citizens of Belle, Mo., urging the passage of legislation increasing the pensions of the Civil War veterans and their widows; to the Committee on Invalid Pensions.

2847. Also, petition of sundry citizens of Lebanon, Mo., urging the passage of legislation increasing the pensions of the Civil War veterans and their widows; to the Committee on Invalid Pensions.

2848. By Mr. SANDERS of New York: Petition of Cora E. Loke and 42 other residents of Medina, N. Y., urging immediate action on the Civil War pension bill; to the Committee on Invalid Pensions.

2849. Also, petition of W. J. Welch, Charles L. Welch, B. E. Brophel, W. Clopton, James H. Fitzgerald, and R. G. Moses, all of Leicester, N. Y., urging immediate action on the Civil War pension bill; to the Committee on Invalid Pensions.

2850. By Mr. SINNOTT: Petition of numerous citizens of The Dalles, Oreg., in behalf of the Civil War pension bill; to the Committee on Invalid Pensions.

2851. By Mr. STRONG of Pennsylvania: Petition of sundry citizens of Kittanning, Pa., urging immediate enactment of the pending bill to increase the rates of pension for Civil War veterans and their widows; to the Committee on Invalid Pensions.

2852. Also, petition of sundry citizens of Freeport, Pa., in favor of immediate enactment of the pending bill to increase the rates of pension for Civil War veterans and their widows; to the Committee on Invalid Pensions.

## SENATE

FRIDAY, June 25, 1926

(Legislative day of Wednesday, June 23, 1926)

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

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

THE VICE PRESIDENT. The clerk will call the roll.

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

Ashurst	Bratton	Capper	Curtis
Bayard	Broussard	Caraway	Dale
Bingham	Bruce	Copeland	Deneen
Blease	Butler	Couzens	Dill
Borah	Cameron	Cummins	Edge

Edwards	Howell	Norbeck	Shortridge
Ernst	Johnson	Norris	Simmons
Fernald	Jones, N. Mex.	Oddie	Smith
Ferris	Jones, Wash.	Pepper	Stanfield
Fess	Kendrick	Phipps	Stephens
George	Keyes	Pine	Swanson
Gerry	King	Pittman	Trammell
Gillett	La Follette	Ransdell	Tyson
Glass	Lenroot	Reed, Mo.	Underwood
Goff	McKellar	Reed, Pa.	Wadsworth
Gooding	McMaster	Robinson, Ark.	Walsh
Hale	McNary	Robinson, Ind.	Warren
Harrell	Mayfield	Sackett	Watson
Harris	Means	Schall	Weller
Harrison	Metcalf	Sheppard	Wheeler
Heflin	Moses	Shipstead	Willis

The VICE PRESIDENT. Eighty-four Senators having answered to their names, a quorum is present. The Senate will receive a message from the House of Representatives.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hattigan, one of its clerks, announced that the House had insisted upon its disagreement to the amendments of the Senate to the bill (H. R. 2) to amend an act entitled "An act to provide for the consolidation of national banking associations," approved November 7, 1918; to amend section 5136 as amended, section 5137, section 5138 as amended, section 5142, section 5150, section 5155, section 5190, section 5200 as amended, section 5202 as amended, section 5208 as amended, section 5211 as amended, of the Revised Statutes of the United States; and to amend section 9, section 13, section 22, and section 24 of the Federal reserve act, and for other purposes, requested a further conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. McFadden, Mr. King, and Mr. Wingo were appointed managers on the part of the House at the further conference.

#### GRAIN FUTURES EXCHANGES

The VICE PRESIDENT laid before the Senate a communication from the Secretary of Agriculture, submitting in response to Senate Resolution 222 (by Mr. SHIPSTEAD, agreed to June 9, 1926), a report of the special investigation occasioned by the extreme fluctuations in the price of wheat futures during the early part of 1925, which, with the accompanying report, was referred to the Committee on Agriculture and Forestry.

#### JOHN W. STOCKETT AGAINST THE UNITED STATES (S. DOC. NO. 134)

The VICE PRESIDENT laid before the Senate a communication from the assistant clerk of the Court of Claims, transmitting, pursuant to the order of the court, a certified copy of the findings of fact and conclusion filed by the court in the cause of John W. Stockett against the United States (Congressional case No. 15461), which was referred to the Committee on Claims and ordered to be printed.

#### PETITION

Mr. MOSES presented a petition of sundry citizens of Cornish, N. H., praying for the prompt passage of legislation granting increased pensions to Civil War veterans and the widows of such veterans, which was referred to the Committee on Pensions.

#### REPORTS OF COMMITTEES

Mr. BUTLER, from the Committee on Patents, to which was referred the bill (H. R. 10774) to amend section 15 of an act entitled "An act to amend and consolidate the acts respecting copyright," approved March 4, 1909, reported it without amendment.

Mr. CAPPER, from the Committee on the District of Columbia, to which was referred the bill (H. R. 11174) to amend section 8 of the act of September 1, 1916 (39 Stat. L. p. 716), and for other purposes, reported it without amendment and submitted a report (No. 1151) thereon.

#### ENROLLED BILLS PRESENTED

Mr. GREENE, from the Committee on Enrolled Bills, reported that on June 24, 1926, that committee presented to the President of the United States the following enrolled bills:

S. 1963. An act authorizing the Citizens Band of Pottawatomie Indians in Oklahoma to submit claims to the Court of Claims;

S. 3185. An act authorizing certain Indian tribes and bands, or any of them, residing in the State of Washington to present their claims to the Court of Claims;

S. 3361. An act to purchase lands for addition to the Papago Indian Reservation, Ariz.; and

S. 4482. An act to increase the limit of cost of submarine tender No. 3 and to authorize repairs and alterations to the U. S. S. S-48.

#### BILLS AND JOINT RESOLUTION INTRODUCED

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

By Mr. SWANSON:

A bill (S. 4513) granting a pension to Carl Enevoldsen (with accompanying papers); to the Committee on Pensions.

By Mr. HOWELL:

A bill (S. 4514) authorizing an appropriation of \$150,000 for a plant experiment in the production of levulose from artichokes; to the Committee on Agriculture and Forestry.

By Mr. WADSWORTH:

A bill (S. 4515) to amend an act entitled "An act for the relief of the owner of lighter *Eastman, No. 14*," approved May 7, 1926; to the Committee on Claims.

By Mr. HARRIS:

A bill (S. 4516) for the relief of John K. DeLoach; to the Committee on Military Affairs.

By Mr. COPELAND:

A joint resolution (S. J. Res. 121) to permit wives and minor children of alien declarants to enter the United States as non-quota immigrants; to the Committee on Immigration.

#### HOUSE BILL REFERRED

The bill (H. R. 12596) to authorize the leasing of unallotted irrigable land on Indian reservations was read twice by its title and referred to the Committee on Indian Affairs.

#### AMENDMENT TO COOPERATIVE MARKETING BILL

Mr. BRUCE submitted an amendment intended to be proposed by him to House bill 7893, the so-called cooperative marketing bill, which was ordered to lie on the table and to be printed.

#### NATIONAL-BANK BRANCHES

The VICE PRESIDENT laid before the Senate the action of the House of Representatives insisting upon its disagreement to the amendments of the Senate to the bill (H. R. 2) to amend an act entitled "An act to provide for the consolidation of national banking associations," approved November 7, 1918; to amend section 5136 as amended, section 5137, section 5138 as amended, section 5142, section 5150, section 5155, section 5190, section 5200 as amended, section 5202 as amended, section 5208 as amended, section 5211 as amended, of the Revised Statutes of the United States; and to amend section 9, section 13, section 22, and section 24 of the Federal reserve act, and for other purposes, and requesting a further conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. PEPPER. I move that the Senate further insist upon its amendments and agree to the further conference asked by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the Vice President appointed Mr. PEPPER, Mr. EDGE, and Mr. GLASS conferees on the part of the Senate at the further conference.

#### LAST WILL AND TESTAMENT OF GEORGE WASHINGTON

The VICE PRESIDENT laid before the Senate the following concurrent resolution of the House of Representatives (H. Con. Res. 31), which was read:

*Resolved by the House of Representatives (the Senate concurring), That there shall be printed, with illustrations, 10,000 additional copies of Senate Document No. 86, Sixty-second Congress, first session, entitled "Last Will and Testament of George Washington," of which 7,000 copies shall be for the use of the House of Representatives and 3,000 copies for the use of the United States Senate.*

Mr. PEPPER. Mr. President, informal approval of this measure has already been given by the Senate Committee on Printing at its last meeting. In view of that I ask unanimous consent for the immediate consideration of the measure which the Chair has just laid before the Senate.

The VICE PRESIDENT. Is there objection?

There being no objection, the concurrent resolution was considered and agreed to.

#### JAMES NEAL

Mr. COPELAND. Mr. President, I ask unanimous consent that the vote by which a bill, adversely reported day before yesterday from the Committee on Military Affairs (H. R. 2420) for the relief of James Neal, was indefinitely postponed, be reconsidered and the bill sent back to the committee.

The VICE PRESIDENT. Is there objection?

Mr. BRUCE. Mr. President, what is the bill?

Mr. COPELAND. It is a pension bill. I have conferred with my colleague [Mr. WADSWORTH], the chairman of the Committee on Military Affairs, and asked that it be sent back



to him in order that other evidence may be submitted, and he is agreeable to that course.

Mr. WATSON. Mr. President, we can not hear what the Senator is saying.

Mr. CURTIS. Will the Senator make the statement again, so that we can understand what it is?

Mr. COPELAND. This was a private relief bill which was considered by the Committee on Military Affairs, and an adverse report was brought in, which was adopted. I am asking for a reconsideration of that action in order that the bill may be recommitted to the Committee on Military Affairs.

The VICE PRESIDENT. Without objection, it will be so ordered.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, communicated to the Senate the intelligence of the death of Hon. CHARLES E. FULLER, late a Representative from the State of Illinois, and transmitted the resolutions of the House thereon.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the joint resolution (S. J. Res. 47) authorizing the Comptroller General of the United States to allow credit to contractors for payments received from either Army or Navy disbursing officers in settlement of contracts entered into with the United States during the period from April 6, 1917, to November 11, 1918.

#### ADDRESS BY SENATOR SIMEON D. FESS—FARM RELIEF

Mr. GOFF. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered before the State Bankers' Association of West Virginia, on June 23, 1926, by the junior Senator from Ohio [Mr. FESS].

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

The plan of the Department of Agriculture is to develop marketing by the farmers themselves to the utmost degree. The farmers have had two primary difficulties in developing their own marketing systems. The first is the difficulty in securing initiative to set up such organizations. It is proposed under this plan that the Farm Board shall directly initiate such organization by getting farmers together and assisting them to establish such organization.

The second difficulty is to secure working capital with which to conduct such organization. Farmers can not secure large sums. This working capital is needed both to secure facilities and to provide that margin of capital necessary beyond what can be borrowed in the normal commercial way on commodities which they handle. In other words, the intermediate credit banks and the banking institutions of the country generally are prepared to loan, say, 80 per cent of the price of commodities, but it is necessary to provide a margin of 20 per cent. Therefore it is proposed to provide adequate capital to enable them to get started and to provide easy terms of repayment.

The following instance can be given as showing how it can be practically developed. To-day we have about 15,000 country or station elevators or warehouses. Practically all of the commercial grain of the country moves through these primary establishments. At the present time 4,000 or 5,000 of these elevators or warehouses belong to farm cooperatives or farmer-owned corporations. Some of these are already grouped up in associations. Each of them has to-day a local board of directors comprised of farmers who have already gained skill and experience in marketing grain. There is, therefore, already in existence, on the basis of five directors to each of these cooperatives, a body of some 25,000 farmers with experience in managing such concerns. They are carrying on the first stage of marketing fully 30 per cent of the entire grain of the country to-day.

If they could be assisted to erect a central grain-marketing organization to act on their behalf and under their own management, they would at once be controlling nearly 30 per cent of the grain movement. If such a concern were provided working capital, it could no doubt in a short time absorb the entire 5,000 of these country houses and thus come into control of a great majority of the grain stream of the country.

They need this capital—

1. To lease or acquire terminal facilities.
2. To assist in carrying mortgages on some of their country houses.
3. To loan to other groups of farmers to assist them to acquire local stations by purchase or lease.
4. To cover margins upon grain beyond that procurable from the intermediate credit banks and ordinary banks of the country.
5. For current expenses until the organization is in going order.

Such an organization could convert the grain business from a buyers' market into a sellers' market and secure the maximum price which the law of supply and demand permits. It could by pool and other arrangements amongst the farmers provide for holding the surplus grain

until the market needs it. For instance, at the present time the country produces an insufficient amount of hard, high-protein wheats, and has to import a certain amount from Canada. If these wheats were under control of such an organization they could be sold at a price which would bring to the farmer the full benefit of the tariff on wheat. At the present time they are receiving about 25 cents a bushel premium, and this premium could be lifted up to the full amount. They could engage in their own export business if they wish. Thus the organization would be built up on sound, safe lines, ultimately placing the farmer in entire control of his own market. Such combinations could be brought about amongst cotton cooperatives, livestock cooperatives, by which we would see over a few years the complete growth of farmer-organized and farmer-controlled marketing associations.

Such a plan is consonant entirely without institutions and does not involve the Government in buying and selling or supervision or responsibility, but builds up initiative of our own people.

One of the primary difficulties to-day of the farmer is that we have the farmers competing with each other to sell their commodities. Under such arrangements they would develop their selling into their own control and be able to deal on equal terms with the buying channels. I am convinced that the extra margin which they would obtain through economies, orderly marketing, and concentration of control would be greater than those which he would obtain under any fantastic scheme now proposed, by setting up any fictitious control over the law of supply and demand. They would be getting all there is to be had from the market, and no matter what scheme might be developed later on to strengthen this organization we would have competent organization to undertake it. We would have a body of men engaged in the business who could develop further plans on sound lines for the perfection of their organizations.

Briefly stated, the Fess amendment avoids the dangers of—

- (1) Government price fixing;
- (2) Government buying and selling;
- (3) Government subsidy, sales tax, or excise tax; and
- (4) Bureaucratic control of agricultural commerce.

It looks to a producers' organization for the purpose of—

- (1) Better limitation of acreage to adjust production to a prospective demand at a fair price;
- (2) Production costs lowered by collective effort, by a wider application of machinery and power to farm work;
- (3) Widened distribution so as to better synchronize it with demand;
- (4) Eliminating waste in marketing the commodity;
- (5) Insuring to the producer some of the consumers' cost now absorbed by the middleman;
- (6) Equalizing supplies between fat and lean years; and
- (7) Increase of producers' bargaining power over products for which a premium is paid, such as hard wheat of protein value.

Along these definite and specific lines agriculture organized in the manner made possible and practicable by my amendment can draw within its own control the major and determining factors composing the surplus problem and can take a long and forward step in its solution.

Mr. Chairman, I can not give my approval to the so-called Corn Belt proposal for relief.

In a democracy where intelligent individual and collective thinking counts so much I am convinced that a Member of Congress is justified in addressing such bodies as this on questions commanding the attention of our national legislature.

Our Government has had a brilliant success in meeting and solving the problems inherited from the war. I mean not to speak on any of the questions already solved. Agriculture is one of the first industries to suffer and the last to find relief. This grows out of the character of the problem. The industry can not easily mark off the losses due to war inflation of prices and is slow in liquidation.

During the period of depression all sorts of remedies will be prescribed. Since 1921 Congress has enacted and the administration has applied at least 20 measures for agricultural relief.

There has been a gradual but steady recovery. However, the radical element in States like Iowa have pressed for favorable action upon what are regarded very serious proposals. These proposals are similar and grow out of similar conditions to the greenback agitation in 1870, the free-silver craze in 1896, and the populism in 1900. This agrarian movement, demanding McNary-Haugen legislation, is backed by bankers whose prosperity is wrapped up in the prosperity of agriculture. Their loans on inflated values which can not be realized make their situation acute.

This is true in spite of the fact that since 1921, when the purchasing power of the farmer's dollar was but 77, while of the nonagricultural dollar was 111, a differential of 34 points, there has been a gradual and steady trend toward equilibrium. In 1925 it was 91 to 102, or a differential of but 11 points. This disadvantage which agriculture is suffering should be remedied if it can be done. From the character of agriculture, its 6,000,000 farmers of all grades and condition, so individualistic, make the problem more difficult than other industries.

I am for fundamental relief measures for our farmers. I have supported every constructive measure proposed in their favor during the last many years. But I am not for measures which will bring disaster and ruin to them. Measures have been proposed from time to time to this Congress which will do that very thing. Some of these measures have died out after a period of preliminary rush. Others of them have been brought forward again in new clothes. We have heard much of the "equalization-fee" plan. It is euphonic as a term and its exponents claim that it is simply the farmer assessing himself to secure stability in his prices.

I have no objection to this theory, and such theories make a strong appeal. But before I accept I wish to know how it is to be worked out, what its real expression is to be in legislation. I want to know if that legislation is practical, if it will actually benefit the farmer and will not bring him to disaster. I want to know whether it strengthens or whether it undermines our social and economic system. I want to know whether it is a disguise for Government price fixing, Government buying and selling of commodities, what the effect is going to be on agriculture itself, whether favorable or unfavorable. My conclusion is that this is a political bunco.

There have been three or four bills presented setting out the concrete proposals for the working of this equalization-fee plan—the McNary-Haugen bill of two years ago, the Haugen bill lately defeated in the House, and the McNary bill now before the Senate. They differ in many essentials, but apparently they do form the expression of the manner by which this is to be worked. These plans have been supported by the more radical of our farm organizations, and I must assume that they represent the expression of the method by which this equalization-fee plan is to be put into action.

Neither the McNary bill, now before the Senate, nor the Haugen bill, defeated in the House, was supported by the greatest of our farm organizations, the Grange, which organization has twice the membership of any other farm organization. They are not supported by our most important farmers' cooperative marketing associations, and the cooperative associations actually market nearly one-fifth of our entire agricultural production.

We see a good deal of noisy support through the firing of stimulated telegrams in batteries to Congressmen and Senators; and moreover, we must see some evidence of the country banker in those States where the banks are much overextended in loans and second mortgages. But in any event, apparently the McNary bill now before the Senate is the expression of the method by which this equalization plan idea is to be put across, and we can therefore well examine the plan in this form as the working machinery, and we can examine the other versions as throwing light on the intention as to this particular bill.

These proposals have received the powerful support of the Vice President and of ex-Governor Lowden, and the Vice President has called in the advisory service of an eminent British economist. We were a few days ago instructed by the senior Senator from Indiana as to this expert's approval of this plan. I wish to call attention to the fact so far as I am aware no important American economist, either agricultural or otherwise, has been quoted in support of this measure. Suppose we took the head of the economics department of the 100 leading universities we would have 100 experts who are absolutely independent in mind and took their vote upon it. I dare say such a plebiscite would be resisted by its proponents. I was, of course, interested to know why an eminent British economist should be called upon to pass upon the question but a little thought indicates that this was easy to account for. I know of no better formulation of this than the quotation from the Washington Star of May 27, which I ask permission to read:

"GOOD FOR ENGLAND? YES

"In an address to the Senate on Tuesday, Senator WATSON, of Indiana, cited Sir Josiah Stamp, the eminent British economist, in support of the McNary-Haugen theory of relief for agriculture. Vice President Dawes had interested Sir Josiah in the American farm problem, and the statements quoted by Senator WATSON were from a communication addressed to the Vice President.

"The revised McNary-Haugen theory was embodied in the Haugen bill, which recently failed of passage in the House but which is still before the Senate in slightly modified form at the instance of Senator McNARY. The Haugen bill, as it was voted on in the House, provided machinery intended to take care of crop surpluses by selling them abroad at a loss, the loss to be made up in the early years by a direct subsidy from the United States Treasury and later by the device of an equalization fee to be levied upon all producers of any given commodity.

"Assuming, for sake of illustration, that these crop surpluses were to be sold in England, we have a prospect which might well appeal favorably to any British economist. To begin with, the primary purpose of the project would be to increase the price of foodstuffs in this country above the normal supply-and-demand level. To accomplish this annual surpluses would be taken off the American market and sold abroad for whatever they would fetch. The exporting agency would, it is expected, receive less than it had paid for the exported commodities. Until such time as the equalization came into effect,

after a period of years, these losses would be paid out of the Federal subsidy.

"From the interest point of the nonfarming American public, its taxes would be increased in order that the prices it had to pay for foodstuffs might be increased. Objectionable enough, if it ended there. But it would not end there. Dumping of American surpluses in Britain—for purpose of illustration—would tend to bring down the price of all foodstuffs there, with the inevitable result that the same device which gave the American people an artificially high cost of living would give the British people artificially low living costs.

"And the vicious circle thus set in motion would keep right on swinging. The artificially low cost of living would enable British industry to keep wages at an artificially low level and enable them to offer British goods in the world markets at artificially low prices. In the world markets they would meet American goods which had to be offered at artificially high prices made necessary by the artificially high American cost of living. The American goods, of course, could not be sold; American factories would have to curtail production, and American workers would lose part of their employment. Consequently, they would have to curtail their consumption of foodstuffs, so that the next year there would be a still larger surplus to be sold to England, to enable England still further to cripple American industry, and so on and on. In the end the enterprise would break down under its accumulating burden, and everybody in this country, including the farmer, would share in the resultant hardships.

"It is not surprising that Sir Josiah Stamp, eminent British economist, thinks the scheme an excellent one, but there is an imposing number of eminent American economists who are unable to see eye to eye with him."

The sympathetic attitude of a loyal subject of George V toward proposals that would tend to lower the world price of certain agricultural products is readily understood when it is recalled that in 1924 the value of British imports of tobacco amounted to \$77,000,000; of corn, to \$83,000,000; of wheat and flour, to \$376,000,000; of beef and pork products, to \$507,000,000; and of cotton, to \$581,000,000.

I shall never support a measure which I believe will transfer the unemployment problem from England to the United States.

The measure before the Senate in short terms proposes the creation of a farm advisory council, four members from each of the 12 Federal reserve districts to be elected by farm organizations. It proposes that the members of this council for each of the Federal reserve districts shall nominate three men to the President of the United States from whom he shall choose one to be confirmed by the Senate, paid \$10,000 per annum, the whole 12 of which shall comprise what is to be known as a Federal farm board.

This board, aside from advisory and statistical functions, is to undertake the most gigantic merchandising business ever known to history. The bill declares that cotton, wheat, corn, cattle, and swine are basic agricultural commodities. It provides that whenever the farm board finds that there is likely to be a surplus over domestic requirements in wheat, corn, cattle, or swine, and a surplus of cotton over the requirements of orderly marketing, then the board starts to operate. It operates by contracting with farm cooperatives, flour millers, the Chicago packers, or other manufacturers and dealers in foodstuffs to "withhold and remove" such a surplus.

If these contracts result in a loss on "removing or withholding," the losses are to be paid out of the "equalization fee." This fee is to be collected on "sale or processing" of any basic agricultural commodity.

Reduced to its plain terms this proposal is that certain agencies shall be contracted with to bid up the price of farm products in our markets to the level above the world price; that this surplus shall be dumped abroad upon the world's markets and the losses paid out of the equalization fund.

That is the method described in all of the explanations of the scheme, and in the report of the committee it refers to making good losses by sale abroad in making the tariff effective.

Before I enter upon a discussion of the economic fallacies of this plan I wish to call attention to some general questions in connection with it.

It provides for the creation of a board which shall act on behalf of and be clothed with the immense powers of the Federal Government but is not really selected either by the President or by Congress or by farm organizations.

It proposes for the first time in our history that an industry shall be singled out and shall be given the powers of the Government and shall be placed beyond the control of the Government. We do not have an Interstate Commerce Commission elected from railway presidents or a Federal Trade Commission from the presidents of big business. And we insist, and we must insist, that the people or their elected representatives in the person of the President and Congress, as the case may be, have control of this as well as all other activities.

It is not in the interest of the farmer that he invites the other industries of the country to set up special interest in the control of the functions of this Government. That is the complete realization of the syndicalist State. It is government by soviets.



I have said that this plan plunges this farm board, and thus the Government, into the most gigantic merchandising business in history. It is presumed to deal only when there is a surplus over the domestic demand. But there always is a surplus in wheat, cotton, pork products, and corn. Therefore, it will be a continuous operation covering exports of over \$1,500,000,000 per annum in these commodities. And it must be handled under the act by contracting with somebody to do this job and then accounting for losses with purchases and sales under the direction of this Government agency—the Federal farm board.

Thus this plan plunges the Federal Government into the buying and selling of farm products on an infinitely larger scale than during the World War, for it is not wheat alone that is to be dealt in, but cotton, corn, hogs, and cattle. It means the building up of a bureaucracy of a myriad of Government employees, for an organization must be created that will let the contracts provided in this bill to all sorts of associations and private dealers and manufacturers whose job is to be to sell these commodities abroad and account for the losses on a business of gross value of \$1,500,000,000 annually. Nor is the volume of exports, the total measure of its operations; they are extended to cover all surplus. Moreover, no operation of this kind can be carried on without a considerable amount of dealing also in the domestic market. Our farm products are seasonal. If this agency would bid up these prices, they must carry masses of the domestic produce over season as well as the export surplus. Otherwise they can not maintain the price. Therefore this board will be engaged in the letting of contracts with hundreds of concerns involving the purchase and sale of upward of perhaps \$3,000,000,000 per annum of agricultural products. It must mean the building up of a bureaucracy of Government employees to let these contracts to all sorts of associations and private dealers who are to sell these commodities abroad and account for the losses. Can anyone tell me that this process will not be filled with fraud and misrepresentation and incapacity?

We had such an experience with war contracts as to make our people loath to again see people engaged in an orgy of contracting on this scale and to engage upon it permanently. No one can tell me that when the Government lets contracts for the purchase and sale of agricultural commodities and, as the bill provides, with losses to be paid either from the Treasury or the equalization fee to be collected by the Treasury, that the Government is not engaged on a gigantic scale in the purchase and sale of commodities. I know that it is claimed that the Government will not be buying and selling commodities.

It is contended that farm cooperatives, manufacturing, and private dealers are to do the buying and selling, but is not the Government the responsible party under these contracts for the acts of these agents in buying and selling? Does it not have to determine the losses and therefore the character of their transactions? The act says it must determine the prices. It is nonsense to say that the Government is not doing it because it appoints an agent and enters into a contract with it.

It is contended that this legislation is not price fixing; and, as a matter of fact, in the bill before the Senate there is no statement as to the price at which these contracts are to be let. The only reference thereto being the statement under section 15 (f) as follows:

(1) No payment of losses shall be made unless the purchase or contract for the purchase is made at a price which in the opinion of the board is not in excess of a fair and reasonable price.

(2) No sale or contract of sale shall be made in respect of which a loss would be sustained unless such sale or contract is authorized by the board.

(3) Advances made by the board shall be payable on demand, whenever and to such extent as the board deems advisable, if the board finds that the market price in the principal markets of the United States for the basic agricultural commodity or its food products in respect of which the advance was made is in excess of a fair and reasonable price.

There is thus in the bill no limitation on this board as to the price to which it can not bid up commodities or the losses which it can not incur in dumping them abroad. There is no standard laid down for its actions, but, nevertheless, the board itself will have to determine some price. If it concludes that the price of hogs is too low, it will have to determine what is a fair price; it will have to instruct the Chicago packers what they will pay for hogs; it will have to enter into contract with these packers undertaking to pay any losses which they may incur in dumping the surplus broad. If this is not price fixing, I have never seen the operation defined.

There is another phase of this that is very interesting in interpretation of what it is proposed that this board shall do. You will recollect that in the original McNary-Haugen bill discussed here some two years ago there was a standard of price set up in the bill. Under that provision it was proposed to take the average wholesale price index of the country, as compared with pre-war, which to-day is, say, 152, pre-war being 100; and the price of the basic agricultural commodities was to be bid up so as to have that relative price, and any surplus was to be dumped abroad. This plan seems to have been entirely

abandoned. One reason for it is, no doubt, the fact that soon after that time all commodities began to recover under the natural readjustments following the war, and some of them rose to higher levels than would have been obtained had they been fixed on the basis of the commodity index, and to-day the price of wheat is at 177, or 25 points above the average of the wholesale index.

In other words, since the time this scheme was originally put forward it has been found that the complaint of the wheat farmer based on the theory of that day has been cured, and, in fact, to reenact that standard of price control would reduce present prices of wheat. If we examine the bill lately debated and defeated in the House we will see that the proponents of these measures had shifted their base in making their standard of price fixing from the old commodity index basis. The new basis provided in the bill recently defeated in the House was that the price of these commodities was to be bid up to a level equal to the world price plus the tariff, plus the cost of transportation to our markets from the principal foreign competing countries; that is, if the price of corn is \$0.93 a bushel in Liverpool, as it was a few days ago, and at the same time was \$0.71 a bushel in Chicago, as it was at the same time, then we should take the Liverpool price, add the duty of 15 cents, which would bring it to 86 cents, add to this the cost of transporting the corn from the Argentine to our nearest port of entry—New York—which is about 20 cents per bushel, making a total of \$1.06 a bushel, Chicago price, as against the price of 71 cents at that date. In other words, 35 cents a bushel higher than the present price, and a loss of 35 cents a bushel on exports.

Apparently, on hard wheat, which to-day is quoted in Liverpool at \$1.86 per bushel, we would add 42 cents duty and, say, 20 cents from Canada to Buffalo—or, say, a total of \$2.49 a bushel; and any surplus should be dumped abroad at a loss of 62 cents. This price level would permit imports even as against the tariff, so that they had to put in a provision making an embargo against any imports at all. But apparently the sponsors for this bill have now weakened, even on this proposed standard of price fixing. The Senate sponsors do, however, in their report on page 8, state that the object of this scheme before the Senate is to make the tariff effective on domestic consumption, so that apparently they have in mind that this board will conduct itself on these lines of tariff plus transportation, plus other things, even though it is not stated in the act, and indeed the board must have some standard, and I would not be surprised to see them use this apparently very beautiful one. There is a fallacy in this whole idea of the application of the tariff which I believe should be stated at once. The tariff has been built up over many years as a margin representing the difference in the cost of production within the United States and that of the most important competitive country. The tariff is not based on world price plus the tariff and transportation items, but is based on the differences in cost of production. A report some time ago by the Tariff Commission on the cost of producing wheat gave the cost in Canada at 90 cents a bushel and in the United States \$1.32 for certain of the highest grades which were compared with the Canadian grades. The difference was 42 cents a bushel. Under the proposal set out in the lately defeated bill in the House, they would add 42 cents a bushel to the world price of wheat, which this grade at Liverpool is \$1.87 per bushel, and they would also add this transportation nonsense, which amounts to 20 cents a bushel, thus bringing up the price to \$2.49.

Now, the whole fallacy of this is that if you are going to add 42 cents a bushel it should be added to the 90 cents, which is the cost of production, and not to the world price plus all this transportation and tariff items. That would make the price about \$1.32, according to the Tariff Commission's report, yet the price of these grades of wheat is to-day \$1.66 per bushel.

If we were going to adopt this equalization fee plan and give it any standard of price upon which it is to be operated, then there must be some determination by Congress of the standard; instead of basing its operation on these fantastic ideas of commodity indexes or upon world prices plus tariff plus transportation, we should base it on the average cost of production and add the tariff thereto. I am not recommending this; I am only showing the utter fallacy of the whole of these proposals.

It is contended by these gentlemen that inasmuch as they are going to add these various amounts of the tariff and transportation of the world price, there will be no price fixing, as prices will rise and fall with the world price. Even if that were the case under this method of determining the price, it is price fixing, because this Government agency must determine what is the world price. It will have to determine it for every different quality of these agricultural staples and for every different product made out of them, and it must instruct its agents as to the prices at which they are to buy and sell. It can not make these determinations every moment of the day. Prices for every one of these things, these varieties of articles, varies every hour of the day—lard, bacon, pigs' feet, bristles, hides, oleo, oil, beef, and a thousand other things. This agency must determine some period for which a certain price will be paid for hogs, cattle, wheat, corn—and they must determine under this law what is a fair price at which each

of these products may be sold, and they must calculate the loss. If anyone can convince me that this is not price fixing, I will not believe my own eyes.

But the situation is likely to be even more difficult under the form of the plan now proposed to the Senate where there is no standard upon which price is to be fixed. Under the unlimited discretion given to this farm board in the bill we are discussing they will have to make a declaration of the price at which the Government will buy and sell. The reason for this is that no agency of the Government can secretly enter into purchases and sales. It must give every citizen the same opportunity, and therefore it must do its business publicly, and the moment it has published the price at which the Government is buying and selling, that is bound to be the price, because no one will try to compete with the Government. Again we arrive at price fixing, even under this modification of the plan.

I do not believe that the gentlemen who have proposed this plan have any idea as to what its actual working results will be when applied to the intricacies of trade and commerce. It, in effect, amounts to a guaranty of profits to every flour miller, every grain exporter, every meat packer, every butcher, every cotton dealer, and hundreds of other agencies throughout the United States. I have seen none of these gentlemen present in Congress opposing this bill. That their profits are guaranteed can be shown on very short analysis. Under this bill the Government, acting through the farm board, is going to contract to pay the losses off these gentlemen or somebody on the export of any surplus over domestic needs—consequently, if any of them in their domestic business find themselves with a surplus, they will either—

- (a) Sell it on the domestic market and depress the price.
- (b) Sell it to the board.
- (c) Sell it to some one who has contracted with the board to buy it and export it.

Therefore, every dealer will go on dealing, daily making profits, knowing that if he has a surplus he can get rid of it without a loss. He is not likely to conduct his domestic business at other than a handsome profit. And even the gentlemen who export on behalf of the farm board and to whom the Government is paring their losses are not likely to wish to work for nothing.

But it is even more complex than this. The American hog is shipped to Chicago, there divided into 20 or more different products; some of these products from each individual hog are shipped abroad, while a number of the products are consumed at home. It is not as if you could select one out of every four hogs and say that the products of one would all go for export, but some part of these twenty-odd products of each hog will go abroad. When we come to determine the loss made on say 25 per cent of the lard exported, 2 per cent of the bacon from each hog, and calculate the bristles and the pigs' feet that are to be sold at home we have indeed entered on a perilous path, and it is not likely that the packer of hogs, having this privilege of shoving any surplus into export, is going to make the prices on the portion of the hog which he sells at home any lower than will give him a profit. Thus do we guarantee on one end and enter into a maze of trade relations on the other that are beyond calculation.

The same applies to our flour mills. We do not simply export 1 bushel of wheat out of 4. What we export is the low-grade flour not in demand amongst our own people and soft wheat. This low-grade flour is a by-product of all the flour milled in the United States. How is this board going to calculate its relation to the high-grade flour sold on the domestic market? Given that the flour miller can put any surplus onto this board or its agents for export at the expense of the Government, he will be able to make any profit he may denominate on his domestic business and we will find ourselves in the position of having to regulate the profits to be made by the packers, flour millers, cotton merchants on their domestic business or they will run into paths of profiteering and extortion.

Again, all this bears on the question of price fixing. It has been said there is no price fixing. The Chicago packers kill hogs to-day which reach the market three or four months hence. If we think that when he determines what his profit will be out of the domestic part of the hog as compared to the loss which he charges against the Government on another part of the hog which he is going to sell four months hence for export, and still think he will not fix the price, we are wrong.

And so I would like to ask where in our population are enough inspectors, detectives, and accountants to be found to keep track of the operations of these thousands of flour mills, these thousands of butchers and scores of importers and dealers who have the privilege of making their own price on domestic business because they can dump their surplus onto this board or its agents; and where are all of these officials to be found who will travel around the whole world to see that the goods sold abroad are in accordance with contracts and that the losses charged to the Government are honestly returned.

In the version of this plan two years ago, apparently it was recognized that these difficulties existed and it provided that the Government should take over and "process" as it is called, whenever it was necessary to carry out the act. At that time they talked of taking

over the packing houses and the flour mills for the Government. All this was at least frank and was at least an attempt on their part to avoid the commercial maze in which they found themselves in any attempt to interpret how this plan would work. In the latest version of the business, however, they apparently intend to do all these things by contract.

I have already referred to many phases of this bill that would be disastrous to the farmer. There are some particular questions to which I would like to call attention.

Anyone who examines wheat production in the United States will find that it consists of three different products:

First. The high protein, hard wheats which are so much desired by the American bread eater and which we do not produce in sufficient quantity for our own consumption and have to import from Canada. These wheats receive a premium by virtue of the tariff protecting them from Canadian high-protein wheat. This premium varies from 25 to 30 cents a bushel.

Second. The soft wheats which are largely produced in Washington and Oregon and States east of the Mississippi. Of these we produce a surplus, and these are the wheats which we sent to export.

Third. The durum wheat, the majority of which is exported for special consumption in continental Europe.

Now, you will find that North Dakota and Kansas, who are the greatest producers of the premium wheats, have a production of about 11 and 14 bushels per acre, respectively. This compared with about 20 bushels per acre of soft wheat in Oregon. It is the premium on the hard high-protein wheats due to the tariff protection which makes this industry to-day in North Dakota and Kansas. It is the reward they receive for their superior quality product.

Now, we come to the application of this equalization fee, and we find that it is applied at so much per bushel without regard to quality. The price of all wheat will all be the same, for it will all be lifted to the tariff level. Therefore Kansas only gets a 30-cent further lift. Suppose, for instance, all these promises come true, that the extra price in the domestic market which would be given over the foreign market amounts to 60 cents a bushel in order to provide for a tariff plus transportation, which was mentioned as the price base in the Haugen version of this bill. Theoretically this still lifts the income of the farmer in Oregon and Washington about \$12 per acre, or 60 cents on 20 bushels per acre, whereas it would lift the income of the farmer in Kansas \$4.20, or 30 cents on 14 bushels, and in North Dakota about \$3.30 per acre. The result would be an enormous stimulation of production of soft wheats which we do not require. And I would like the Kansas farmer to calculate what he gains after he pays the equalization fee. The whole benefit goes to the soft wheats.

But there is another calculation which could be entered into about wheat. Theoretically, suppose that we produce 800,000,000 bushels, and as has been pointed out by our mathematical friends, that we wish to export 200,000,000 bushels. Suppose that we are to lose 60 cents a bushel on the 200,000,000 exported, \$120,000,000—which is supposed to be paid through the equalization fee by the farmer who raises the 800,000,000 bushels. Now, he is supposed to gain 60 cents a bushel on 800,000,000 bushels—\$480,000,000. This looks like a fine transaction, but it is subject to some deductions.

First. One hundred million bushels for seed.

Second. About 30,000,000 bushels which he feeds direct to chickens, and off grades and such things.

Third. Wheat is only milled up to, say, 72 per cent as flour, and the remaining 28 per cent is in the form of mill feeds, which are consumed by the farmer.

So if we deduct the first and second items—130,000,000 bushels—from the 600,000,000, we have 470,000,000 bushels actually milled. Twenty-eight per cent of this goes back to the farmer—131,000,000 bushels—as mill feed, so that we have to add this 131,000,000 to the 130,000,000 which has already been used by the farmer as seed and direct feeding. We now have 261,000,000 bushels which the farmer uses out of the 600,000,000.

Now, the farmer himself is a large consumer of flour. In fact he consumes about one-third of all the flour consumed in the country, and this amounts to another 115,000,000 bushels, so that out of this 600,000,000 bushels the farmer himself is one way or another the consumer of 376,000,000 bushels, so that the benefits on this at the rate of 60 cents a bushel—\$225,000,000—really comes out of his pocket. He also has to pay out, if this equalization fee is paid by him, the \$120,000,000 loss on the export business. Now, then, if you add \$225,000,000 to \$120,000,000 you will get \$345,000,000 on one side of his balance sheet and \$480,000,000 on the other.

If you will go a little further and calculate who gets the profits of \$135,000,000 after the smoke is all cleared away, you will find it is the soft-wheat farmer, while Kansas and North Dakota have lost out.

It is true that the dairy farmer pays the bills on all the mill feed. It may not be the same farmer as the wheat farmer that buys the mill feed. If it is not, it simply means a penalty on the dairy farmer for higher mill feeds.



The disastrous effect of this plan on the American farmer can be no better illustrated than by its working on corn and hogs. We are sure that the object of the plan is to lift the price of corn above world levels and to dump the surplus abroad. It is obviously no use buying a surplus and attempting to hold a perishable commodity like corn until a year of short production, because without elaborate processes of repeated drying and curing corn can not be held in storage for more than 12 or 18 months.

I have already shown that under the standard of price fixing in the Haugen bill corn would to-day be \$1.06 a bushel at Chicago, whereas it would be sold in Canada for 35 cents a bushel less and the loss paid by somebody in the United States. And I would call attention of the Lake States, all of which are large producers of hogs, to the fact that corn can be transported from the Lake States to the Canadian Provinces for 2 or 3 cents a bushel, and that the obvious thing will be to build up the Canadian swine-feeding industry for export of pork products to Europe and we will destroy the American hog growers' business at once.

A study of our exports of pork products will show that our exports have decreased in the last five years by 400,000,000 pounds, while those of Canada, Denmark, and the Scandinavian States generally have increased by this much, and this is a proposal to sell feed to these competitors for less money than our own farmers must pay, and they expect them to compete in the same foreign markets for the sale of our surplus.

In the last crop we had an obvious surplus of 400,000,000 bushels of corn. This farm board would have had to declare a 400,000,000-bushel surplus. It would then want to export this surplus to get it out of the way. If we look into the foreign markets for corn we will find that the total world imports are about 200,000,000 bushels annually, of which about one-third goes from the United States. Now, if this farm board attempted to export an additional 400,000,000 bushels, it would obviously overwhelm and break the world price of corn, so that we might see corn abroad for 20 and 30 cents a bushel and the differential in favor of the foreign swine feeder increased from 35 to even 50 or 60 cents a bushel—and 35 cents increase of domestic over such a world price would be less than to-day's price.

Our swine growers estimate that it takes 10 bushels of corn to produce one hundredweight of hog. If there is a differential in favor of the foreign feeder of only 35 cents it means he has a differential in his favor of \$3.50 per hundredweight, or nearly 30 per cent on the present price of hogs. If the differential rises to 50 cents under these prices, breaking foreign markets for the benefit of the foreign swine grower, it will have a differential of nearly 50 per cent in the price in his favor. So that the State of Iowa, the greatest hog-growing State in the Union, will find itself destroying its own market and transferring its greatest industry to foreign countries.

And there is a double action that would take place in this connection. The farm board would be bound to bid up the price of American hogs to some price above the world level, and, in addition to the advantage of the foreign swine grower by having cheaper feed, he would have the further advantage of the margin provided by the higher American domestic price for hogs generally, all of which leads one into a labyrinth that one can scarcely comprehend.

	Prices of mixed corn at—		
	Liverpool	Chicago	Spread
	Cents	Cents	Cents
Mar. 30.....	93½	71½	22
Apr. 7.....	97	71½	25½
Apr. 13.....	97½	72½	24½
Apr. 20.....	97	73	24
Apr. 27.....	96	72½	23½
May 18.....	93½	71½	22½

Transportation division reports corn rates from Argentine to New York probably between 7 and 9 cents, or, say, 8 cents, per bushel.

One of the most vicious things that will flow from all this is stimulated overproduction. During the war we saw the wheat acreage increase from 55,000,000 to over 70,000,000 acres as a result of the Government's guaranty of \$2 per bushel for wheat. Yet I have shown that this proposal, if put in action at the present time and if the standard of prices measured by the Haugen bill or by any scheme for tariff plus transportation, the price will be nearly \$2.50 a bushel for our premium wheats. I have shown that the price of corn would be \$1.06 a bushel. Can anyone tell me that under these circumstances we would not have constant overproduction?

The moment that we increase the production we increase the volume to be exported. We export this on markets already saturated, we break the world price, and we lower domestic price in the United States, no matter what the differential we put on it.

It is said that the farmer will have a check on overproduction because he will have to pay an enlarged equalization fee. But under this plan this only works after the event. The whole implication of the penalty

to be imposed on the farmer by an enlarged equalization fee is that he must pay for his folly. But why lead him to commit folly in order that he may pay for it?

There is another fallacy in the idea that this equalization fee will ultimately curtail the farmers' operations and check overproduction. In the form of this bill put forward some years ago an attempt was made to levy the equalization charges upon the farmer direct. Elaborate provisions were made that if he sold any of his commodities he had to buy a check from the post office, etc., to show that he had paid his fee. It was quickly proved impracticable, because, for instance, the corn grower who sells his corn was asked to pay the equalization fee, whereas the corn grower who fed his corn to hogs was free from the payment of such a fee. It meant that 20 per cent of the corn which went into commercial transactions would have to pay the entire cost of dumping the whole surplus abroad, and if the commercial corn, usually estimated at 600,000,000 bushels, had to pay the dumping fee of 400,000,000 bushels surplus, it meant that the corn grower who did not directly feed his own hogs would be ruined. Altogether this plan of levying the fee on the farmer has been frankly abandoned in all later drafts of these bills.

It is now proposed to put it on a "processor," presumably upon the butcher, packer, flour miller, manufacturer of corn products, etc., and thus it becomes an excise tax on the manufactured product and at once becomes a charge on the consumer, but not on the producer.

Something could be said for the restraining effect of such an equalization tax if applied to the farmer direct, but an excise tax on the consumer will have no effect on the farmer.

I do not contend that consumers should not pay a right and proper price for farm products. I believe that they should, but if called upon to pay an excise tax for the purpose of assuring to the farmer a proper return on his farm it would be based on the cost of operating his farm and not upon the so-called world price plus tariff, plus freight rates, with all its speculative and vicious consequences.

There is still another phase of all this which has not been ventilated. Under this bill it is proposed to set up a farm board that shall declare fair prices at which contracts are to be made for purchase of agricultural products and it shall declare fair prices at which these shall be sold abroad and shall pay the loss on these dumping transactions outside the United States. This board is a Government agency and is sooner or later subject to political control. Its purpose is to fix prices on foodstuffs in the United States at higher levels than abroad.

It is my belief that every representative of the consuming and urban centers of the country would within 12 months establish his political platform on fair prices to the consumer. The consuming population in the United States is a vast majority as against the farmer. Sooner or later political power over these agencies will transfer itself to the consumer. Farmer's prices will be made not by his own agents as he proposes under these bills, but will be imposed upon him by the urban communities. The last thing the American farmer should want to do is to extinguish his individual independence in favor of political control of that phase of his business—that is most vital to him—the right to dispose of his product as he pleases.

Mr. President, I sum up my objections to this proposal briefly as follows:

There are methods by which genuine economic relief can be given to the farmer. In the past few Congresses 22 measures have been enacted looking toward farm relief. But this Dawes-McNary-Haugen plan will bring ruin instead. The theory is that the farmer shall pay an assessment which shall be devoted to bidding up domestic prices of corn, hogs, wheat, cattle, and cotton to some fixed level above world prices and dumping the "surplus" abroad at a loss.

All these commodities have a surplus over the domestic demand, the average annual exports amounting to about \$1,500,000,000. The idea is that the farmer will gain because the major part of his product is sold at home and a minor part abroad. Regardless of the pleasant-sounding theory it is disastrously unworkable for the following reasons:

First. Under the bills proposed the farmers are to select a board, which the President is compelled to accept, which will be endowed with \$200,000,000 or \$300,000,000 working capital by the Federal Government and totally unrestrained powers to contract with cooperatives—flour millers, meat packers, and exporters—to buy at prices which this Federal board, at its own discretion, is to determine and sell abroad at any loss they determine, the loss to be made good by a tax they alone assess. The place where this tax, or "equalization fee," comes from is uncertain. It purports to be levied on the farmer, but as it is to be collected from the "processor" it will probably be passed on to the consumer. Such unlimited powers have never been delegated in all history to any industry, and if constitutional is a precedent which will sooner or later be claimed by coal, steel, and a host of other industries. It is in my view entirely unconstitutional, and for this reason the whole scheme will prove only a political bilk of the farmers.

Second. It means a bureaucracy on unparalleled scale buying and selling commodities. Our exports of the products enumerated are \$1,500,000,000 per annum. It is proposed that the export of this surplus at a loss shall be contracted out by this Government agency



to thousands of millers, packers, and exporters who are to buy and sell the raw material or manufactured products abroad. Moreover, to bid up the hold-up prices on the domestic market some buying and selling must be done for domestic account because the products are seasonal and prices must be held up on domestic supplies pending exports. The total volume of buying and selling will far exceed \$1,500,000,000. It is the most gigantic entry of the Government into business ever contemplated in peace—or even in war. It will be accompanied by tyranny over the farmer, by fraud, politics, and corruption.

Third. This is price fixing, because this Government agency must determine what price it will uphold on the domestic market and what price it will sell at abroad. The law says it must buy and sell at a fair and reasonable price. This is price fixing itself.

Fourth. It is a complete guarantee of profits to every miller, packer, and dealer without any regulation or restraint, because any one of these packers, millers, or dealers who have a contract to export can fix any profits he likes on domestic dealings, and then heave any leftovers onto the Government loss account. Even without a contract every one of these agencies which has a surplus in hand can force the Government agencies to buy and export it. Otherwise, if he dumps in the domestic market he will break the domestic price.

Fifth. It will ruin American animal industry because it is proposed to sell feed abroad at less prices than at home. Any swine grower or dairyman in Canada or Denmark will be given corn and mill feed at less prices than the American swine grower and dairyman—the loss in selling to him to be paid by a tax on the American farmer or consumer. This means that the "equalization fee" on hogs will need be increased in order to make good larger and larger deficits.

Sixth. The trouble with the agricultural industry to-day is overproduction, and this scheme will only stimulate more production of wheat and cotton and corn, hogs and cattle to be dumped in increased quantities on foreign markets and thereby break the world prices to lower levels. It is said that this will necessitate an increase in the equalization tax on the farmer in order to pay the increasing losses up to a point where he will restrain his production. But what gain does he get by deliberately going into a scheme by which he is to be impoverished to a point where he will quit producing?

Seventh. The ultimate political power in the country rests in the consumer. There are six of him to every farmer of any one of these products. Do you think that the urban population will not join with the farmers who grow other commodities and ultimately do the price fixing? The farmer who puts the sale of his product in a political agency is committing suicide.

Eighth. This is a proposition to sell food at a much higher price level to our own people than to foreigners. Thus can they better compete with us in markets of the world for our manufacturers. With the drying up of our foreign markets for manufactured goods we shall be plunged into unemployment, into business depression, and a shrinking of our home market for the farmer. His losses on the home market will be greater than all the "equalization fee" on his exports.

Ninth. Our farmers do need help. They need real help, not rainbows. These measures are not supported by the strongest farm organization in our country, the Grange. It is not supported by the practical farmers, who are represented by the great cooperative marketing associations. It is political bunk. It is a "lift yourself by your boot strap" theory of economics. There are methods of relieving the farmer, but first we must get rid of rainbow chasing. There are practical means of aiding the farmer in the marketing of his products. Such a proposal is before Congress and should be acted upon.

#### COOPERATIVE MARKETING

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7893) to create a division of cooperative marketing in the Department of Agriculture; to provide for the acquisition and dissemination of information pertaining to cooperation; to promote the knowledge of cooperative principles and practices; to provide for calling advisers to counsel with the Secretary of Agriculture on cooperative activities; to authorize cooperative associations to acquire, interpret, and disseminate crop and market information, and for other purposes.

Mr. BORAH. Mr. President, may I ask what amendment is pending?

The VICE PRESIDENT. The amendment of the Senator from South Dakota [Mr. NORBECK] to the amendment of the Senator from Wisconsin [Mr. LENROOT].

Mr. BORAH. I understood that the amendment of the Senator from Wisconsin was pending.

The VICE PRESIDENT. An amendment to the amendment of the Senator from Wisconsin has been offered and is pending.

Mr. WATSON. May it be reported?

The VICE PRESIDENT. The clerk will read the amendment of the Senator from South Dakota to the amendment of the Senator from Wisconsin.

The LEGISLATIVE CLERK. To the amendment offered by the Senator from Wisconsin:

In lieu of the language contained in the said amendment insert the following:

#### "TITLE II

"SEC. 201. In order to return to the farmers of the United States the amount of profit realized by the United States in the operation of the United States Grain Corporation and in order to provide for each farmer, as nearly as possible, a price for wheat and corn which shall be equivalent to the world price for such commodities, plus the amount of tariff imposed upon such commodities, the Secretary of Commerce is authorized and directed to pay to each exporter, in accordance with the provisions of this title, a bounty upon wheat and corn exported from the United States to any place outside the United States at any time after 60 days after the passage of this act, if such wheat or corn was produced wholly within the United States during the crop year 1926 and has not previously been exported therefrom.

"SEC. 202. (a) The amount of such bounty for wheat shall be 42 cents per bushel of 60 pounds, and for corn shall be 15 cents per bushel of 56 pounds, unless the Secretary of Commerce after determining the exportable surplus of each such crop for the crop year 1926 finds that the amounts appropriated for this title for wheat or corn are insufficient to pay such bounties. In such event he is authorized to adjust the amount of bounty to be paid upon wheat or corn to an amount corresponding to the amount appropriated for such commodity.

"(b) The payment of such bounty shall be made in such manner and subject to such regulations as the Secretary of Commerce may provide for the efficient administration of the provisions of this title.

"(c) The Secretary may, if he deems it advisable in order to prevent undue speculation in wheat or corn, proclaim the amount of bounty to be paid upon wheat or corn at least 30 days prior to the date upon which payment of such bounty shall first be made.

"SEC. 203. As used in this title the term 'United States' means the several States and Territories, the District of Columbia, and the possessions of the United States, except the Philippine Islands, the Virgin Islands, and the islands of Guam and Tutuila.

"SEC. 204. Any person who willfully makes any false or fraudulent statement in order to obtain the benefits of this title shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not to exceed \$1,000, or by imprisonment not to exceed one year, or by both such fine and imprisonment.

"SEC. 205. The Secretary of Commerce is authorized to make such regulations as may be necessary to execute the functions vested in him under this title, and may appoint and fix the salaries of such officers and employees, and make such expenditures (including expenditures for rent and personal services at the seat of Government and elsewhere for law books, periodicals, books of reference, and printing and binding) as may be necessary for the execution of the functions vested in him under this title.

"SEC. 206. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$71,944,524.15, of which \$500,000, or so much thereof as may be necessary, shall be available for the expense of administration of this title. There shall be available for the payment of export bounties on wheat the sum of \$57,155,619.32, and for the payment of export bounties on corn the sum of \$14,288,904.83: *Provided*, If the Secretary of Commerce determines that the sum appropriated herein for export bounties on corn will not be required for such purpose, he may use the balance thereof in payment of export bounties on wheat.

"SEC. 207. This title may be cited as the 'Grain equalization act, 1926.'"

Mr. WILLIS. Mr. President, a parliamentary inquiry. As I understand the situation, the Senator from South Dakota proposes to strike out and insert this language in place of the amendment offered by the Senator from Wisconsin. My inquiry is, would not an amendment intended to perfect the text of the amendment offered by the Senator from Wisconsin now be in order in preference to the substitute?

The VICE PRESIDENT. It would be in order.

Mr. WILLIS. I offer the following amendment to the amendment offered by the Senator from Wisconsin.

The VICE PRESIDENT. The amendment submitted by the Senator from Ohio to the amendment of the Senator from Wisconsin will be stated.

The LEGISLATIVE CLERK. To the amendment offered by the Senator from Wisconsin:

Strike out lines 2 to 6, inclusive, on page 7 and insert:

"SEC. 14. The financial transactions of the board, including the payment of the losses and profits under agreements entered into pursuant to this act, salaries and expenses of experts, and refunds on exportations, shall be audited by the General Accounting Office at such times and in accordance with such regulations as the Comptroller General of the United States may prescribe. The report of such audit or audits shall be included in the annual report to Congress."



Mr. WILLIS. Mr. President, I think I can explain the amendment in a moment so that it will be generally understood. It is the same amendment which was adopted to the McNary amendment so called. In other words, two or three days ago, when that question was before the Senate, the Senate decided that the audit ought to be had by the General Accounting Office rather than by independent officers who would be hired by the board.

That amendment was added to the amendment which was offered by the Senator from Oregon. That amendment in turn has been defeated, and I am now offering exactly the same amendment to which the Senate has already agreed to the amendment offered by the Senator from Wisconsin.

Mr. KING. Mr. President, will the Senator from Ohio yield to me?

Mr. WILLIS. I yield to the Senator from Utah.

Mr. KING. As I heard the amendment read, it seemed to deal with a matter which pertains to the so-called McNary amendment; that is, profits to be realized in the various transactions that were to be carried on. In view of the defeat of the McNary amendment, and there being no profit to be derived under the pending proposal, the amendment of the Senator from Ohio would seem to need to be changed.

Mr. WILLIS. If that be the case, I am perfectly willing to strike that out. I had not had an opportunity to go through the amendment offered by the Senator from Wisconsin. What I am trying to do is to provide a system of audits by the General Accounting Office.

Mr. KING. I am in accord with the purpose which the Senator has in view.

Mr. LENROOT. Mr. President, will the Senator from Ohio yield to me?

Mr. WILLIS. I yield to the Senator from Wisconsin.

Mr. LENROOT. Will the Senator be willing to modify his amendment so that it will read:

The financial transactions of the board shall be audited by the General Accounting Office—

And so forth?

Mr. NORRIS. Mr. President, I think the Senator from Wisconsin and the Senator from Ohio ought to carry on their conversation where the Senate can hear what they say.

Mr. WILLIS. I think that is correct; but the Senator from Wisconsin is doing the talking.

Mr. NORRIS. The Senators in this part of the Chamber were unable to decide which Senator was doing the talking.

Mr. LENROOT. Mr. President, as the Senator from Utah [Mr. King] indicates, the amendment as now framed is based really upon the amendment that was defeated. I now ask the Senator from Ohio whether he would not be willing to modify his amendment so that it will read:

The financial transactions of the board shall be audited by the General Accounting Office—

And so forth?

Mr. WILLIS. Precisely. I accept the suggestion and shall so modify the amendment accordingly. That accomplishes exactly what I desire.

The VICE PRESIDENT. The question is on the amendment as modified to the amendment of the Senator from Wisconsin.

#### ROUNDUP COLLEGE OF PRICE FORECASTING

Mr. CARAWAY. Mr. President, since it has been determined that all the wisdom with reference to farm legislation resides in those who know least about the problem; that all patriotism rests in those who are least willing to accord other people their rights and who hold it is unthinkable wrong to violate the Constitution unless one does it in the interest of getting drunk, and that in that case it is entirely proper I want to introduce a resolution dealing not with that subject but with another.

There is to be an attempt now to sell the farmer a gold brick. He has bought a good many in his lifetime—a good many more than he is going to buy in the future. It is now desired to give the Secretary of Agriculture the power in some way or other to help the farmer find out how he can get more hopelessly in debt, and therefore be compelled to feed at correspondingly less return the people who do not work. There is a paper published in Chicago which is called the Roundup. The man who is its editor is named Pickell. He at one time was associated with a man by the name of Rosenbaum, or some other kind of a "baum," who wanted to deal with the farmers in elevator stock. This man is engaged in teaching a school. It is called "The School of Scientific Price Forecasting." Its purpose is to instruct those who are willing to pay him a certain fee how they can go into the "futures market" and

beat the game of speculating in grain. He held one of his schools in June, this month, from the 9th, I believe, to the 13th. This rather interesting news item appeared in the Chicago Tribune of the 29th day of May. It is headlined—

Jardine will talk.

Well, that is not news to people who know Jardine. But here is the item:

William M. Jardine, the Secretary of Agriculture, has accepted an appointment as a faculty member of the Roundup School of Scientific Price Forecasting, which is to open a four-day session behind closed doors at the Congress Hotel, June 9. The Secretary will be here to conduct his class work on June 11.

He is one of the 20 who are to teach scientific forecasting of grain markets to the 500 grain dealers, millers, bakers, doctors, lawyers, and men of other occupations who have paid in advance \$50 apiece for the privilege of attending the four-day school. The students are coming from 44 States.

The first one of these schools was so successful that there is to be another. I wish to read what the other school is going to do. It is the College of Scientific Price Forecasting, and is to be held at Chicago in October and November of this year. I have not time to read it all, but it tells what was done in the June school, in which Mr. Jardine was to be one who was to teach how to beat the "rules" of the grain exchanges which he makes. The article to which I have referred is:

The next college course will major in speculation.

Instead of starting in with the theory and working back to practice with the result that the students get little or no practice during the term, we will start with trading at once and then we will work back to the reasons why the trades were made.

No student will be accepted in this college who has not at least \$1,000 to be used for speculative purposes. No pooling trades or joint trades of any kind will be made, but the student on the basis of the analysis of the market will make his commitments and then we will study the reasons why they were made.

We will work from practice to theory.

I will personally direct the study of all speculative operations.

Those who contemplate taking the fall course must subscribe at once to the Pickell extension course of market analysis. They will be credited with the cost of the course on their tuition fee of \$750. I want you to know just as much as possible about priceology so that you will know something about what is to be done before you start on the two months' course.

This is positively the last college I personally propose to direct.

You will understand at once that I am putting my work and myself to the acid test. When I tell you that you are going to speculate from the outset it is perfectly obvious that if 51 per cent are not successful I am a failure as a practical teacher of priceology. No school in the world takes such a risk as that. Therefore I shall pick my men for this school. I want quality men with ability. I prefer the older men. I am not anxious for young sons and will not accept them unless their fitness for speculation can be demonstrated.

The average man is a fool to speculate.

J. RALPH PICKELL, Director.

Such is the man to whom Senators who favor the substitute want to turn the farmer. The Secretary, who fixes the rules and regulations for the grain markets of America, behind closed doors is to teach men how they can beat those rules. He wants it understood that boys are not desired. He is going to teach the pupils how they can succeed as gamblers. And to inspire confidence that the pupils of the school will get their money's worth the statement is made that our school has the indorsement of the Secretary of Agriculture, who himself is to be one of our instructors. Who of the constitutional lawyers of the Senate—and all of them are, I admit—would believe that a judge who charged \$50 or \$100 or \$750 to take a lawyer into his chambers and to tell him how to win a lawsuit before him was possessed of a character to be emulated? Yet here is the Secretary of Agriculture lending his name to and who has agreed for a consideration—I do not know what it is—to be one of the faculty of a school which is to teach pupils how to beat the market, the rules of which the Secretary of Agriculture prescribes.

Now, Mr. President, I wish to submit a resolution and to secure immediate consideration of it, if I may.

Mr. HEFLIN. Mr. President, I inquire of the Senator from Arkansas how much is charged for that course?

Mr. CARAWAY. The first course was \$50 a pupil, and they had 548 pupils. They agreed to take 500, but evidently the advertising brought in the extra 48. The next school is limited to a thousand, and nobody is to be received unless he has a thousand dollars, because he is to speculate.

Mr. CURTIS. Mr. President—

Mr. CARAWAY. I yield to the Senator from Kansas.

Mr. CURTIS. I will ask the Senator if he has any evidence, other than the statement from which he has read, that Secretary Jardine was there.

Mr. CARAWAY. This notice was published on the 29th day of last May. The Secretary had to stay in Washington to help beat the farmers' bill, but he sent Doctor Duvel, who is in charge of the division of the Agricultural Department having to do with grain, to appear in his stead. Doctor Duvel was there and did make a speech.

Mr. CURTIS. Does the Senator know that he was there?

Mr. CARAWAY. I was not there myself, but I do know this publication said he was there. It is stated the Secretary could not go, but he sent Doctor Duvel, and Doctor Duvel did take part.

Mr. CURTIS. I am not questioning the Senator's statement, but I should like to get the facts.

Mr. CARAWAY. I understand that. I propose to ask the Secretary of Agriculture to give us such information as he may want to impart, and whether he thinks it is appropriate for him, as he is charged with making the rules, to pretend to teach somebody else how to win under those rules. I should like to know how much he received for this work, and to have whatever statement he may care to make with reference to it. I have taken some pains to verify the statement as to whether he was there or not. It was in the headlines of the Chicago Tribune that he was to come. I have information that at the last minute he could not come, but sent Doctor Duvel in his stead, who, it is said, knows as much about how to beat the grain exchange as Mr. Jardine himself knows. I wish to have the resolution read, and I ask for its immediate consideration.

The VICE PRESIDENT. The Secretary will read.

The Chief Clerk read the resolution (S. Res. 260), as follows:

Whereas the following item appeared in the Chicago Tribune of May 29, 1926:

"William M. Jardine, Secretary of Agriculture, has accepted an appointment as a faculty member of the Roundup College of Scientific Price Forecasting, which is to open a four-day session behind closed doors at the Congress Hotel June 9. The Secretary will be here to conduct his class work on June 11.

"He is 1 of the 20 who are to teach scientific broadcasting of grain markets to the 500 grain dealers, millers, bakers, doctors, lawyers, and men of other occupations, who have paid in advance \$50 apiece for the privilege of attending the four-day school. The students are coming from 44 States"; and

Whereas the Secretary of Agriculture is by law charged with the duty of promulgating rules and regulations for the conduct of the grain exchanges; and

Whereas it is charged and believed that the rules and regulations governing the price of grain may be manipulated: Now, therefore, be it

*Resolved*, That the Secretary of Agriculture be, and he is hereby, requested to submit to the Senate—

First. When and for what length of time he has been connected with the said College of Scientific Price Forecasting.

Second. Is it possible for the Secretary of Agriculture to scientifically or otherwise forecast the future markets of grain on the exchanges.

Third. What information has the Secretary of Agriculture which will enable him to determine and forecast the prices of grain.

Fourth. Whether this information which he imparts secretly came to him by reason of his official connection as Secretary of Agriculture with the grain exchanges.

Fifth. Whether this information thus imparted is detrimental to the public good.

Sixth. What compensation he received for the services.

Mr. CARAWAY. Mr. President, in conclusion let me say that I have tried to tell the Senate all I know about this matter. I found the item in the Chicago Tribune. I ascertained from people in Chicago that the Secretary said at the last moment that he could not come, but Doctor Duvel did go. I have read the kind of school the man says he has conducted and expects to conduct. There are a lot of other interesting items here. He offers to take in all of you gentlemen who can pass his mental test. He says he wants somebody who has some skill at forecasting. He will give you six months' information on how to beat the grain market at \$10 a month. After you have had some months of it, if you do not like it you can get the rest of your money back. He seems to have lived by his wits, if that be wits, for quite a while.

I took some occasion to try to find out whether he was a man pretty well known. I take it for granted that the Chicago Tribune would not have published this notice without some in-

formation that led the Tribune to believe that the notice that the Secretary was to be one of the instructors was true. I have, then, in the paper the statement that the Secretary did not come but sent Doctor Duvel. Doctor Duvel is in charge of the grain marketing division, as Senators know, under the bill to regulate the grain exchanges.

Mr. SIMMONS. Subordinate to the Secretary?

Mr. CARAWAY. Oh, yes; his expert.

Since some of you want to let the Secretary of Agriculture take entire charge of the farmer, I should like you to know what the Secretary's apparent connection is. All of us who know anything at all about it know that the stock markets are one of the instrumentalities for making the farmer a pauper. All of us who have thought much about it have decided that it could be manipulated; and Mr. Gates, who was at one time president of the Chicago Board of Trade—I believe that is what they call the stock market there—and a man of considerable ability, in his testimony before the committee said that under the old rules the market could be manipulated. I asked him if it could be manipulated under the new rules, and he said: "That is what we are trying to find out." I asked him if he liked the new law and he said no; he preferred the old law. I inferred from that that he preferred a market that he knew he could manipulate, though when I said that my good friend the Senator from Louisiana put in the Record a letter from Mr. Gates saying that I misrepresented him; but I quoted his testimony literally. I want now to get this information from the Secretary of Agriculture.

Mr. CURTIS. Mr. President, I think the Senate is entitled to the information, and so far as I am concerned I have no objection to the passage of the resolution.

Mr. CARAWAY. I thank the Senator.

Mr. CURTIS. The preamble should be stricken out.

Mr. CARAWAY. Very well.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to, as follows:

*Resolved*, That the Secretary of Agriculture be, and he is hereby, requested to submit to the Senate:

First. When and for what length of time he has been connected with the Roundup College of Scientific Price Forecasting?

Second. Is it possible for the Secretary of Agriculture to scientifically or otherwise forecast the future markets of grain on the exchanges?

Third. What information has the Secretary of Agriculture which will enable him to determine and forecast the prices of grain?

Fourth. Whether this information which he imparts secretly came to him by reason of his official connection as Secretary of Agriculture with the grain exchanges?

Fifth. Whether this information thus imparted is detrimental to the public good?

Sixth. What compensation he received for the services?

The preamble was stricken out.

#### COOPERATIVE MARKETING

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7893) to create a division of cooperative marketing in the Department of Agriculture; to provide for the acquisition and dissemination of information pertaining to cooperation; to promote the knowledge of cooperative principles and practices; to provide for calling advisers to counsel with the Secretary of Agriculture on cooperative activities; to authorize cooperative associations to acquire, interpret, and disseminate crop and market information, and for other purposes.

Mr. WATSON. Mr. President, what is the question before the Senate?

The VICE PRESIDENT. The question is on the amendment of the Senator from Ohio [Mr. WILLIS] to the amendment of the Senator from Wisconsin [Mr. LENROOT].

Mr. WILLIS. Let it be stated in the modified form.

The VICE PRESIDENT. The Secretary will state the amendment to the amendment, as modified.

The CHIEF CLERK. The Senator from Ohio proposes to strike out the following lines on page 7:

The books and accounts of the board shall be audited at least once every year at such times and by such auditors as the board may direct. The report of such auditors shall be included in the annual report to Congress.

And insert the following:

The financial transactions of the board shall be audited by the General Accounting Office at such times and in accordance with such regulations as the Comptroller General of the United States may prescribe. The report of such audit or audits shall be included in the annual report to Congress.



Mr. WILLIS. I understand that that is agreeable to the Senator from Wisconsin.

Mr. LENROOT. Mr. President, before that amendment is agreed to, in view of the limitation of debate I wish to use this opportunity, while the amendment is pending, to discuss a little further the provisions of the amendment I have proposed.

Mr. BORAH. Mr. President, may I suggest to the Senator, if he is using his time to discuss the substitute, what is the necessity, in view of the simplification of the measure, for having a board of 12 men? I think it destroys efficiency; it destroys responsibility. A board of 12 men to administer a law like this, in my opinion, makes it impossible of administration as it ought to be administered if it is to be administered at all.

Mr. LENROOT. Mr. President, I am very glad to reply to that suggestion. The board of 12 men is the same as was provided in the amendment that has been defeated. The reason for it is that all sections of the country will be represented by this larger board; and I am very hopeful that with this board devoting their entire time to the agricultural problem they may work out some solution of the problem in so far as it can be worked out by legislation. I think a representative body of men such as is here proposed is much more likely to come to a conclusion that will be acceptable hereafter to Congress than a smaller board. That is my reason for urging a board of this size.

Mr. FESS. Mr. President, will the Senator yield for another question?

Mr. LENROOT. Just for a question.

Mr. FESS. In section 8 there is contained a declaration of policy, and then in section 17 the appropriation is made in order to carry out the purposes expressed in section 8.

Mr. LENROOT. Yes.

Mr. FESS. Is not that a direct participation of the Government in this business of buying and selling, the Government doing it?

Mr. LENROOT. Not necessarily; not at all; but I will say to the Senator that an amendment will be proposed, and that I shall not object to it, that would strike out section 8, and more particularly define what the board may do.

Mr. FESS. I would say to the Senator that I could not support the amendment if that section is in it.

Mr. LENROOT. Mr. President, I want to say at this point that I shall welcome any amendment that will help to accomplish what I, at least, have in mind in this amendment; and I want to repeat that the other amendments look only to the loaning of money, every one of them. I want a broader power than that in the board. I want the board to have power to use this money, if necessary, for the purpose of furnishing going capital to a cooperative marketing association for the purpose of enabling this cooperative organization to buy and market in an orderly way.

Mention was made of cotton the other day merely as an illustration. Wheat is another; corn is another; but if there is a liability in every case upon the part of that organization to return the money to the Government it would prevent many existing organizations from receiving any benefit, for the reason that they may have assets, and they would be unwilling to try this thing with their assets liable for it; but so far as doing the particular thing is concerned, if the board believe it is sound they would have the right to advance the money as working capital or subscribe to the stock of a corporation, if one was formed, without the necessity of a liability upon the part of the organization to return the money.

This is not proposed, as Senators well understand, as any permanent solution of the agricultural problem—not at all. It is intended for the purpose of trying out in an actual demonstration some things that the board may conclude are sound and will stand the test of economics; and then, if they be sound, Congress can later enact laws for the purpose of making them a permanent policy.

Now, the question is, Mr. President, Shall the farm organizations of this country be compelled to stand all the hazards of an experiment when they have little or no capital, when they can borrow money only upon security, warehouse receipts, or otherwise; or shall the Government assist in trying to find a solution, and demonstrate the soundness or the unsoundness in an experimental way of some of these plans?

Mr. President, I think the Government can well afford to hazard \$100,000,000, if need be, for the purpose of finding some sound solution of the agricultural problem. I again say that any amendment that may be proposed to this substitute will be acceptable to me, provided it does one thing—leaves a larger discretion in this board than merely the loaning of money.

Mr. HEFLIN. Mr. President, before the Senator takes his seat, I would like to ask him this: Could not the Senator put an amendment upon his substitute that would allow societies of farmers, hay producers, or cotton-growers associations, or any other associations of farmers, other than the cooperative-marketing associations, to have the benefit of this legislation? I think the cooperative-marketing plan is the correct one, and I think that ultimately most of the farmers will be in it, but a great many are not in it now. Not over 10 per cent of the farmers in the South are in it now, and until they do see the wisdom and importance of coming into it, suppose they organize themselves into a cotton-growers' association or a hay-growers' association, or a farmers' union. Could such an association apply to this board and get money under this measure?

Mr. LENROOT. There is no limitation that would prevent them from doing so.

Mr. HEFLIN. If it is made clear that they could do that, I think that would help the measure.

Mr. WALSH. Mr. President, there are two matters I want to ask the Senator about. He suggested that under this substitute the Government could subscribe for the stock of one of these corporations.

Mr. LENROOT. I think the board could.

Mr. WALSH. Under what provision of the bill?

Mr. LENROOT. Under the general power of aiding agriculture, under section 8 as it stands, and under subdivision (g) of section 11.

Mr. WALSH. Under subdivision (g) of section 11? That is, it may take any and all steps and exercise any and all powers necessary to carry out the policy?

Mr. LENROOT. Yes.

Mr. WALSH. If that is the case, what is the use of subdivision 5 of section 12?

Mr. LENROOT. Only one. I do not believe that without express authority the board in making loans or advances would feel warranted in making loans for so long a period as 33 years. There is no other purpose.

Mr. WALSH. Another question. Is it the Senator's understanding that under subdivision 5 of section 12 the association, as such, to whom the advances are made, would not be answerable?

Mr. LENROOT. They would be if a loan were made under that particular provision, yes; if it were made in the way of a loan.

Mr. WALSH. That is what it contemplates?

Mr. LENROOT. That is one way; but that is only one way in which the board could act.

Mr. WALSH. That is what I mean, if they made a loan under the provisions of subdivision 5.

Mr. LENROOT. If they made a loan under the provisions of subdivision 5, then the association itself, but not the members of the association, would be liable.

Mr. WALSH. Of course, all these associations that are engaged in marketing must have some capital, and their capital would be risked.

Mr. LENROOT. They may have nominal capital, but many of them have, for practical purposes, no capital except what they can borrow.

Mr. WALSH. I do not know how a cooperative marketing association can do business without capital.

Mr. LENROOT. They do, as a matter of fact, upon either the credit of the members or credit obtained from the banks. The members put in their products, and in that way they furnish capital.

Mr. WALSH. A law was enacted some time ago authorizing cooperative associations to operate with capital, because it was represented at that time, as it seems to me must be assumed without any particular information about it, that they can not operate without capital.

Mr. LENROOT. They have no means in certain parts of the West of getting any capital, and this will furnish it; and that is one purpose of the measure.

Mr. WALSH. The point I am making is that under the bill offered by the Senator, any one of these associations to whom these advances are made practically pledges its own capital; that is, it assumes all the risk of the venture.

Mr. LENROOT. They do, if it is made in the way of a loan, but not otherwise.

Mr. WALSH. But if they make a loan the association becomes answerable for that loan.

Mr. LENROOT. That is true; but it is not limited, and that is the difference between this and all other bills. The power of the board is not limited to the making of loans. The board itself may take the hazard of the operation, instead of the

cooperative or farm association. That is the distinction between this and these other bills.

Mr. WALSH. Let me ask the Senator this question: Could the board make a loan—that is to say, make an advance—to the association or corporation without taking the obligation of the association?

Mr. LENROOT. Not a loan, because it would not be a loan if there were not an obligation, of course. The Senator knows that; that is so plain.

Mr. WALSH. I want to know just exactly what they can do and what the responsibility will be.

Mr. LENROOT. They could say to a cooperative association, "We will furnish the capital. It will not be considered a loan. There will be no liability, but we will furnish the capital and stand the hazard of loss in the operation."

Mr. REED of Missouri. And turn it over to somebody who is not a Government official in any way?

Mr. LENROOT. They could.

Mr. REED of Missouri. Mr. President—

Mr. LENROOT. My time is running.

Mr. REED of Missouri. I do not want to speak on the bill—

Mr. LENROOT. I want to repeat, I would not propose this, of course, as a permanent piece of legislation, but I do propose it as an experimental thing, in order to assist in finding some solution of the agricultural problem.

Mr. REED of Missouri. Mr. President—

Mr. NORRIS. Mr. President, if the Senator is through—

Mr. LENROOT. I am not through. Does the Senator from Missouri wish to ask a question?

Mr. REED of Missouri. I wanted to make a suggestion. We entered into a unanimous-consent agreement limiting debate to 30 minutes upon a bill that was pending. There is now brought in an amendment which is in substance and effect a new bill. It can not be discussed properly under that rule. I make the suggestion that by unanimous consent we set aside the limitation on debate on this bill, so that if we are to have entirely new measures presented we will have opportunity to discuss them.

Mr. LENROOT. This amendment has been pending since June 9.

Mr. REED of Missouri. It may have been, but it is the first time most of us have heard of it.

Mr. LENROOT. I discussed it on June 11.

Mr. REED of Missouri. The Senator himself has not time to discuss it. His time has practically expired, and he has not begun to present his case. If we are going to have entirely new propositions brought in, propositions that are radically different from the original bill, and not merely in perfection of it, changing the whole scheme of the bill, we ought to have the privilege of discussing them. I do not say that for delay.

Mr. LENROOT. My time is running.

Mr. REED of Missouri. I ask that this be considered as out of anybody's time. We are not taking it out of the Senator's time. It is a suggestion for the purpose of getting in shape to go on with this business. Least of all persons in this room do I want to delay proper discussion of and proper action upon this bill.

Mr. DILL. Does not the Senator think half an hour is long enough?

Mr. REED of Missouri. No. The Senator from Wisconsin has practically exhausted his half hour, and has not had time to discuss his bill at all.

Mr. DILL. I think he has discussed it considerably.

Mr. REED of Missouri. I suggest that we raise the limit to at least an hour by unanimous consent.

Mr. BRUCE. Mr. President, I regret very much to have to take such a position, but I can not enter into that unanimous-consent agreement.

The VICE PRESIDENT. Objection is made.

Mr. LENROOT. Mr. President, I only want to again call attention to what western Senators fully realize, the acuteness of the agricultural problem, the necessity of finding some remedy for it, if one can be found, and to urge, in view of the action that has been taken—and I think the action was correct so far as the proposition was concerned—that we ought not to be unwilling to spend some money out of the Treasury of the United States to find a solution, and we should not be unwilling to indulge in some experiments, if necessary, at the expense of the people as a whole, for the purpose of finding a solution.

Mr. McNARY. Mr. President—

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Oregon?

Mr. LENROOT. I yield.

Mr. McNARY. That raises with me a very curious and novel inquiry. The Senator would clothe this board with authority to make experiments—

Mr. LENROOT. Not in the way of levying any taxes.

Mr. McNARY. To determine various devices which might be favorable and profitable to the farmer. How would you operate in that way?

Mr. LENROOT. I suggested one way, and I can suggest another. I can suggest that assistance can be given for the purpose of purchasing a crop, not upon the basis suggested by the Senator's committee amendment, but upon the basis of market price. Something could be done to narrow the spread between what the producer receives and what the consumer pays, so that the farmer might get some of the benefit of that spread, instead of it all going to the middlemen. That is one thing that could be done.

Mr. McNARY. All right. Let us illustrate. The Senator comes from a great dairy country. This corporation would be given power and he would advise them to take up all the cheese, so-called Wisconsin Swiss cheese, the product of 1927, and peddle it out to consumers, in order to save the cost of distribution in the normal channels.

Mr. LENROOT. To save that, and the storage.

Mr. McNARY. Then the Senator would put the Government into the business of buying and handling, and selling direct to the consumer the products of agriculture.

Mr. LENROOT. No. The Senator can not scare me that way, because I think it was the Senator himself who pointed out that the bill he favored did very much that very thing in relation to cotton. I think it was the Senator himself—and I will verify it by the RECORD—who made the suggestion that the Government could do that.

Mr. McNARY. I said that without the equalization fee this board was empowered to loan upon substantial security.

Mr. LENROOT. No; I think the Senator also said "purchase."

Mr. McNARY. Look up the RECORD.

Mr. LENROOT. Very well. I can not quite understand the attitude of some Senators who are opposed to any legislation that provides for only loans, and who say they will do no farmer any good, and at the same time they object to any money being taken out of the Treasury to be used by a board for the purpose of aiding agriculture. I am utterly unable to understand the theory or the reason of gentlemen who take that position, especially when it is understood that this amendment does not propose to constitute permanent legislation, but that this is an endeavor to find some solution of the agricultural problem and to show a willingness to use some of the money of the people of the United States in ascertaining that solution.

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

Mr. LENROOT. I yield.

Mr. SIMMONS. I simply wanted to ask the Senator if he thought this proposition involved in any way a subsidy or bounty.

Mr. LENROOT. So far as power is concerned, it might for this year.

Mr. SIMMONS. If it does, the Senator will have to argue with quite a number of Senators on this side of the Chamber who insisted that the proposition offered by the Senator from Oregon involved a bounty and therefore they could not vote for it. I thought I saw in the proposition of the Senator the same evidences of a bounty that were pointed out in reference to the McNary bill.

Mr. LENROOT. Mr. President, in the present condition of agriculture, and for this year, when all crops have been planted, and where there can be no possibility of a surplus growing out of any action that might be taken, I am not so much worried about that. I have at no time during the debate taken the position that we did not have the constitutional authority to do these things. It is one thing to use money taken from one private individual for the purpose of paying it to another private individual, as was proposed in the committee amendment that was voted down. It is another thing, if there is a public purpose or if there is a moral obligation upon the part of the United States, to say that all the taxpayers of the United States shall contribute in paying for that public purpose or fulfilling that moral obligation, and I think the Senator from North Carolina appreciates the distinction.

Mr. SIMMONS. The argument as to subsidy was aimed not at wheat and the other products that were on the equalization-fee basis, but it was aimed at cotton, which for three years was to be upon the revolving-fund basis.

Mr. LENROOT. I am very glad the Senator did, but the vice of that proposition was that he proposed a subsidy to cotton and not to any other agricultural product.



Mr. SIMMONS. Then the Senator thinks if the subsidy goes all around it is all right?

Mr. LENROOT. If we are going to have it, one form of agriculture is as much entitled to it under every consideration as every other form of agriculture. However, so far as this is concerned, I have no idea that there will be either a subsidy or a bounty, but I do believe that it would afford a very much better opportunity for cooperative associations to make progress in putting their business upon a better basis to allow the Government to stand some of the expense in doing it.

The PRESIDING OFFICER (Mr. SHORTRIDGE in the chair). The time of the Senator from Wisconsin has expired.

Mr. ASHURST. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ASHURST. How much time has each Senator on the amendment proposed to the bill?

The PRESIDING OFFICER. The Chair is advised that each Senator will have 15 minutes.

Mr. ASHURST. I serve notice that hereafter I shall object to any Senator under any circumstances having his time extended. We lost the fight yesterday.

Mr. SIMMONS. Mr. President, I ask the Senator from Arizona if he will not modify that statement of his a little bit.

Mr. BRUCE. Mr. President—

Mr. SIMMONS. It seems to me—if the Senator from Maryland will permit me just a moment—

Mr. BRUCE. I think I will save the time of the Senator from North Carolina by saying that if the Senator from Arizona withdraws his objection I shall reaffirm it.

Mr. SIMMONS. Very well. I was simply going to say that while I thought it was right to hold Senators to the 15-minute rule, I do think the mover of an amendment ought to be given 30 minutes or he ought to have an opportunity to explain his amendment.

Mr. ASHURST. Whether he be the mover or not the mover, I shall strenuously object to any Senator being given more than 15 minutes.

Mr. NORRIS. Mr. President, I am speaking upon the motion of the Senator from Ohio [Mr. WILLIS] to amend the substitute of the Senator from Wisconsin [Mr. LENROOT].

Mr. LENROOT. Mr. President, I want to say to the Senator from Arizona that no one has violated the rule thus far.

Mr. NORRIS. I do not know of anyone who has done so.

Mr. ASHURST. I made no intimation that anyone had violated the rule. I was speaking prospectively, not in regard to anything which has occurred.

Mr. NORRIS. Mr. President, if the rule provides that Senators shall speak only once on an amendment, one or two Senators have already spoken twice on this one. I would like to have my time commence some time, but when it does commence I want to control it. I do not care whether it is now or later, but I am going to speak before the amendment is voted on.

The PRESIDING OFFICER. Is the Senator from Nebraska ready to proceed?

Mr. NORRIS. I am ready and have been ready for some time.

The PRESIDING OFFICER. The Chair recognizes the Senator from Nebraska.

Mr. NORRIS. Mr. President, the Senator from Wisconsin [Mr. LENROOT], who offers this substitute, has had something to say this morning about the inconsistency of Senators who are objecting to loans or who are favorable to loans and object to other systems of regulation. He has called attention to the fact that one of the dangers here is the middleman. I remember that every bill which the Senate Committee on Agriculture and Forestry has brought in for the relief of agriculture has met with bitter opposition on the part of the Senator from Wisconsin. The first one we brought in, which was confined practically to the elimination of the middleman and was designed to bring together or more closely together the producer and the consumer and make the profits of the producer greater and the cost of the consumer less, met with a substitute which did not propose anything in the world but to loan some more money to the farmer out of the Federal Treasury, and it received the most ardent support of the Senator from Wisconsin.

The Senator from Wisconsin now comes with a substitute which provides in section 8, that being the first section of the substitute, as follows:

SEC. 8. It is hereby declared to be the policy of the United States to enable producers of agricultural commodities to control a supply of such commodities sufficient to stabilize their markets against undue and excessive fluctuations; to minimize speculation and waste in marketing; to encourage the organization of producers of agricultural commodities into cooperative associations; to protect domestic markets

against world prices; and to provide for the control and disposition of the surpluses of agricultural commodities, for the purpose of promoting the orderly marketing of agricultural commodities in interstate and foreign commerce.

That is section 8 of the Senator's contemplated substitute, and it is the backbone. It is the only thing, as I read the substitute, that is not already provided for in the bill to which it seeks to become an amendment—already there or, if not there, already within the power of the Department of Agriculture. Then the Senator makes provision for the authorization of an appropriation of \$150,000,000 to carry out the thing I have just read and appoints a board to do it. In substance, it really says: "Be it enacted by the Congress of the United States, That it is our desire that the farmers of America shall be prosperous, and we hereby appropriate \$150,000,000 to make them prosperous, and we hereby appoint a lot of office seekers to spend the money in doing it." That is about all there is to the substitute. The Senator from Wisconsin ought to have offered the amendment to the migratory bird bill because, if it does anything, it simply provides for a safe haven of rest for a lot of lame ducks who will probably be looking for a place to light soon after the next general election. [Laughter.] The balance of the substitute contains in many instances language which is practically the same as the language of the bill, and in no case does it provide for anything new.

Mr. President, giving to every man credit for the very best of intentions, it seems to me that we must reach the conclusion that if we think we can relieve the distress of agriculture we must meet the things that make agriculture disastrous. We can not do it by glittering generalities. We can not put upon the statute books a statute which says that "Hereafter the farmers shall all be millionaires." It would not make them millionaires. It can not do anything of that sort.

We can not even fool the farmers, because every time so far since the war that a proposition has come forward in the Senate which does nothing to meet the contingency or does nothing to meet some of the difficulties, or try to meet the difficulties, we have been met with a substitute which would loan some money to the farmers. This substitute does not even do that. It does not give the money to the farmer. It gives it to a lot of officeholders, who are going to proceed to make more investigations and study the subject. It does not propose to meet a single contingency that confronts agriculture to-day, not a single one.

I am not criticizing the Senator from Wisconsin or the men who say these are contingencies which can not be met by law. I am conceding that he is perfectly honest and sincere in his contention. But I do contend that it is hypocrisy to the farmers of the country, although it is perfectly unconscious, I concede, to say to the farmer by a glittering general statement to be put on the statute books, "We are going to make you happy by appropriating a lot of money to appoint a lot of officeholders to study the farm question and then tell you all about it." The Agricultural Department has been doing that for years.

The administration bill, for which this particular substitute is an amendment, does that very thing and practically nothing else. I am not even belittling that. I concede that agriculture ought to be studied, but I am not willing to provide in one part of the bill for a lot of machinery to study the agricultural situation, although it has been studied and restudied and examined and reexamined until the time for study and speculation and experimentation has passed. Yet if there is anybody who thinks we can get something further by study I am willing that they should go on and study, but I am not willing in one part of the bill to provide for such study and for such examination and then in another part of the bill add another substitute like this one and provide that another set of men, at some more large salaries, with \$150,000,000 more upon it, to do the same thing over and over again. We started out in the beginning by appointing a joint commission to study agriculture.

The Senator from Wisconsin was a member of it. It held extended hearings. I favored it. I am not complaining but what they did conscientious work, but nothing came of it as I understand it. Then President Harding had a commission. Then President Coolidge had a commission. He promised during the campaign that if elected he would appoint a commission, and he did it. I have called attention here to some of the secret correspondence, one letter from a member of his commission in which he said he could not afford to do anything while he was on that commission except what President Coolidge wanted him to do. Now we propose in this substitute to authorize the President to appoint another select commission.

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



Mr. NORRIS. I will yield in a moment. He is going to select them, and if the commission he first appointed in redemption of his campaign pledge were so hidebound that none of them would dare say his soul was his own, but that he had to do just what the President wanted, what better may we expect of the commission which would be appointed without any limitation by the same authority?

I yield now to the Senator from Arkansas.

Mr. CARAWAY. I was merely going to suggest that the commission acted just like some Members of the Senate.

Mr. NORRIS. I want to repeat that honest men, students of the subject, are disagreed. First they will disagree as to whether there is a remedy, and then, if they agree there is a remedy, they will disagree as to what it shall be. I concede that, but there is no use, even though that be true, to duplicate machinery at large expense, to appoint a commission which would be under the control and subjection of the President of the United States and do what he wants them to do. There is no use in doing the same thing twice in different parts of the same bill. There is no use in providing for a lot of officers and spending hundreds of millions of dollars of the people's money to do something that has already been gone over, to do it twice, when it certainly ought not to be done more than once.

The amendment of the committee was the fourth attempt of the Committee on Agriculture and Forestry to bring here something which would be in their judgment a partial remedy. It has been turned down, and I am not questioning the good motives or the patriotic intention of any man who voted to turn it down. I concede his right to vote that way. But I do not believe that those who have voted it down should come in now with substitutes, substitutes of milk and water, substitutes which contain a broad provision like section 8, and then say, "We have rejected what the committee brought in, but here is a substitute that places on the statute books the wish of Congress that the farmer may be happy." I suppose everybody wishes him prosperity and hopes that he will be happy, but we will not emphasize it any and we shall not get any more votes if we put that expression in writing and engrave it on the statute books of the United States.

Mr. President, if I had time within the limits of this debate I would read the bill itself, running from section 1 to section 7, and then, if I had time, I would arrange to have printed in parallel columns with the bill the substitute introduced by the Senator from Wisconsin. It proposes to give to the board authority which on its face is the most unlimited authority that has ever been conferred; it is wider and goes further than the authority conferred upon the board provided for by the committee amendment. It provides that the board shall be appointed by the President of the United States, and every Senator here knows—and there is no use covering it up; we might as well talk plainly—that under that authority, which I would not vote to give to any board, President Coolidge could appoint a commission such as the one he appointed of which Secretary Jardine was a member, that would not do anything except what he wanted done. There would be nothing done by that board except what is contained in the remaining provisions of the substitute. Nobody would expect anything different; nobody would look for anything different. If this amendment should be adopted everybody knows that that would be the result; and all of the things enumerated after section 8 which the board would have the right to do would consist practically in its members drawing their salaries, appointing men to work for it, and paying them whatever salaries they think they ought to get; in other words, fixing up very nice and comfortable places for friends who need governmental support in order to make a living.

The study of agricultural question is already provided for in the bill itself, and an appropriation, which is quite large, is there authorized for that purpose. I can not turn to it just now, but I know there is such an authorization. It will take a good deal of money to carry that out. I doubt if any power of material value is conferred which the Agriculture Department does not already possess under the law, yet, if by the instrumentalities named in the bill itself the department can get any better information, I am willing that they should get it and I would not put a straw in the way of their developing anything along that line.

Mr. President, when this bill shall have been disposed of I am going to offer a resolution providing for the appointment of a committee that will be composed of men who are opposed to the committee amendment. I am going to do that in good faith. I am going to give those who have been shedding their blood for the dear farmer an opportunity to see what they can do.

The PRESIDING OFFICER. The time of the Senator from Nebraska has expired.

Mr. BRUCE. Mr. President, first of all, I desire to say that I was very glad to hear the announcement which the Senator from Nebraska has just made. I had some little conversation with him on that subject this morning. It seems to me that a distinct and practical purpose might be subserved if all these substitutes were swept aside by the appointment of a commission—a perfectly disinterested and judicious commission—to investigate the existing condition of agricultural distress in the United States and report to the present session of Congress as to how that distress can be alleviated, if it be capable of alleviation. I think that such a commission might prove to be a valuable one. There might be, for instance, two exponents of the agricultural interest on it, representing different points of view; there might be an economist and a general man of business on it; and there might be a trained lawyer on it, to look after the legal side of such questions as might arise in the deliberations of the commission. Constituted in that manner, I think real good might result from the investigations of such a commission.

Mr. SIMMONS rose.

Mr. BRUCE. Mr. President, I am very sorry, but I have no time to give to the Senator from North Carolina. I would gladly give some time to him, but I have not got it. If he will give it to me, I will give it back to him.

I agree absolutely with the criticisms of this proposed substitute of the Senator from Wisconsin [Mr. LENROOT] by the Senator from Nebraska [Mr. NORRIS]. It seems to me that the only effect of the substitute would be to give a sort of roving commission to the board created by it to wander hither and thither over the face of a chartless sea. The substitute starts out by declaring it to be the policy of Congress, among other things, "to protect domestic markets against world prices." What is that but the main object of the McNary amendment? Then the substitute goes on to state:

And to provide for the control and disposition of the surpluses of agricultural commodities, for the purpose of promoting the orderly marketing of agricultural commodities in interstate and foreign commerce.

What is that also but one of the purposes of the McNary amendment?

Then after setting forth those declarations of policy and other declarations of policy equally as broad, the substitute goes on to say that the board created by the substitute "may take any and all steps and exercise any and all powers necessary to carry out" those declarations of policy.

I would infinitely prefer to see the McNary amendment go into effect rather than this substitute. Indeed, I think I would prefer to become a pupil of the College of Scientific Price Forecasting, of which the Senator from Arkansas [Mr. CARAWAY] spoke in the course of his remarks this morning.

The objects and purposes of the substitute are set forth in the most general, in the vaguest terms conceivable. I have no idea for one of having the fruits of the victory which I helped to win wrested from me in the very moment of triumph. So latitudinous are the powers with which the board created by this substitute is proposed to be clothed that, unless the imposition of an equalization fee be an exception, it could revive every single one of the fallacies that lurked in the McNary amendment. Surely the Senator from Wisconsin does not expect us at the very moment when we are rejoicing over our hard-earned victory to revert to all the discussion that went on over the McNary amendment. Surely he can not imagine that we propose after winning that victory to have it reduced to dust and ashes as soon as it has been achieved.

As the Senator from Nebraska says, the only practical effect of this substitute would be to give a purely camouflaged aspect to the idea of affording real actual relief to the farmer by creating an expensive board, with a compensation of \$10,000 a year for each of its members, and with power to appoint a large number of appointees of one sort or another, and to spend no less than \$150,000,000 of the people's money for purposes so uncertain that the Senator from Wisconsin did not even attempt to state specifically what they would be.

The McNary amendment at least has the virtue of setting forth explicitly the relief sought by it, however fallacious that relief may be. When we dealt with the McNary amendment we knew what we were dealing with; we were in a position to run out its concrete propositions through all their practical consequences, or imagined that we were, at any rate. Now we are asked to exchange the certainty of the experiments contemplated by the McNary amendment for the utter uncertainty of this substitute.



So far as I am concerned, as I am at present advised, I do not see that there is any relief to be brought to the farmer by any of the substitutes which have been offered. All of them have emanated from more or less partial and prejudiced sources. I say, as the Senator from Nebraska has suggested, and as I suggested to him before he spoke, let us have a commission composed of such men as Owen D. Young, two representatives of the highest standing in the agricultural field, such an economist as Mr. Taussig, former chairman of the Tariff Commission, and some lawyer of commanding ability and reputation, and let them investigate and study the agricultural depression that now exists in the United States, with all the powers of eliciting oral and documentary testimony with which they can be lawfully clothed. Then let them come in here during the present session of Congress—I make that one of the conditions of their appointment; let them come in here during the present session of Congress—and say whether there is any practical manner in which the present state of agricultural distress in the United States can be relieved.

I for one would be perfectly delighted to find that there was something that we could do for the farmer; nothing would give me more satisfaction than to help to lift some of the extraordinary burdens that now rest upon his shoulders, but there is something positively comical about the vagueness of this substitute. It was so vague that when the Senator from Wisconsin came to provide that the board should have the power to make advances, with or without security, out of the \$150,000,000 appropriated by the bill, provided he was cautious enough to see to it that, no matter what sum might be advanced, the members of the board would incur no personal pecuniary responsibility by advancing it. That was, indeed, a prudent and circumspect provision under the circumstances.

The members of this board not being provided with any definite means whatsoever for deciding exactly what their duties are, I say that it was a highly prudential thing for the Senator from Wisconsin to provide that under no circumstances should they incur any pecuniary responsibility in connection with any advances that they might make.

The value that might attach to the report of such a commission as has been suggested is strikingly illustrated in the recent report on agriculture of the Industrial Conference Board. Every line of that report, which has been quoted so freely on both sides in the pending discussion, is instinct with ripe experience, with sanity, with conservatism, and with clear-sighted sagacity—every line of it. It is one of the most valuable contributions that has been made to any subject by any pamphlet during the time that I have been in the Senate, and if it were only stamped with an official character, if it had only emanated from a body of men clothed with official responsibility, I do not know but that it would be sufficient in itself to dispense with the necessity of any such commission as has been suggested by the Senator from Nebraska and approved by my own judgment.

If there is a commission, let it be of men of the caliber of the sponsors of that report, intellectual, moral, and economic. Let it be a commission that would command confidence throughout the country. I do not hesitate to say that I should like very much to see the members of the commission named in a bill by the Senate itself, if it could be legally done, because then I believe that the names of five individuals could be selected that would meet with the approval of both parties to the pending discussion.

I do not question the perfect sincerity of motive with which discussion has been conducted on both sides. I do not arrogate to myself any honesty of purpose or any integrity of conviction with reference to the questions involved in it that I am not willing to credit to my opponents in it. I have already received enough assurances to satisfy me that the two parties to the discussion could without any difficulty select five citizens of the United States that they believe would thoroughly investigate current agricultural problems from circumference to center and come in here with a report entitled in every regard to the respect of the people of the United States.

The other day the Senator from Idaho [Mr. GOODING] extended his hand across this aisle, and I for one rejected it, and I would reject it again, because my convictions are such that it was impossible for me in a political or economic sense to accept that hand in however friendly a spirit it might be tendered; but now I stretch my hand across this aisle, as the Senator from Nebraska [Mr. NORRIS] has stretched his hand across it, and say that there is no reason why all of us should not be able to give our support to the appointment of such a commission as has been suggested for the purpose of handling the

questions, export and otherwise, that are involved in the debate that has revolved around the pending bill.

Mr. HEFLIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

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

Ashurst	Ferris	La Follette	Robinson, Ind.
Bayard	Fess	Lenroot	Sackett
Bingham	George	McKellar	Schall
Blease	Gerry	McMaster	Sheppard
Borah	Gillett	McNary	Shipstead
Broussard	Glass	Mayfield	Shortridge
Bruce	Goff	Means	Simmons
Butler	Gooding	Metcalf	Smith
Cameron	Hale	Moses	Stanfield
Capper	Harrell	Norbeck	Stephens
Caraway	Harris	Norris	Swanson
Copeland	Harrison	Oddie	Trammell
Couzens	Heflin	Pepper	Tyson
Cummins	Howell	Phipps	Underwood
Curtis	Johnson	Pine	Wadsworth
Dale	Jones, N. Mex.	Pittman	Walsh
Dill	Jones, Wash.	Ransdell	Warren
Edge	Kendrick	Reed, Mo.	Watson
Edwards	Keyes	Reed, Pa.	Wheeler
Fernald	King	Robinson, Ark.	Willis

Mr. SIMMONS. I desire to state that my colleague [Mr. OVERMAN] is detained from the Senate by illness.

The PRESIDING OFFICER. Eighty Senators having answered to their names, a quorum is present. The question is on the amendment of the Senator from Ohio [Mr. WILLIS] to the amendment of the Senator from Wisconsin [Mr. LENROOT].

The amendment to the amendment was rejected.

The PRESIDING OFFICER. The question now is upon the amendment of the Senator from South Dakota [Mr. NORBECK] to the amendment of the Senator from Wisconsin [Mr. LENROOT].

Mr. NORBECK. Mr. President, a parliamentary inquiry. What disposition was made of the amendment offered by the Senator from Ohio?

The PRESIDING OFFICER. It was rejected.

Mr. WILLIS. Mr. President, may I suggest that the amendment was agreed to, I think, by everybody. I think Senators voted under a misunderstanding. The Senator from Wisconsin accepted it, as I understood.

Mr. LENROOT. I accepted it, so far as I was concerned, but—

Mr. WILLIS. I thought there was a misunderstanding.

The PRESIDING OFFICER. Did the Senator from Wisconsin accept the amendment?

Mr. LENROOT. I had no power to accept it for the Senate. I did not accept it in that sense. I wanted a vote on it, because I wanted to debate it. I should be glad if the question could be again put on the amendment at this time.

The PRESIDING OFFICER. The Chair put the question, but will put it again. The question is upon the amendment proposed by the Senator from Ohio [Mr. WILLIS] to the amendment proposed by the Senator from Wisconsin [Mr. LENROOT].

Mr. NORBECK. Mr. President, I desire to avail myself of the opportunity to speak a moment on this amendment.

There are three questions pending, as I understand. One of them is the plan of the Senator from Wisconsin [Mr. LENROOT], which proposes a \$150,000,000 fund to be used by a board with a great deal of discretion. I have another amendment, which is pending now as a substitute for that amendment, which provides simply that the money taken from the wheat farmers in the way of profit shall be returned to them as nearly as it is possible to do it. In returning it that money will be used to pay an export bounty on this year's crop. It will not increase production, or demoralize the market, or take a dollar out of the general taxpayers' fund, because it is the farmer's money, and his alone, that we are talking about.

Mr. BORAH. Mr. President, I should like to ask the Senator a question. As I understand the Senator's amendment, it is really designed to turn back to the wheat grower a certain fund which was collected from the wheat grower during the war. What I want to understand is, What are the facts about that fund? I have communicated with the department about it, and there seems to be a misunderstanding about it. What are the facts?

Mr. NORBECK. The facts are very well set out in a letter from Norbeck Mellon to me, dated February 29, 1924, and printed in the RECORD of March 1, 1924, at page 3404. I ask that the letter be again printed in the RECORD.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

The letter is as follows:

TREASURY DEPARTMENT,  
OFFICE OF THE SECRETARY,  
Washington, February 29, 1924.

MY DEAR SENATOR: Referring to your telephone inquiry of to-day with respect to the profits of the United States Grain Corporation, the Treasury does not have all the details of the matter, and you could probably obtain more complete data, if desired, by addressing Mr. Edward M. Flesh, president and treasurer United States Grain Corporation 42 Broadway, New York City, but I hope that the following will serve your purpose:

The Treasury's information is that substantially all of the profits of the grain corporation, and in fact some of its capital, have been used up in providing relief under two special acts of Congress, for part of which foreign obligations were received in payment. In this connection I am inclosing herewith a copy of the act approved March 30, 1920, authorizing the corporation to sell or dispose of flour then in its possession, not to exceed 5,000,000 barrels, for cash or credit and at such prices and on such terms and conditions as might be necessary to carry out the purposes of the act for the relief of the populations in countries of Europe or countries contiguous thereto suffering for want of food. For this flour the grain corporation received foreign obligations aggregating \$56,858,802.49, face amount, a list of which is shown on the reverse side of the statement of the public debt for November 30, 1923. (Copy inclosed.)

I am inclosing also a copy of the act approved December 22, 1921, authorizing the expenditure from the funds of the United States Grain Corporation of a sum not exceeding \$20,000,000, or so much thereof as should be necessary, to purchase in the United States and transport and distribute corn, seed grain, and preserved milk for the relief of the distressed and starving people of Russia and for spring planting in areas where seed grains have been exhausted. I understand that the expenditures made by the corporation under authorization of this act practically exhausted its remaining cash assets.

The \$500,000,000 capital stock of the corporation, all of which was owned by the United States Government, has been reduced by repayments to the Treasury of \$475,000,000, and the Treasury understands from the corporation that the remaining \$25,000,000 of capital stock has since been retired in the course of liquidation, so that the corporation now has no stock outstanding. It is, in fact, in course of dissolution under the Delaware law, its charter having expired on August 16, 1922, and has practically no assets remaining.

You may also be interested in the President's Executive order of August 21, 1920, which provided in part as follows:

"The United States Grain Corporation (a governmental agency organized and conducted pursuant to Executive orders and proclamations of the President under said acts of Congress) shall pay and cover, or cause to be paid and covered, into the Treasury of the United States, as miscellaneous receipts, all amounts refunded by certain licensees of the United States Food Administration (a governmental agency organized and conducted pursuant to Executive orders and proclamations of the President, under said act of Congress approved August 10, 1917), in voluntary divestment of profits taken by said licensees during the 10 months which ended June 30, 1918, in excess of the maximum allowable profits fixed and determined under and pursuant to said act of Congress approved August 10, 1917, and the proclamation, Executive orders, and regulations thereunder \* \* \*"

Under this order the United States Grain Corporation deposited in the Treasury cash to the amount of \$7,078,988.55, which was covered into the Treasury as miscellaneous receipts.

From the above it will be apparent that in connection with the retirement of its \$500,000,000 capital stock subscribed for by the Government the corporation has repaid to the Treasury \$475,000,000, and for the remaining \$25,000,000 has delivered \$56,858,802.49 face amount obligations of foreign countries, whose economic conditions are such as to negative any expectation of early payment.

Very truly yours,

A. W. MELLON,  
Secretary of the Treasury.

Hon. PETER NORBECK,  
United States Senate, Washington, D. C.

Mr. BORAH. Is this money now in the Treasury of the United States?

Mr. NORBECK. That is a matter on which there is dispute. There is no dispute that it is money that was taken from the farmer for the benefit of the Government. There is a good deal of argument as to just where those particular dollars now happen to be.

Mr. BORAH. I will wait until the Senator gets through. I do not want to intrude on his time.

Mr. NORBECK. I shall be glad to answer the Senator's question. Some \$56,000,000 of profit were shown. Then this Government became generous on a number of occasions and said that starving Europeans were entitled to something. So we appropriated money, and, so far as the general public

knew, it was money out of the Treasury to pay to starving Europeans. As a matter of fact, they dug into this farmer's wheat fund for that purpose. That does not alter the fact that the Government still owes this money to the farmers.

The trouble with this so-called general farm legislation is that it addresses itself to cooperative organizations, selling agencies, gives encouragement to them, provides for loans to them, but it does not reach that section of the country which suffered the worst distress. While there was a 48 per cent reduction in the farmers' incomes as a result of deflation, certain sections of the country were hit very lightly. Some were not hit at all. But in the great Northwest the reduction in the farmer's income was about 80 per cent.

Those people know their problem. It is not the same as the problem of the raspberry growers or the tobacco raisers. It is not a matter of marketing the cabbage from the patch so as to get it to the consumer. Getting the consumer and the producer nearer together is not impossible when you are dealing with goods that do not have to be fabricated. We hear about the cabbage heads that the farmer sells for 1 cent a head and which are retailed in the city 5 or 10 miles away for 10 or 15 or 20 cents. There is room for organizations to cooperate and get the buyer and seller closer together.

Mr. President, that problem does not apply to wheat. The farmer must lose control of his wheat the moment it reaches the market. The millman works it into flour, and it is sold as bread. The farmer can not get past the miller and reach the buyer of the loaf of bread and get himself closer to the consumer in that way.

A part of the wheat is not used at all in this country. It is exported and sold in the world market. What can cooperative organizations do toward stimulating those prices when this country produces such a small percentage of the world's supply of wheat? It is folly to talk about it. Our problem is an entirely different one.

Cooperation is not to be laughed at, but cooperation as far as possible has been practiced by our people for a generation. When there was a large spread between the price of the miller and the price at the primary market the cooperative elevators were formed, and they got in and handled wheat at a considerable saving. That has all been gone through. But there is no use going out and telling the farmers that through some cooperative association the price of wheat is to be stimulated through bringing the buyer closer to the farmer who produces the wheat. That is entirely beside the question.

The substitute I have offered provides that the Government shall as nearly as possible pay back to the farmers this \$56,000,000, with some interest, and pay it in the form of an export bounty on this year's crop. Logically, it should only go to the wheat growers, but it is so hard to separate the one from the other that I have provided that a part of the money should be set aside for corn, because it takes such a small sum to dispose of the corn grower's interest and to give the corn grower as well as the wheat grower the benefit. It can be done without taking any money out of the Treasury except that which belongs to the farmers.

Speaking of the wheat farmer, a great many farmers in the Corn Belt produced wheat during the war and took their loss. They are not producing it now. They produced it because the Government asked them to, and it was an unprofitable crop. The wheat farmers are willing to divert a part of the money and have it paid to the corn growers, which is only a matter of justice, and it will relieve the prices on both these staples—corn and wheat.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Ohio to the amendment proposed by the Senator from Wisconsin.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the amendment proposed by the Senator from South Dakota in the nature of a substitute.

Mr. BRUCE. Mr. President, I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

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

Ashurst	Cummins	Goff	King
Bayard	Curtis	Gooding	La Follette
Bingham	Dale	Hale	Lenroot
Blease	Dill	Harrell	McKellar
Borah	Edge	Harris	McMaster
Broussard	Edwards	Harrison	McNary
Bruce	Fernald	Hefflin	Mayfield
Butler	Ferris	Howell	Means
Cameron	Fess	Johnson	Metcalf
Capper	George	Jones, N. Mex.	Moses
Caraway	Gerry	Jones, Wash.	Norbeck
Copeland	Gillett	Kendrick	Norris
Couzens	Glass	Keyes	Oddie



Pepper	Robinson, Ark.	Simmons	Underwood
Phipps	Robinson, Ind.	Smith	Wadsworth
Pine	Sackett	Stanfield	Walsh
Pittman	Schall	Stephens	Warren
Ransdell	Sheppard	Swanson	Watson
Reed, Mo.	Shipstead	Trammell	Wheeler
Reed, Pa.	Shortridge	Tyson	Willis

The PRESIDING OFFICER. Eighty Senators having answered to their names, a quorum is present. The question now before the Senate is the amendment in the nature of a substitute offered by the Senator from South Dakota [Mr. NORBECK] to the amendment of the Senator from Wisconsin [Mr. LENROOT].

Mr. LENROOT. Mr. President, I am very sorry the Senator from Nebraska [Mr. NORRIS] is not in the Chamber, and I am very sorry his temper this morning was such as to lead him into inaccuracy of statement, which I am sure would not have occurred under other conditions; but because of the personal references he made, I feel called upon to say a word with regard to his statements.

The Senator stated that I had never supported any legislation coming from the Committee on Agriculture. The fact is, as the RECORD will show, that I have supported all agricultural legislation that has been enacted since I have been a Member of Congress, some 17 years, first in the House and next in the Senate.

The Senator from Nebraska belittled the work of the Joint Commission on Agricultural Inquiry, of which I was a member. He said that nothing came out of it. Out of it came the intermediate credit bank bill, of which I had charge upon the floor of the Senate. That is now a law. It has been in operation something like three years, or a little less. Under it more than \$250,000,000 has been loaned to agricultural co-operative associations, at a rate of 4½ per cent, up to last November, and at a rate of 5 per cent since that time. If that is not a substantial accomplishment for agriculture, I do not know what could be accomplished for agriculture.

The cooperative marketing law has been known as the bill of rights for cooperative organizations. There were some gentlemen who abandoned all hope of securing any such legislation. There are some of us, not members of the Committee on Agriculture and Forestry, who took it up, and as a result of our efforts it became a law and is upon the statute books to-day. I only say that in order that the RECORD may be kept straight in this connection.

Mr. President, I suggest that when the Senator from Nebraska [Mr. NORRIS] and the Senator from Maryland [Mr. BRUCE] join in opposition to a piece of agricultural legislation there is some presumption at least that there is some merit in that legislation. I realize that no legislation which has the active opposition of the Senator from Nebraska and his associates and the conservative East can have any chance of passing this body. That is the situation which we find to-day with reference to this matter. It goes too far to suit Senators like the Senator from Maryland and some Senators on this side of the aisle. It does not go far enough to suit some of the leading supporters of the McNary-Haugen bill. I, of course, appreciate that it is hopeless to expect favorable action upon any legislation which has the combined opposition of those two elements in this Chamber. That is the situation which confronts us this morning. If the Senate were in a better temper it might be otherwise.

The Senator from Maryland [Mr. BRUCE] exults over the victory secured last night. I do not exult over it. I am sorry we have not been able to find some solution for the agricultural question which will stand the test of the courts. The Senator from Maryland is quite content that nothing shall be done except investigate, and others on this side of the Chamber are resentful because their own plans have not carried in this body. In the meantime, Mr. President, the farmers who are looking for relief will suffer because of the attitude of a majority of this body.

Mr. NORRIS. Mr. President, I was called out of the Chamber for a moment and wish to inquire as to the parliamentary situation. Is the Norbeck substitute the pending question?

The PRESIDING OFFICER (Mr. KING in the chair). The Chair is advised that the question before the Senate is the amendment offered by the Senator from South Dakota [Mr. NORBECK].

Mr. NORRIS. It is offered as a substitute for the amendment of the Senator from Wisconsin?

The PRESIDING OFFICER. The Senator's statement is accurate.

Mr. NORRIS. Mr. President, there is an element in the proposition of the Senator from South Dakota [Mr. NORBECK] which it seems to me will appeal to the sense of justice, particularly of those who were here during the time when the

price of wheat was controlled. We enacted a law fixing a minimum price for wheat. We enacted it as a war measure.

Mr. NORBECK. It became the maximum price.

Mr. NORRIS. Yes; I am going to refer to that. The law provided for a minimum price for wheat. We would not have enacted that law except we were confronted with what we believed to be a great emergency. The Government of the United States was in the war and a proclamation was given to all the people by the officials of the Federal Government that "food will win the war." No one doubted the truth of it. It was one of the important elements. "Food will win the war." We were taught in our own homes to eat as little food as possible, to use substitutes, in order that we might feed the soldiers of America and her allies on the battle fields of Europe. Food was one of the necessary elements. There went over the country a propaganda to the farmers of the West and the Northwest to raise wheat, because one of the most important items of food was bread. Men plowed up their fields which were in other crops and put them into wheat. They put into wheat land which was better adapted for something else, which they would not have planted or sown to wheat had it not been for the propaganda which was put on by the officials of our Government. "Raise more wheat" was the cry. So the farmers of the great Wheat Belt went to raising wheat. In some of the States where they had begun to diversify their agriculture they stopped diversification, they stopped the raising of hogs and cattle in some sections and put all their energies into the raising of wheat. They lost money on account of the fact that when the war was over it took them years to get back again to diversified farming.

Recognizing the fact that a man should not be required to put in a crop of wheat in the face of what might be peace before the crop matured and thus the bottom fall out of the price, we said by law, "We will fix a minimum price for wheat." That is as far as we went.

Mr. President, there was no idea that we were going to fix a maximum price. We never did by law fix a maximum price, but we fixed a minimum price under which the Government said, "If wheat falls below this price, we will make up the difference from the Public Treasury."

When it came to carrying out that law and it became necessary to license all kinds of men and to enter into all kinds of understandings and agreements under the law to carry it out, the way it operated was that the minimum price became the maximum price. Our executive officials bought wheat not only for the American Government but for our allies as well, so that they controlled the demand for wheat on the part of the world practically. One man in effect had in his hand the united world demand for wheat. The law provided that it should not go below a certain point and because he controlled the purchasers of wheat of the world he was able definitely to fix the price of wheat and he did. The farmers saw wheat held at what Congress had fixed as the minimum price. Wheat was not allowed to go above it and did not go above it. The governmental corporation which was organized to carry out the loan made profits. It does not account for the profits. Let no one get that idea, because wheat would have gone above \$3 a bushel in the United States, and there is no doubt whatever about it.

Mr. NORBECK. Mr. President—

Mr. NORRIS. I yield to the Senator from South Dakota.

Mr. NORBECK. Wheat was \$3.45 a bushel and the grain corporation admits that it might have gone to \$5 a bushel.

Mr. NORRIS. It probably would, so that the farmers who raised wheat lost on wheat alone literally billions of dollars, besides the loss to which I have called attention on account of putting into wheat ground on which they otherwise would have grown profitable crops if they had used it for something else.

The suggestion of the Senator from South Dakota is to take not what the farmer lost, not to pay him back what he lost, but to take the profit which the Government made out of wheat, the cold dollars and cents which it made in the way of profit in buying up the farmer's wheat, and use it as an export bounty, and I have no doubt the effect would be to raise the price of domestic wheat.

Mr. BORAH. Mr. President—

Mr. NORRIS. I yield to the Senator from Idaho.

Mr. BORAH. I would be perfectly willing to vote to return to the wheat growers that which was taken from them in the way of a profit, but what I would like to know definitely is whether we would do it under this plan?

Mr. NORRIS. No; we are not doing that directly, as I understand it. I think that would be practically an impossibility. Nobody could tell definitely what the loss to the



American wheat farmers has been, but it would be away above the profits which the Government made out of the transaction.

Mr. BORAH. Perhaps I am misstating the fact. Are we actually returning or attempting to return the profits which the Government made and nothing more?

Mr. NORRIS. That is my understanding. The Senator from South Dakota has included in it corn. I do not think that ought to be included. I am sorry it is included because the Government did not control the price of corn. The law of supply and demand was allowed to take its course as to corn.

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

Mr. NORRIS. I yield.

Mr. WADSWORTH. I have not been able thus far to make a careful examination of the provisions of the amendment.

Mr. NORRIS. I will say to the Senator that I have not either. The Senator from South Dakota was appointed by me as chairman of a subcommittee of the Committee on Agriculture and Forestry, under a resolution of the Senate in the last Congress, to investigate and report to the Senate how much the wheat farmers of America have lost by this operation. He has never completed the investigation. It is a very difficult thing and perhaps impossible to find out just what the loss is. I myself have not had anything to do with the drafting of the amendment. The Senator from South Dakota, I have no doubt, can answer any question in relation to it.

Mr. WADSWORTH. My question is this—if the Senator will allow me—

Mr. NORRIS. I am willing, because it is only information I want. I am glad to yield to the Senator.

Mr. WADSWORTH. As I read the amendment in its first section, or section 201, Title II, it provides:

In order to return to the farmers of the United States the amount of profit realized by the United States in the operation of the United States Grain Corporation, and in order to provide for each farmer, as nearly as possible, a price for wheat—

I am leaving out corn—

which shall be equivalent to the world price for such commodity, plus the amount of tariff imposed upon such commodity, the Secretary of Commerce is authorized and directed to pay to each exporter, in accordance with the provisions of this title, a bounty upon wheat exported from the United States to any place outside the United States at any time after 60 days after the passage of this act.

How will that bounty payment ever reach the farmer?

Mr. NORRIS. This is the idea, and it seems to me that it is a matter that is plain. I may be entirely wrong. If the export bounty will raise the price of the surplus wheat that goes out, automatically the price of wheat all over the United States will come up to that level, as I understand it. I do not think there would be any doubt about that, though I may be wrong, of course.

Mr. WADSWORTH. I do not think it would operate in that way.

Mr. NORRIS. If we could take the surplus wheat in one year and remove it from the market, which would have the effect of a bounty, then our tariff wall would commence to operate as to wheat, and it would go to the height of the wall before outside wheat came in. That is my idea as to how it will work.

Mr. WADSWORTH. Does the Senator think the expenditure of \$71,000,000 will accomplish that purpose?

Mr. NORBECK. Twenty-six million dollars would have done it this year.

Mr. NORRIS. It depends upon the surplus. It would not have taken nearly that amount this year. It would depend altogether upon the amount of surplus wheat we might have. I do not know, and nobody knows, how much that will be. There was a surplus this year. Can the Senator from South Dakota tell me in bushels?

Mr. NORBECK. It was between 50,000,000 and 60,000,000 bushels.

Mr. LENROOT. I think it was nearly 100,000,000 bushels.

Mr. NORBECK. No; because the figures for the last 12 months show that with the 42-cent tariff the exports would have amounted to \$26,000,000 plus, so it could not have been the figure the Senator states.

Mr. NORRIS. I will say to the Senator from New York that it is uncertain; no one knows what the surplus is going to be. That would take care of it unless there were an enormous surplus, and I myself think it would more than take care of it.

Mr. WADSWORTH. I assume that if he were to pay \$71,000,000, which he is authorized to pay by this amendment, or practically \$72,000,000, plus the amount of the tariff at 42

cents a bushel, those two payments on every bushel of wheat exported within two months after the passage of such an act, added to the world price which the wheat would be worth in the world market in any event, would boost the price of export wheat to an extraordinary extent.

Mr. NORBECK. It would boost it to the extent of the tariff, the theory being that this will give the farmer the benefit of the tariff.

Mr. WADSWORTH. It would give the farmer more than the benefit of the tariff.

Mr. NORRIS. Mr. President, I wonder if I am correct in my idea that the amount is not definitely determined by this amendment. It seems to me that in order to have it work out properly it would be necessary to wait until it was known what the surplus was.

Mr. WADSWORTH. How would it be known within 60 days what the surplus was?

Mr. NORBECK. The provision is quite elastic. Action will not have to be taken within 60 days.

Mr. NORRIS. It can not definitely be determined unless the surplus is known, and that, of course, to some extent would have to be an estimate based on production, unless the figures could be given. I wish the Senator from South Dakota would strike out all reference to corn in his substitute. I think he would strengthen it and put it on a basis where, it seems to me, it could be defended with perfect logic.

Mr. WALSH. Mr. President, before that is done, I should like to inquire of the Senator from South Dakota from what source he derived the figures contained in the amendment proposed by him?

Mr. NORBECK. From a letter written by the Secretary of the Treasury, Mr. Mellon, about two years ago, which has been published in the Record, showing a balance of \$56,000,000, to which has been added 4 per cent interest.

Mr. WALSH. Has that letter been read?

Mr. NORBECK. It has been printed in the Record again to-day, and I will hand it to the Senator so that he may read it.

The PRESIDING OFFICER (Mr. COPELAND in the chair). The question is on the amendment offered by the Senator from South Dakota.

Mr. HARRISON. I ask for the yeas and nays.

Mr. NORBECK. At the suggestion of the Senator from Nebraska, I ask permission to modify my amendment so as to allow the whole amount to apply to wheat instead of diverting a part of it to corn. This money came out of the wheat farmers, of course.

The PRESIDING OFFICER. Is there objection?

Mr. JONES of Washington. I understand the Senator from South Dakota has the right to modify his amendment.

Mr. NORBECK. I desire to strike out the word "corn" in order to allow the whole \$72,000,000 to go to the benefit of the wheat producers.

The PRESIDING OFFICER. The proposed modification will be stated.

The CHIEF CLERK. It is proposed by the Senator from South Dakota in his amendment to strike out the words "corn, or corn."

The PRESIDING OFFICER. The question is on the amendment of the Senator from South Dakota.

Mr. JONES of Washington. I understand the Senator can modify his amendment as he sees fit.

Mr. NORBECK. As so modified, I desire my amendment to be voted on as a substitute for the Lenroot amendment.

The PRESIDING OFFICER. It is understood that the amendment offered by the Senator from South Dakota is modified as he has suggested. The question now is on the adoption of the amendment as modified.

Mr. BORAH. Mr. President, I think we are voting in the dark on this matter to some extent. I myself certainly do not want to be placed in the position of indorsing the principle of a bounty to be paid on exports from the Treasury of the United States. If the vote is to place me in that position, I shall have to vote against the amendment. It is contended, so far as this proposal is concerned, that it is an exception, due to the fact that some \$56,000,000 was made in the way of profit by the grain corporation during the war out of the wheat grower, and the purpose of this amendment is to redistribute, as nearly as may be done, that profit to the farmers from whom it was taken. I do not know whether this amendment will accomplish that or not, but am I correct in assuming, I will ask the Senator from South Dakota, that that is the specific purpose of the amendment, namely, to return, as nearly as practicable to the wheat growers, the profits which were made out of them during the war?



Mr. NORBECK. That is all that the amendment to the amendment is intended to do, together with interest computed at 4 per cent, though all the wheat farmers had to pay from 8 per cent to 12 per cent.

Mr. WILLIS. Mr. President, merely as a matter of accounting, I wonder where this fund is, or is there such a fund? If it be the accepted theory that there is such a fund, has it been covered into the Treasury? Perhaps the Senator can explain that.

Mr. NORBECK. There is no dispute as to this money being taken from the farmer. Where the particular dollars are now is another story.

Mr. WILLIS. That is exactly what I want to find out. This is tantamount to an appropriation out of the Treasury, is it not?

Mr. NORBECK. Of an amount equal to what the farmers had taken away from them by the grain corporation. I am not going into the question whether the Treasury must pay it or not, because that is another story entirely. If the grain corporation had the right to fix the price they would pay for wheat, and if wheat would have gone to \$5 a bushel if it had not been subjected to Government price fixing, then the wheat farmers were robbed of \$6,000,000,000. If, on the other hand, we use the figure \$1.50 a bushel, to which the price was actually depressed, the farmers also were robbed of billions. But we are not considering those large sums; we are merely talking about the smaller sum that the grain corporation withheld in the way of profits from the farmer. First, they took his wheat, reduced the price, and held it there, which was something that was never done in the case of any commodity in the land except as to wheat; and, second, they reaped a profit of \$56,000,000 and kept it.

Mr. WILLIS. Let me ask for information, is there any question at all about the grain corporation making this profit of \$56,000,000? That was made, was it?

Mr. NORBECK. Absolutely. I have just read into the Record to-day a letter from Secretary Mellon, which was also printed in the Record several years ago, showing the profit which was made. I also have a little pamphlet put out by the same corporation, in which they say, on page 18:

The net profits have been in excess of \$50,000,000.

That is as near as they state the profit in this pamphlet.

Mr. WILLIS. Then, what did the grain corporation do with that money? Did they cover it into the Treasury?

Mr. NORBECK. It went into the Treasury.

Mr. WILLIS. And it is now proposed that there shall be an appropriation from the Treasury to the amount of this \$56,000,000.

Mr. NORBECK. Exactly so.

Mr. WILLIS. Let me ask a further question. Inasmuch as this profit was made from their handling of the wheat, upon what theory does the Senator then proceed to divide it around and take some of the money that he thinks ought to belong to the wheat grower and give it to somebody else?

Mr. NORBECK. Simply for the purpose of helping the corn farmer. It would take very little to bring his price up, because the exports of corn are very small. However, because other Senators have insisted that the proposed substitute is weakened by including corn, I have modified it so as to provide that the amount stated shall be returned to the wheat farmers. So the substitute amendment now pending provides for the return of this whole sum in the shape of a bounty on wheat exported and eliminates corn.

Mr. WILLIS. The whole sum will go to the wheat grower?

Mr. NORBECK. Yes; because many Senators have objected to the corn feature. However, I myself think it ought to be there.

Mr. WILLIS. Then this is in fact a subsidy to the wheat grower?

Mr. NORBECK. To the wheat grower and no one else. It is an export bounty.

Mr. FESS. Mr. President, may I ask the Senator how are we going to ascertain who sold the wheat and how much of the wheat was sold under the fixed price?

Mr. NORBECK. The amount sold is reported by the United States Grain Corporation. As to who sold it, there is no way to determine.

Mr. FESS. Then how is it going to be returned?

Mr. NORBECK. Simply as I said before, it is to be returned, as nearly as possible, by stimulating the price of wheat by using this money to pay an export bounty. Those who raised wheat then and those who now are raising wheat will get the benefit of this small sum. Those who went broke and went out of the wheat business are out of luck.

Mr. HARRISON. Mr. President, will the Senator yield for a question?

Mr. NORBECK. Yes.

Mr. HARRISON. I did not read the letter that was put in the Record. Was it from the Secretary of Agriculture?

Mr. NORBECK. No; it was from the Secretary of the Treasury. I have been passing it around the Chamber here for Senators to read. The Senator from Idaho [Mr. BORAH] has read it, and the Senator from Montana [Mr. WALSH] is now reading it. The letter shows plainly that some \$56,000,000 in profits were taken from the wheat farmer.

Mr. HARRISON. In other words, the letter merely states the fact that so much money was made by the grain corporation?

Mr. NORBECK. Yes.

Mr. HARRISON. It does not approve or disapprove this proposal?

Mr. NORBECK. Oh, no; the letter is general, and, in any event, it is too old for that.

Mr. WALSH. Mr. President, the amendment submitted by the Senator from South Dakota proposes to pay a bounty to the producers of wheat to be paid in an amount equal to the amount of the profit realized from the grain growers by the United States Grain Corporation. If this money were actually in the Treasury of the United States as profit made by the United States Grain Corporation for the handling of the product of the farmers of this country, a question of very grave doubt would be presented which I should be glad to have resolved in favor of the amendment. The power of Congress to enact a bounty law was presented, as I told the Senate a few days ago, in connection with the bounty provision of the McKinley tariff act of 1890. That act provided for the payment of a bounty to the producers of sugar. The bounty was paid them for some years when the question of the validity of the act was brought up, and the Comptroller General ruled that the Congress had no power to enact a bounty law providing for the payment to domestic producers of a bounty out of the Treasury. That ruling came under review in an action brought by those claiming the bounty in the courts of the District of Columbia and was passed upon by the Court of Appeals of the District, which court coincided with the view of the Comptroller General that it was beyond the power of Congress to enact a law of that character.

The decision in that case, as rendered both by the court of appeals and by the Comptroller General, was founded upon three decisions of the Supreme Court of the United States, holding that it was beyond the power of the legislatures of the various States to pass bounty laws. One of those was a law of the State of Kansas under which cities were authorized to vote a contribution to any company which would establish manufacturing industries in or near a municipality. Another was a statute of the State of West Virginia. In that State vast quantities of coal are produced, and it was believed that a very powerful market could be developed for their coal by inducing manufacturers to come to that State and utilize the coal and that manufacturers could be induced to come by reason of the price of coal there; that is to say, they could secure cheap power.

The Legislature of West Virginia therefore authorized municipalities to loan sums to manufacturing establishments which would come in that neighborhood. That was held by the Supreme Court of the United States to be unconstitutional. Another statute of the State of Kansas was enacted for the purpose of promoting sugar factories, for the purpose of inducing the culture of sugar beets, and a bounty was offered to those who should produce the sugar. That was held unconstitutional by the Supreme Court of the United States; and upon the authority of those three cases the bounty act of 1890 was by the District of Columbia Court of Appeals held to be unconstitutional.

Mr. NORBECK. May I ask the Senator whether they were held unconstitutional because they conflicted with the State constitutions?

Mr. WALSH. No; they were held unconstitutional because they conflicted with a principle embodied in the State constitutions as well as in the Constitution of the United States, namely, that no man shall be deprived of his life, liberty, or property without due process of law; and it was argued that these statutes took the property of one man or set of men who contributed in taxes to the Treasury and turned it over to another private citizen.

Mr. NORBECK. The Senator will not contend that this is a parallel case of taking somebody else's money and returning it?



Mr. WALSH. That is just the point I was going to make. If this money were actually in the Treasury, derived from the farmers by this operation, I would feel that we might very justly take that particular money and appropriate it to this particular purpose, it not having been taken out of the general body of the taxpayers, but practically out of the same class of people to whom it is to be returned. The argument is that we can not by public taxation impose taxes upon the general community and upon all taxpayers, and put the proceeds of those taxes into the Public Treasury and then take it out of the Public Treasury and devote it to the private enterprise of any individual or class of individuals.

As I say, if this money were actually in the Treasury, I would feel that a distinction was drawn by that fact; but, as I read the letter of the Secretary of the Treasury, it is not in the Treasury. It has already been paid out for some other purposes; so that we must now take, not the money which was realized in the transactions of the grain corporation, but the money of the general taxpayers, and devote it to this purpose.

I read the letter of the Secretary of the Treasury, addressed to the Senator from South Dakota:

Referring to your telephone inquiry of to-day with respect to the profits of the United States Grain Corporation, the Treasury does not have all the details of the matter, and you could probably obtain more complete data, if desired, by addressing Mr. Edward M. Fleisch, president and treasurer United States Grain Corporation, 42 Broadway, New York City, but I hope that the following will serve your purpose:

The Treasury's information is that substantially all of the profits of the grain corporation, and, in fact, some of its capital, have been used up in providing relief under two special acts of Congress, for part of which foreign obligations were received in payment. In this connection I am inclosing herewith a copy of the act approved March 30, 1920, authorizing the corporation to sell or dispose of flour then in its possession, not to exceed 5,000,000 barrels, for cash or credit, and at such prices and on such terms and conditions as might be necessary to carry out the purposes of the act for relief of the populations in countries of Europe or countries contiguous thereto suffering for want of food. For this flour the grain corporation received foreign obligations aggregating \$56,858,802.49, face amount, a list of which is shown on the reverse side of the statement of the public debt for November 30, 1923. (Copy inclosed.)

I am inclosing also a copy of the act approved December 22, 1921, authorizing the expenditure from the funds of the United States Grain Corporation of a sum not exceeding \$20,000,000, or so much thereof as should be necessary, to purchase in the United States and transport and distribute corn, seed grain, and preserved milk for the relief of the distressed and starving people of Russia and for spring planting in areas where seed grains have been exhausted. I understand that the expenditures made by the corporation under authorization of this act practically exhausted its remaining cash assets.

The \$500,000,000 capital stock of the corporation, all of which was owned by the United States Government, has been reduced by repayments to the Treasury of \$475,000,000, and the Treasury understands from the corporation that the remaining \$25,000,000 of capital stock has since been retired in the course of liquidation, so that the corporation now has no stock outstanding. It is, in fact, in course of dissolution under the Delaware law, its charter having expired on August 16, 1922, and has practically no assets remaining.

You may also be interested in the President's Executive order of August 21, 1920, which provided in part as follows:

"The United States Grain Corporation (a governmental agency organized and conducted pursuant to executive orders and proclamations of the President under said acts of Congress) shall pay and cover, or cause to be paid and covered, into the Treasury of the United States, as miscellaneous receipts, all amounts refunded by certain licensees of the United States Food Administration (a governmental agency organized and conducted pursuant to Executive orders and proclamations of the President, under said act of Congress approved August 10, 1917), in voluntary divestment of profits taken by said licensees during the 10 months which ended June 30, 1918, in excess of the maximum allowable profits fixed and determined under and pursuant to said act of Congress approved August 10, 1917, and the proclamations, Executive orders, and regulations thereunder, \* \* \*"

Under this order the United States Grain Corporation deposited in the Treasury cash to the amount of \$7,078,988.55, which was covered into the Treasury as miscellaneous receipts.

From the above it will be apparent that in connection with the retirement of its \$500,000,000 capital stock subscribed for by the Government the corporation has repaid to the Treasury \$475,000,000, and for the remaining \$25,000,000 has delivered \$56,858,802.49 face amount obligations of foreign countries, whose economic conditions are such as to negative any expectation of early payment.

Very truly yours,

A. W. MELLON,  
Secretary of the Treasury.

That appears to be the fact with respect to the matter; so that really this, as I view it, is substantially a reproduction of the bounty act of 1890, held unconstitutional by the last authority to which it went; and I can not see how we can give it our approval.

Mr. NORBECK. Mr. President, I want to say to the Senator from Montana that I have come to realize that nearly every bill we pass has some element of questionable constitutionality. There are some things on which there is doubt. There was not any trouble about the Constitution when it was proposed to take the farmer's money and put it in the Treasury, and I hope there will not be any trouble in getting it out; but there may be. However, if the bill is unconstitutional, of course, it will be null and void. Therefore we will have done no damage to anybody nor any benefit.

Mr. WALSH. But the trouble about that is that we are authorizing the expenditure of this money for a purpose entirely unauthorized, and I do not see how we ought to undertake to do it.

Mr. NORBECK. There is that difference of opinion. We have been doing those things right along. It is as the Senator said the other day, "When the farmer wants anything, the Constitution does bob up and hit him in the face." I realize that, but I should like to take a chance on it. If the court sets it aside, it is dead; that is all.

Mr. WILLIS. Mr. President, I desire to ask a question of the Senator from South Dakota. I think I must have misunderstood his reply to my interrogatory of a few minutes ago. I understood him then to say that the amount proposed to be authorized to be appropriated was \$56,000,000. I note that the amount provided in the bill is \$71,000,000. Perhaps I did not hear all the Senator's statement. Will he explain that apparent discrepancy?

Mr. NORBECK. It represents 4 per cent compound interest on the money from the time the Government got it. The wheat farmer was paying from 8 to 12 per cent, but I did not use those rates.

Mr. WILLIS. The amount proposed to be authorized, then, is \$71,000,000 instead of \$56,000,000?

Mr. NORBECK. Yes; it represents the principal and interest.

Mr. WILLIS. One other question. I have not had time to read the Senator's amendment as carefully as I should like. There is no proposal in his amendment to get this profit back into the hands of the specific persons from whom it was taken, is there?

Mr. NORBECK. As nearly as practicable. If the Senator can suggest any nearer way to get it back to them, I shall be pleased to have the suggestion.

Mr. WILLIS. I would not want to undertake to do that just on the spur of the moment. It does not seem to me, though—

Mr. NORBECK. As I said a while ago, this is the nearest way I know of in which to pay it back to the wheat producer. The man who produced wheat during the war and is now producing it will get the benefit. The one who produced it during the war and has gone broke since is just out of luck. I do not know what we can do for him.

Mr. WILLIS. In other words, the Government, as the Senator contends, made money out of A during the war, and now the Senator proposes to pay that money back to B, on the theory that he is raising wheat now, whereas A was raising wheat then?

Mr. NORBECK. The idea is that we should not steal it all just because it is impossible to return it all to the proper owners. Let us do as good a job as we can in distributing it.

Mr. WILLIS. I get the Senator's viewpoint.

The VICE PRESIDENT. The question is on the amendment of the Senator from South Dakota [Mr. NORBECK] to the amendment of the Senator from Wisconsin [Mr. LENROOT].

Mr. REED of Pennsylvania. On that I call for the yeas and nays.

The yeas and nays were ordered and the legislative clerk proceeded to call the roll.

Mr. CURTIS. Mr. President, a parliamentary inquiry. Is this a substitute for the pending amendment?

The VICE PRESIDENT. It is a substitute for the pending amendment of the Senator from Wisconsin [Mr. LENROOT], offered by the Senator from South Dakota [Mr. NORBECK]. The Secretary will continue the calling of the roll.

The legislative clerk resumed the calling of the roll.

Mr. FERNALD (when his name was called). I have a pair for the day with the junior Senator from New Mexico [Mr. BRATTON]. On this question I understand he would vote as I am about to vote. I vote "nay."



Mr. FERRIS (when his name was called). I am paired with the senior Senator from Florida [Mr. FLETCHER]. I am informed that if he were here he would vote as I shall vote. I vote "nay."

Mr. RANDELL (when his name was called). I have a pair with the senior Senator from North Dakota [Mr. FRAZIER]. Having been unable to arrange a transfer of that pair on this vote, I withhold my vote.

Mr. WARREN (when his name was called). I have a general pair with the junior Senator from North Carolina [Mr. OVERMAN]. I have no means of knowing how that Senator would vote, and I therefore withhold my vote.

The roll call was concluded.

Mr. MCKELLAR (after having voted in the negative). I have already voted, but I have a pair with the junior Senator from Missouri [Mr. WILLIAMS], which I transfer to the senior Senator from West Virginia [Mr. NEELY] and allow my vote to stand.

Mr. TRAMMEL. I desire to announce the unavoidable absence of my colleague [Mr. FLETCHER] on account of illness. He has a pair for the day with the junior Senator from Michigan [Mr. FERRIS].

Mr. UNDERWOOD (after having voted in the negative). I have already voted, but I have a general pair with the Senator from Massachusetts [Mr. GILLET]. I note from the recapitulation of the vote that he is absent, and I therefore withdraw my vote.

The result was announced—yeas 16, nays 55, as follows:

## YEAS—16

Ashurst	Harrell	La Follette	Norris
Borah	Howell	McMaster	Schall
Cameron	Johnson	McNary	Shipstead
Gooding	Jones, Wash.	Norbeck	Stanfield

## NAYS—55

Payard	Ernst	Keyes	Sheppard
Bingham	Fernald	King	Shortridge
Blease	Ferris	Lenroot	Simmons
Broussard	Fess	McKellar	Smith
Bruce	George	Mayfield	Stephens
Butler	Gerry	Metcalf	Swanson
Capper	Glass	Moses	Trammell
Couzens	Goff	Oddie	Tyson
Cummins	Hale	Pepper	Wadsworth
Curtis	Harris	Phipps	Walsh
Dale	Harrison	Reed, Pa.	Watson
Dill	Heflin	Robinson, Ark.	Weller
Edge	Jones, N. Mex.	Robinson, Ind.	Willis
Edwards	Kendrick	Sackett	

## NOT VOTING—25

Bratton	Gillett	Overman	Underwood
Caraway	Greene	Pine	Warren
Copeland	McKinley	Pittman	Wheeler
Deneen	McLean	Randsell	Williams
du Pont	Means	Reed, Mo.	
Fletcher	Neely	Smoot	
Frazier	Nye	Steck	

So Mr. NORBECK's amendment in the nature of a substitute for Mr. LENROOT's amendment was rejected.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Wisconsin as amended.

Mr. WATSON. Mr. President, I move that the Senate now proceed to the consideration of House bill 12175, to amend the World War veterans' act, 1924, a bill reported from the Finance Committee and next on the program of the Senate for action.

Mr. WILLIS. What is the calendar number?

Mr. WATSON. It is Order of Business No. 1068, a bill having reference to veterans' relief. It has passed the House and has been reported favorably from the Senate Committee on Finance by the Senator from Pennsylvania [Mr. REED].

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Indiana.

Mr. ASHURST. I ask for the yeas and nays.

Mr. McNARY. Mr. President, I shall not oppose this motion; indeed, I shall support it. In my opinion, the only plan fashioned to relieve the farmer was defeated yesterday. After a thorough study, I can not see any merit in the substitutes that are now pending. The plan proposed by the Senator from Wisconsin [Mr. LENROOT] would give to the farmer a subsidy, a thing he does not want. The plan proposed by the Senator from Ohio [Mr. FESS] provides a loan of money to the farmer, a thing he should not have.

Having given consideration to the situation here, and having no faith in the remedies proposed, to which I have just referred, and not believing that it is possible to get any relief for the farmers at this session, from the manifestation of the Senate yesterday, and pledging this body that the cooperative marketing bill now before the House, which is to provide a division of cooperation in the Department of Agriculture, will be acted upon at this session of Congress, I shall heartily support the motion made by the Senator from Indiana.

Mr. FESS. Mr. President, there seems to be a very clearly defined wish on the part of Members on both sides of the aisle to do something for farm relief, and while we do not all agree on the proposal that has held the attention of the Senate for three weeks, there is a proposal that has not yet been offered to the Senate, because the parliamentary situation did not permit it until after we got a vote on the substitute, that has been offered by the Senator from Wisconsin. The country will take it that the effort to sidetrack the opportunity of voting upon that measure is the evidence of a desire to avoid giving any relief that is now within our reach.

I happen to know that there is a desire on the part of Senators on both sides of the aisle to vote for not only the cooperative marketing plan but also for the commission which will have the power to loan, not to farmers, as the Senator from Oregon has suggested—he evidently not having read the bill—but to loan to cooperative associations, which, through that agency, might be able to relieve the situation of the individual farmers.

This proposal has never yet come to a vote either in the House or in the Senate. In the House it was denied a vote because of a parliamentary situation where three bills were offered at once under a rule, a proceeding which could not have taken place under parliamentary procedure except by special rule, and in a contest the vote was not taken on the bill which I have introduced.

The same procedure is now undertaken by the enemies of the cooperative marketing association plan and of the farm commission plan. If the motion of the Senator from Indiana meets with the approval of the Senate, the chance for voting upon this measure will be denied us. There has been an understanding that I would offer this proposal just as soon as the parliamentary situation would permit it, and Senators have voted on measures with the understanding that they would have an opportunity to vote on the plan I have suggested, because they believe in it, and they believe it is workable. There is an effort now to deny to the Senate the opportunity to vote directly upon this measure.

I happen to know that this side of the Senate, as well as the other side of the Senate, has had a desire to do something to relieve the situation of agriculture. The bill to which I refer meets with the approval not only of the agriculturist, who is not willing to pay a subsidy, but it also meets with the approval of the Secretary of Agriculture, and I think that I am justified in saying that it meets with the approval of the administration.

We are responsible for legislation, and the Republicans in control, if they desire to take this method of obstructing a direct vote on a proposition, which would merely require a motion to concur in the House, can take that obligation. But if this motion should be voted down and the amendment, in the form of a substitute, which I shall offer, should be carried, the bill would go back to the House, and the only thing necessary would be a motion to concur in the Senate amendment. Thus the House would get an opportunity, which it has never had, to vote directly upon the cooperative marketing plan.

I want now to serve notice on the Republicans on this side that if they want to obstruct a direct opportunity to give relief to the farmers of this country it is within their power to do so by voting for the motion of the Senator from Indiana. But it seems to me it is very unwise to adopt this ruse and defeat a fair chance to vote in the Senate on a measure of this sort.

Mr. President, if this motion is carried it displaces, as every Senator knows, agricultural relief legislation, and although the Senator from Oregon says that he will give assurance that the cooperative-marketing feature in the proposed measure will be renewed, I say he can not give any such assurance. I give him assurance that if it is renewed then my amendment will be offered, but I have no assurance that it will be done. I am convinced absolutely that there is no desire to give an opportunity to the Senate to vote on any measure except the one which was defeated yesterday. If, because we can not have our own way, we are going to play the dog in the manger and not allow anybody else to offer an amendment here, let the men who father that proposal meet it as it comes.

Mr. WATSON. Which I am entirely willing to do.

Mr. ROBINSON of Arkansas. Mr. President, there are a number of amendments to the pending bill on which I would like to have the Senate vote. I have not the slightest objection to taking a vote on the amendment of the Senator from Ohio [Mr. FESS], although I feel morally certain that it would be rejected by an overwhelming vote. There are two amendments about which I would like to record the views of the Senate, which have not yet been discussed. One is an amendment proposed by myself, which I will insert in the RECORD with the



leave of the Senate, directing the Tariff Commission to investigate and report to the Congress rates of duty which will place the tariff on a competitive basis. I have believed all along that one of the most substantial forms of relief which can be afforded the American farmer is to reverse one of the underlying proposals in the Haugen bill and tear down the tariff wall which some are seeking to build higher and which many are seeking to maintain. This would be the effect of the amendment which I have proposed. The Senator from Missouri [Mr. REED] proposed an amendment which substantially, I believe, is the Underwood tariff act.

Mr. President, I realize that there is little probability of legislation on this subject during the present session. When the bill which is now proposed to be displaced was brought before the Senate by the Senator from Oregon [Mr. McNARY], I reviewed the action taken by the body at the other end of the Capitol concerning a very similar proposal, and declared then that there was no likelihood of important legislation on the subject being enacted during the present session of the Congress. I am morally convinced that little or nothing will be accomplished by resubmitting proposals which have already been made and rejected by the Senate or by submitting new propositions which manifestly have little substantial support in the Senate.

Those who have proposed the bill which the Senator from Indiana [Mr. WATSON] proposes to displace insisted upon the passage of that measure. They thought it would afford or provide adequate and just relief. The Senate has reached a contrary conclusion and, in my judgment, a correct conclusion to the contrary. The proponents of that bill do not desire either the substitute offered by myself, and which was rejected by a narrow vote on yesterday, or the substitute offered by the Senator from Wisconsin [Mr. LENROOT], or the amendment proposed by the Senator from Ohio [Mr. FESS]. We could go on discussing these questions indefinitely. If further amendments are to be voted upon, I shall insist upon a vote on the amendment proposed by myself tending to reduce the tariff and a vote on the amendment proposed by the Senator from Missouri [Mr. REED], to which I have already referred.

But I do not believe that farm legislation can be enacted during the present session. I think that we will merely consume a considerable amount of time and reach no conclusion on the question. I would not have been willing to vote to terminate the discussion of the subject in the Senate if the motion had not been made and seconded by the leading proponents of the Haugen bill, the Senator from Indiana [Mr. WATSON] and the Senator from Oregon [Mr. McNARY]; but since they have reached that conclusion and have made the motion, I shall support it.

Mr. President, I ask that my amendment may be printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered. The amendment is as follows:

That for the purpose of assisting the Congress in reducing to a moderate or competitive basis such duties as may appear to be either excessive or prohibitive, the United States Tariff Commission is hereby directed to investigate and from time to time, as speedily as may be, report to the Congress what rates of duty, in the opinion of its members, substantially and approximately will equalize the conditions of competition in the principal markets of the United States between domestic producers and foreign producers of the principal competing countries, respecting articles wholly or in part the growth or product of the United States and of like or similar articles wholly or in part the growth or product of competing foreign countries, particularly including the following: Steel ingots; sheets of iron or steel; tubular products; table, kitchen, and household knives; razor blades; safety razors; pruning and sheep shears; scissors; nail and barber's clippers; pocket knives; hinges; padlocks; tinware; bathtubs, table, kitchen, and household utensils of aluminum; also textile machinery; automobiles; automobile tires; rubber manufactures; electrical machinery and apparatus; jute bags; cotton cloths; cotton blankets; cheaper woolen blankets; cotton suspenders; woolen suspenders; cotton gloves; men's cotton shirts; cotton-lace window curtains; cotton towels and sheets; knit fabrics and knit goods of rayon; woolens; wool socks; wool cloth (knit and not knit); table and kitchen articles of glassware; brick; asphaltum and bitumen; mechanic's tools not specially enumerated; sulphate of ammonia; paints, pigments, and varnishes; collar and cuff buttons; toothbrushes and paintbrushes; cheaper and coarser raw wools; glass table and kitchen utensils, pressed and unpolished; limestone; magnesite; saddlery and harness hardware; fountain pens; lawn mowers; broom handles; indigo; wood fence posts; hoop or band iron for baling cotton.

That said commission is hereby authorized to employ such additional experts, employees, and agents as may be required in the prompt performance of its duties under this section and may give priority to

investigations, hearings, and reports herein directed over other work of the commission.

That there is hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, for the purpose of carrying out the provisions of this section, the sum of \$250,000, or so much thereof as may be necessary.

Mr. SHIPSTEAD. It is very clear that the Senate has reached a conclusion on the farm question. When we voted to kill the Haugen amendment yesterday we decided that for the present at least the Congress of the United States is willing that the American farmer shall continue to feed the world for less than the cost of production. Some of us have been endeavoring to obtain some kind of legislation which would compel the world to pay the American farmer for its board—at least pay him for the cost of production.

A great deal has been said about the legislation which has been enacted here in the past 50 years for the farmer, and it has been enumerated. The machinery of it has been explained. After all the explanation that has been made it is apparent that it is machinery constructed for the purpose of getting the farmer deeper in debt by loaning him more money. We are interested in building some kind of machinery that will pull the farmer out of debt. To do that he must get better prices. The Congress has refused to build such machinery. Simply loaning him money will not get him a better price. Simply conducting another investigation, as has been proposed by some of the amendments offered, will not throw any new light on the subject. We have been investigating agriculture for the past 50 years and I am amazed that Senators now are willing to admit they know nothing about it and want to start now upon a new investigation. The farmer has had plenty of advice. Everybody is giving him free advice. I want to get him a better price, a price high enough to put him on a level with industry.

I think the Congress can do no better than go to the country with the agricultural question and let the people of America decide at the polls whether they are willing to pay the farmer for their food or whether they are willing that he shall continue to feed the world for less than the cost of production.

The manufacturing centers are getting rich at the expense of the farmer by refusing to pay him a fair price for what they eat. So long as the people continue to elect men to Congress with that point of view the farmer will continue going bankrupt.

Mr. GOODING. Mr. President, I think I ought to say to the Senate that day before yesterday I placed in the RECORD a communication from the Committee of Twenty-two, which represents practically all the cooperative organizations in America—in the West, in the Northwest, and in the Southern States—in which they asked that any legislation which permitted only a loan to the farmers be defeated. I do not know why we should force down the throats of the American farmer something that he does not want and has not asked for. We have the intermediate credit act to-day, under which cooperative organizations can borrow money from the Government at  $4\frac{1}{2}$  per cent. They are perfectly satisfied with that and do not need any more loans or any subsidy of any kind from the Government. They are opposed to any of this legislation or the substitutes which have been proposed here to-day or in the past several days.

Mr. HEFLIN. Mr. President, the farm-relief legislation has probably met its doom. It has been murdered by the Republican Party. [Laughter.] Word came here two weeks ago that the President was opposed to it and that he would veto it, so the friends of the farmer in both Houses have fought against great odds. They have fought under tremendous difficulties, having been notified in advance that any measure looking to the relief of the distressed farmers of the country would be slaughtered if it reached the White House.

Later on, when it looked like we might get together and work out some plan, Mr. Mellon, the chief spokesman of the Republican administration and the mouthpiece of the big financiers of Wall Street, issued an edict that this legislation must be destroyed. He who comes out from Pennsylvania where recently a senatorial seat has been auctioned off, tells us that the proposed legislation is economically unsound.

Mr. REED of Missouri. Mr. President—

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

Mr. REED of Missouri. I call the Senator's attention to the fact that it went to the next lowest and worst bidder.

Mr. HEFLIN. Yes; they sold the seat to the next lowest bidder.

Mr. ASHURST. But the Senate will not confirm such a sale.

Mr. HEFLIN. I think the Senator from Arizona is right about it. I wonder if the American people yet realize that we



have reached the point in the history of this Government when certain special and sinister interests are organized for the purpose of hant picking and electing a majority of the Members of the Senate?

Certain Republican leaders have become so inoculated with the deadly virus of political corruption—money-controlled elections—that they have dared to defend the indefensible political corruption just recently uncovered in the Republican senatorial primary in Pennsylvania.

The able Senator from Missouri [Mr. REED] has the opportunity in exposing this crookedness and crime to do something of great value for the preservation of free institutions in America. They have made barter of the ballot and done other corrupt and reprehensible things that strike at the very foundations of free government in America. And yet Mr. Mellon, a member of the President's Cabinet, boldly defends those corrupt practices and he has also taken it upon himself to tell us that this legislation is unsound, economically unsound, and ought to be thrown into the waste basket.

The Senator from Ohio [Mr. FESS] has told us that he wants to do something for the farmer. I want to remind him that on yesterday he and his Republican colleagues did something "to the farmer." They struck him a body blow. They made it impossible for him to have relief legislation at this session. But I want to say to those on the other side of the aisle who are willing to fight and who are not ready to pull down their flag, who are really in earnest about aiding the farmer, that they should stand up and fight, because there are a few of us on this side of the Chamber who will fight with them.

Mr. President, I wish to remind Senators that when Republican deflation swept over the country and destroyed property values of the farmers to the amount of \$26,000,000,000 I led the fight that drove Governor Harding from the Federal Reserve Board. He had been appointed as a Democrat from my State; but he betrayed his party, he betrayed his stricken chief, Woodrow Wilson, he betrayed his country by entering into a conspiracy with the Republican leaders and the financial masters of Wall Street, which brought about the worst money panic that ever cursed the country.

Who was the author of that panic. Let us see. A Republican in this body, the chairman of the Committee on Banking and Currency, the Senator from Connecticut [Mr. McLEAN], offered an amendment to the Federal reserve act that opened the way into the bulwarks of the mighty banking system which had been created to prevent panics, the greatest system ever devised by the genius of man. The Senator from Connecticut, a Republican, offered that amendment in a Republican Senate, and it was adopted. It was offered in the House of Representatives by the chairman of the Committee on Banking and Currency there, a Republican, and it was passed through a Republican House. When it passed only a few seemed to have the foresight to understand just what trouble was coming. All kinds of deceptions were used to get it passed. It was said that the East was getting too much money, and it was desired to stop it; that it was desired to amend the law so that the rediscount rate might be increased.

The Senator from South Carolina [Mr. SMITH], the able champion of the cotton growers, pointed out that if that amendment were fastened upon the law it would produce a panic. It did produce a panic. It almost destroyed agriculture in America; it almost destroyed the cattle industry of the West. It drove many cattlemen into the market place and made them sell their mother herds. It drove the farmers into bankruptcy, until their lands were sold for taxes, and they are yet struggling under the terrible burden placed on their backs by that deflation brought about by the Republican Party.

When the storm was over the East was flourishing; it was making its millions and hundreds of millions. Where was the progressive interest rate applied? Not in a single instance was it applied in the East; but it was applied in the South and it was applied in the West, the two great agricultural sections of the country. What happened? Big, fine mules, for which the farmers of my State had paid \$250 each to western mule raisers, would not sell for \$20 in cash at the door of the courthouse of the county. Cotton that had sold for \$150 a bale went down to \$50 a bale. Wheat fell in price from \$2.25 a bushel to 65 cents, and corn fell from \$1.50 a bushel to 20 cents. Oh, Mr. President, the Liberty bonds which the farmers had bought to help win the war were taken from them. The sharks of Wall Street bought them for 80, 82½, and 85 cents on the dollar. They took them back to New York, after they got them all out of the South and all out of the West, and made over \$400,000,000 profit on those transactions. That was a part of the fruit of the Republican deflation policy; and the farmers have not yet recovered from it. God bless these distressed and hard-pressed farmers! I am in sympathy with them. I should

like to get away from here and take a much-needed rest, but I am willing to stay here and hold the Senate in session until the snow flies in order to grant relief to the farmers of the country.

Mr. President, I once saw the farmers of the West in their pride and power. I saw them when they stood up, princes in the kingdom of agriculture. I saw them when they owned their farms; when their homes and farms and personal effects were all free from debt. I saw them when their sons and daughters were growing up buoyantly and happily about them; and I have seen them when the hammer had fallen upon their property under mortgage, when the farm had been sold and all their personal property had gone. Two million of them have been driven out of the South and West into industrial pursuits, driven out of the occupations which they sought from choice into something that they must do from necessity or starve.

Mr. President, when that awful catastrophe of deflation was over, when the South had been stripped of its substance and the West had been robbed of nearly all it had, I saw a group in this body with myself amongst the number, the Senator from South Carolina [Mr. SMITH], Senator SIMMONS, of North Carolina, the Senator from Georgia [Mr. HARRIS], the Senator from Tennessee [Mr. McKELLAR], and others of us working with a few Senators on the other side of the Chamber. We suggested that the Congress remain in session; that we revive the War Finance Corporation; that we put new life into it; that we supply it with funds to put into the banks in the West and in the South to help the crippled and broken farmers. Senators on the other side of the Chamber fought that. They said it was a wild vagary of the populist mind. They wanted to adjourn; they tried to adjourn, but we defeated them in their effort to adjourn. We stayed here; we enacted that law; we revived the War Finance Corporation and did a great deal of good with it.

Senators, while you are thinking about your vacations, thinking about building up your political fences back home, I want you to think of a population in the agricultural sections whose citizens are unhappy, despondent, and almost desperate in the valley of despair. Let us not adjourn; for God's sake, let us stay here. If the bill in the shape in which we have voted on is not satisfactory to a majority, let us keep discussing propositions and voting until we get something that is satisfactory to the majority. What is the hurry about adjournment? Why should we want to run away and leave this great population of farmers of the United States—thirty-odd millions of people—in distress, leaving them still further to the mercy of the grain and cotton gamblers and the speculators who, at every marketing season, make their millions on the farmers' products? Why should we do that? Let us see if we can not get together; we should not become impatient; let us get together in an earnest and determined effort to work out a measure that we can agree upon.

I am going to say this before I sit down: If the agricultural masses have the sense which I think they have and the courage which they ought to have and which I believe they have, we are going to see a different situation on the other side of the Chamber after the next election. We are going to see some vacant places over there and over here new faces of Democrats who have taken the places of Republican Senators. Some of you play with farm legislation and fix for yourselves a pretty good record to go out and camouflage with. You are going to find this time that the camouflaging business will not work. The farmer is going to know your records. He is going to find out where you were when the motion to adjourn came up. He will find out where you were when the members of the Gideon band of the farmers wanted to secure legislation and were in earnest about it; he is going to find out where you were. He is going to find out who is on the Lord's side.

"A man can not serve two masters; he can not be for both God and Mammon." If you are for the farmer, you are not going to try to hurry this Congress out of the Capitol. If you are against the farmer and you have been trying to deceive him with all of your camouflaging business, you are going to hasten away, get your hook and line, and sit yourselves under a broad branching willow and fish and meditate; and if the farmer has the sense that he ought to have, he is going to fix you so that you can meditate the balance of your life. [Laughter.] And that is what he ought to do.

Mr. President, hurrying to adjourn, wanting to get away, and we have only reached the month of June, and Congress will not reconvene until December. We have from now until December. Would Senators on the other side be hurrying adjournment if the big eastern bankers were asking them to sit here until they could put through what they wanted to help them curtail credits and contract the currency whenever they wanted to beat down the price of agricultural products? No;



we would not hear a word from you about adjournment then. Do you suppose that if Mr. Mellon had not given back hundreds of millions of dollars to the big taxpayers who ought not to have received the money—money that should never have been taken out of the Treasury—do you believe you would be hurrying to adjourn? Not at all. You would say, "Let us stay here until these things are cleaned up."

If Congress had not disposed of the big debt settlements that the Republican majority put over, giving the international bankers and the other fellows their commissions, enabling them to make millions out of the American people, in addition to the billions given to foreign countries, would you be hurrying adjournment? Not a bit of it. But all of these matters are out of the way; those who write checks in large amounts for campaign contributions to the Republican Party to help buy elections are satisfied, and are ready for you to adjourn. But the farmer, who walks in the furrow of his field, bearing his burden in the heat of the day, has no influence with you, and you are ready to adjourn. God help the farmers of America and give them the sense and strength in the next election to put the political lash where it ought to be, on the back of the Republican Party. [Laughter.]

Mr. MOSES. Mr. President, I am sure the Senate has been stirred, as the galleries have, by the picture of hardship painted by the Senator from Alabama [Mr. HEFLIN] as he has described the difficulties under which he has undergone the work of this session; and I, too, sympathize with him, Mr. President, because I remember the caverns of silence into which he retreated as the revenue bill was under consideration; but now, sir, as the session draws to its close, and he has regained his voice, I welcome the challenge which he presents to us.

Mr. President, post-mortems have never interested me; but since the Senator from Alabama has sought to speak of the vote which was taken here yesterday, I want to call the attention of the Senate and of the country to the manner in which that significant vote was made.

Against relief for the farmer, as proposed in the measure which was defeated, there were 24 Republicans and 21 Democrats. For relief for the farmer, as advocated in this measure, there were 15 Democrats, 23 Republicans, and the entire membership of the Farmer-Labor Party, which votes with the Republicans upon the organization of the Senate. Therefore I feel justified in saying that the vote here yesterday was: Republicans, 24 for and 24 against; Democrats, 15 for and 21 against.

Mr. CARAWAY. Mr. President, the Senator from New Hampshire [Mr. MOSES] says he has taken no interest in post-mortems. I rather imagine he will have a more lively interest in that subject after the coming primary.

Of course, I do not want to deny any Senator an opportunity to put on his life preserver. However, I should like to say to the Senator from Ohio, who has made so much noise about having relief for the farmer, that nobody but Mark Antony ever got anything out of a funeral oration [laughter]; and nobody is being fooled, in the Senate or out of it, by these measures that are now being presented for a vote.

The measure before the Senate has ceased to be a bill for farm relief, but is now a measure for political relief. It gives the farmer nothing, and it will give these people less.

There is not any use in prolonging this farce. There is not a man on the floor of the Senate who does not know that there is not to be any relief for the agricultural situation; and when they talk about staying here and voting for these amendments it is not deceiving anybody.

My friend from New Hampshire thinks because there was one more Senator on his side who voted for the measure than voted for it on the Democratic side, that man's virtue is going to save him and the rest of them.

Mr. MOSES. Eight more.

Mr. CARAWAY. Well, eight will not do you any more good than one. Everybody has a right to his honest convictions, and I am not falling out myself with any Senator on this floor who believed that the measure was unwise and voted against it. The only thing I protest against is the reasons that were given.

I say, and I say it seriously, and I am willing to maintain it, that there was not an extended speech against this measure made by a Senator that did not disclose one of two things: First, that he had not read the bill; or second, that he was not willing to face it squarely. Every one of them gave a reason that was found nowhere within the bill.

What I want to say is this, and I shall say it, and then I am through:

A great number of farmers believed that this measure furnished them a measure of relief. They honestly believed it.

They believe it to-day just as strongly as they believed it yesterday. Were they entitled to have their theory put to the test?

Some say it was unconstitutional. I do not know. I do not think so. If it was, the Supreme Court would say so, and that would end all agitation along that line. If it was constitutional, then the theory could be tried out. If it proved fallacious, these 40,000,000 people who are feeding and clothing the rest of the world at less than it costs them to produce the food and clothing would know that their theory was a fallacy, and they could turn to some other measure of relief.

Some Senators were unwilling for them to have the opportunity to try out their theory. They believed either that the farmers were selfish, as some of them said, and wanted to increase the cost of living to others for their own profit, or, as others insisted, that they were so devoid of intelligence that they did not know what they needed. It may be safe and sound to say to 40,000,000 people, "You are either a knave or a fool." I do not know. I know, however, that you will not convince them that they are by saying it.

I have heard it advocated here on this floor by Senators who oppose this measure that we ought to resubmit the eighteenth amendment because there was a substantial number of people who did not believe it was wise. They want the people to have a chance to pass upon it. They want the Supreme Court to determine what may be done under that law. They say: "Do not foreclose our right to get beer until the Supreme Court says we may not have it." Yet every one of those Senators foreclosed the right of 40,000,000 farmers to have some kind of relief. In other words, we now know that with certain people beer is sacred, but bread is not.

Everybody must stand on his own record. It does not do us any good to threaten each other here with what is to happen. In fact, if there were not the short session in December for some of these gentlemen to sing their swan songs I would agree that we ought to continue this session, but they will have three months next winter to explain that they made a mistake and the people found it out. I will prepare now to get in a sympathetic mood by that time. I could part with them to-day, however, without regret.

Mr. TRAMMELL. Mr. President, I would vote upon the question of taking up the veterans' measure in accordance with the motion made by the Senator from Indiana [Mr. WATSON] and concurred in by the Senator from Oregon [Mr. McNARY] without uttering one word if I could yield to them what they apparently take unto themselves, that they are the only representatives of the farming interests within this body—they and those who are following them on the question of farm relief.

Analyzing the attitude of the Senators who desire now to discontinue any further consideration of the question of farm relief, we can not do otherwise than construe their position to be that no Senator is a friend of the farmer, no person believes in giving relief to our agricultural interests, unless he agrees with them on the dotting of every "i" and the crossing of every "t."

I have observed for a number of years in this body its membership; and I am confident, as far as my judgment goes, that there are dozens of Members of this body who are just as loyal to the farming interests and just as desirous of doing something for their relief as are the Senators who now propose to desert the ship and give no further consideration to this question. That is what the situation is, though. "You must vote for exactly what we want; you must accept it, or else we will not play in your back yard any more. We will adjourn this session of Congress without attempting to reach any conclusion at all upon farm legislation."

Senators who take that position may console themselves with the thought that they will get back home and be congratulated by the farmers; that the farmers will pat them on the back and say that they have rendered a wonderful service to them; but I do not think as a rule they will find that kind of greeting awaiting those who abandon the ship in its perilous hour and who say, "If we can not have it just as we wish, then we are to have nothing"; and yet that is the position of those who now desire a discontinuance of the consideration of this subject.

The amendment which is proposed by the Senator from Wisconsin [Mr. LENROOT] unquestionably, in my opinion, would afford a considerable degree of relief to agriculture in this country. Some of the salient features of the proposal being made by him are that the board provided for within its provisions will finance the surplus and encourage cooperation and bring about more favorable marketing conditions.

That might not be just what some of those who supported the Haugen bill want, but it certainly would be some degree of relief. It certainly would afford assistance in taking care



of the surplus and bringing about a better marketing system, and those are the very vital questions that Congress has been considering. So why decline to give consideration to the extent of even voting upon a proposal of that character?

Some other amendments which are pending are possessed of merit. Take the proposal which was made by the Senator from Arkansas [Mr. ROBINSON], which received a very substantial vote upon yesterday when considered. That amendment, standing alone and being voted upon as a proposition on its own merits, has not yet been passed upon by the Senate. It was passed upon only in contrast and in comparison with the Haugen amendment. We have not had a vote upon that question. It provides a very substantial sum for taking care of the surplus. It provides for advances to the farmers and certain loan privileges, and yet those who take unto themselves the "holier than thou" attitude, who make the contention that they only are the friends of the farmers and represent the farmers, desire to sidetrack the question of farm relief and not even vote upon that question.

I think, when you get back home, some of them will say, "We think it would have been a very nice thing if we could have had \$150,000,000 to play with this surplus a little, if we could have gotten it, but you did not try to help us get it." Even those who preferred the plan which has been defeated will say: "While we preferred the plan that was defeated, you deserted the ship, and you were not willing to assist us in getting funds to handle the surplus crop of this country. You deserted the ship. You were not willing to assist in promoting cooperation among the growers. You got a little irritable and a little impatient, and just because you could not run the thing just as you wanted to, you said, 'No; we will not give any further consideration to it. We will adjourn and go home.'"

You mislead yourselves, you deceive yourselves if you think the farmers of this country are going to crown you as the friends of the farmers when because, forsooth, you could not get just exactly what you wanted, you abandoned their interests, you ceased any effort to try to get relief, and brought about the substitution of another measure, with the object of adjourning Congress within a few days.

I believe that one of the great questions to deal with is the question of surplus. Funds to keep the surplus off the market and to avoid dumping the surplus upon the market all at one time would certainly be a great assistance in affording relief to the wheat growers, the corn growers, and to the cotton producers of this country.

It does seem to me, from the sentiment as recorded in this body by a majority of the Senators, that if we would stay here and seek to work out the proposition we could afford some relief at least along that line. That is covered in a general way by the amendment which was offered by the Senator from Arkansas, and also in a general way by the amendment offered by the Senator from Wisconsin. I think it is very regrettable that Congress should adjourn, or that Congress should abandon consideration of this question, when there is a strong possibility that relief along this line, which I think would be very substantial, may yet be enacted, if Congress will only stay here and consider the proposition.

Mr. BRUCE. Mr. President, I would like to offer an amendment to this bill, to lie on the table, to be called up subsequently. It is an amendment providing for a commission to investigate and report on the present condition of agriculture.

Mr. BORAH. Mr. President, I understand the situation to be that the Senator from Indiana [Mr. WATSON] has moved to take up another bill, which, of course, would displace the farm relief bill. I presume the Senator from Indiana proceeded upon the theory that it is really hopeless to expect anything to come out of this session so far as farm relief is concerned.

I am inclined to agree with the Senator from Indiana, so far as any of these amendments which are proposed are involved, but I submit for his consideration, and for the consideration of others, the proposition of trying to come to an understanding and pass that portion of the pending bill about which there is no controversy—the cooperative feature—which came over from the House.

There are those who think that would be of very considerable help and of very great advantage to a number of people who are engaged in agriculture.

There is no controversy about that. As I understand, there is no opposition to it anywhere, and it does seem to me that it having come over from the House and having received the approval of the House, having received the approval of all parties here practically, we might dispose of that and let it become a law, and not wreck the entire proposition.

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

Mr. BORAH. I yield.

Mr. LENROOT. I will say to the Senator that if that could be agreed upon, in order to accomplish that object I would be glad to withdraw my amendment.

Mr. BORAH. I think if all the parties concerned in these amendments would withdraw the amendments, we could pass that feature of the bill. I think it would be a very great mistake, in our haste and in the attitude of mind into which we have gotten by reason of this controversy, to go away and leave that practically finished legislation not in such shape that it could become a law.

Mr. JONES of Washington. Mr. President, may I suggest to the Senator that the Senator from Oregon assured us a while ago that the cooperative feature of this bill would be passed in the form of another bill. Yet, if that comes up independently in the future as a separate proposition, there will be no limitation as to debate upon it, and there will be no limitation as to the amendments that can be offered to it.

We now have a limit imposed by agreement with reference to debate and as to amendments which may be offered, so that we are in a better situation now to dispose of the cooperative matter than we would be if it should be taken up in the future without any limitation.

Mr. BORAH. Mr. President, it is a very simple matter. If those who are in charge of these amendments will withdraw their amendments, and let us vote at once upon the cooperative feature of this bill, we can accomplish something. It is perfectly apparent that we are not going to adopt any amendment of any considerable import, and therefore the proponents might as well withdraw the amendments.

Mr. ROBINSON of Arkansas. Mr. President, I am perfectly willing to proceed and to conclude the consideration of this bill in the regular way, and under the limitation the Senate has fixed, although that limitation restricts debate very narrowly. But I do not think it is practicable to enter into an arrangement by which Senators shall be denied the privilege of proposing amendments to any portion of this bill. That can not be done.

If the Senator who made the motion to proceed with the consideration of another bill desires to withdraw it, I have no objection to going ahead and voting on the amendments that have been presented or that may hereafter be presented, and to discussing them under the limitations we have effected.

I do not think it could be expected, after the Senate has consumed three weeks or a little more, that we would bind ourselves now not to make such proposals as we think would improve the bill as it passed the House. Nor do I want to be estopped from proposing the amendment that was voted on yesterday. I would be willing to take the vote without protracted debate, but I believe that amendment, the substitute which I offered for the Haugen bill, is valuable, and would be helpful.

I am not willing to agree to a proposal that we admit that we have simply wasted a little more than three weeks of the Senate's time, and that we are now going to accept without study a bill that was sent over from the House. Hardly a Senator has read that bill. The whole contest here has centered about the amendment which the committee reported, and which we have come to know as the Haugen bill. No consideration whatever has been devoted to the bill as it passed the House. If we take that up, we will take it up and discuss it, and such amendments as Senators desire to present will be presented.

I do not know that there is serious objection to the bill as it passed the House, but I would certainly not want to be bound to the passage of a bill which the Senate has not for a moment considered. There is no reason why we can not go ahead, if Senators think there is a chance to accomplish something useful, and thrash this matter out to the end.

I am willing to take up another bill if those who support the original proposition think it is useless to continue the issue; but I am not impressed with the suggestion that we simply admit that we have wasted three weeks of time and that we will now swallow whole a proposition that we have not studied, that we have not discussed, and which we may want to amend.

The best relief the farmer can have is through a reduction of the tariff, particularly where the rates are approximately prohibitive, as many of them are, and which vitally affect the American farmer and other consumers. I would like to fight that issue out. I would like to have those who have been paying tribute to the great industries of the country for years say whether they are willing to continue to do so.

My proposition in that particular does not involve directly the question as to whether a Senator shall vote from the standpoint of a moderate protectionist or from the standpoint of one who believes in tariff for revenue only. It does involve the question as to whether the great producing masses of this



country are willing to continue to lend their support to a policy and to a principle which not only does not and can not aid them, but which plunders and will continue to plunder them.

Mr. WATSON. Mr. President, I understand, then, that the Senator has no notion of withdrawing his amendment.

Mr. ROBINSON of Arkansas. I have no intention of withdrawing anything.

Mr. WATSON. And I have no notion of withdrawing my motion. I insist on my motion.

Mr. ROBINSON of Arkansas. Very well, Mr. President. The Senator from Indiana recognizes what I recognized three weeks ago, that the condition in the Senate is such, and the viewpoints of Senators are so conflicting, that there is no probability of practical and helpful farm legislation being enacted at this time.

I can not subscribe to the Haugen bill for the reasons I have stated here repeatedly. I feel that it would be an imposition upon the farmers, whom it is designed to help, for me to convert the taxing power of my Government into an instrumentality of oppression to the producers of this Nation.

I am not willing to levy tribute upon the man who goes forth and toils in the fields and produces the things without which our people can not live for the privilege of pursuing his avocation.

As stated yesterday by the senior Senator from South Carolina [Mr. SMITH], the fundamental principle in this Haugen proposal is that we shall use the money of the Federal Government and the power of the Federal Government to furnish foreigners surplus American farm products at the expense of American consumers. The proposal is to sell the surplus cheap to foreigners and raise the price arbitrarily to our own people. The principle is fundamentally wrong. It can not find justification either in common sense or justice.

Now, let those who believe that this is the only remedy, let those who are willing to perpetuate excessive tariff rates, let those who are willing to perpetuate excessive freight rates, let those who insist that the only way in which relief can be brought to the producers of farm products is by compelling them to pay a tax or charge upon their products take the responsibility for the defeat of legislation, if they choose to do so.

Mr. BORAH. Mr. President, if the Senator from Indiana insists upon the motion and the motion is agreed to, that ends farm legislation for this session, it seems to me, even that portion of it about which there is very little controversy. I prefer to follow the suggestion of the Senator from Arkansas [Mr. ROBINSON] and remain with the bill in the hope that we will at least pass that portion of it about which there is no controversy. But if the motion of the Senator from Indiana prevails, we will not have it up again this session. If we should take it up, it would be in a worse condition than it is now, because there would be no limit on debate and no limit to the power of offering amendments. It means we are ending the matter without doing anything at all. It seems to me, therefore, that we ought to retain the bill for the present.

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

Mr. BORAH. I yield.

Mr. HEFLIN. If it is opened up again without limitation of debate, it would be impossible ever to get a limitation affecting debate again.

Mr. BORAH. Yes; I presume so.

Mr. WATSON. Mr. President, I am opposed to further consideration of the measure at this time with the amendments which are pending.

I am opposed to the amendment proposed by the Senator from Wisconsin [Mr. LENROOT], first, because it is a direct subsidy from the Treasury lent without recourse and without security. When the farmers came to the House of Representatives and asked for legislation they at no time demanded a subsidy. They have insisted from the very beginning of the controversy to this hour that they demanded no subsidy. Their proposition was to lend money to the board which they set up, money from the Treasury, but every dollar of which was to be repaid by levying an equalization fee upon the producers of the particular crop to be dealt in at the time. At no time, from the beginning to this hour, has any one of the representatives of the farmers' institution demanded a direct subsidy from the Treasury. Not only that, but every one of those representatives in the city of Washington to-day has said to me directly that he is against the proposition submitted either by the Senator from Wisconsin [Mr. LENROOT] or by the Senator from Ohio [Mr. FESS].

I am against the amendment of the Senator from Wisconsin in the second place, because in reality it affords no relief to

agriculture. The farmers do not want either one of those measures. Their representatives have been here from the beginning of the fight to the present time; indeed, they are in the gallery at this very moment. All anyone needs to do is to consult those representatives to find that they are not in favor of a single one of these amendments. If we have not given these men what they wanted, why should we attempt to force down their throats what they do not want?

Mr. BORAH. Why would it not be a good idea to consult our own judgment?

Mr. WATSON. I am consulting my own judgment. I have consulted my own judgment. From the beginning of this controversy to this hour I have consulted not only my own judgment but what I believed to be fundamental economic principles. Not only have I consulted some of the greatest economists in America, but likewise I have consulted the heads of these farm institutions who for years have given unrelenting study to a solution of this complex problem. Are they to be relegated to the rear? Are we to give no heed to their advice? Are we to pay no attention to their demands? If, after they have given years of study to these problems, they come and ask for bread, are we, after refusing to give them bread, to turn about and offer them a stone instead?

Mr. MOSES. Mr. President, I beg the Senator not to overlook Sir Josiah Stamp.

Mr. WATSON. I am not overlooking Sir Josiah Stamp. I am not overlooking him because in an economic consideration of any question he may not be overlooked. Nor am I overlooking the other men who have given their best judgment to the study of this question and have pronounced in its favor.

But I am not here to debate that problem. I am here to say that I am opposed to further consideration of the question at this hour. Why? Because it involves the proposition submitted by the Senator from Arkansas [Mr. ROBINSON], and what is that? That we shall go into a debate of the tariff question. He wants to revise the tariff by offering an amendment to the pending bill. Where on earth would we be if we undertook to revise the tariff through the means of such an utterly impossible proposition, doubtless subject to a point of order, because being revenue legislation it must originate in the House.

Then another Senator wants to attach an amendment to the bill in the form of section 15a of the transportation act. We would involve ourselves in endless days of debate. For once my friend from Ohio [Mr. FESS] and I would be on one side of the question. There are many controversial propositions which would be thrust upon the Senate at this hour, and we all know they would not receive the consideration to which they are justly entitled. Thus the Senate would be dragged into days and days of debate, with no results worth while to the farmers of the country.

Not only that, but some of the representatives of the farmers' institutions have said that as far as they are concerned they do not care whether the cooperative features of the bill are passed or not, because, they say, if it passed it would be but a gesture in aid of farm relief, and that furthermore it would be charged to the farmer as another one of the 35 acts which have been recited here on the floor of the Senate as having been passed in the interest of agriculture, without accomplishing any beneficial results to the agricultural interests of the country.

Therefore, in the interest of the farmer, in the interest of agricultural legislation, in the interest of the situation which confronts us now in the Senate, I insist on my motion.

Mr. HARRISON. Mr. President, the Senator from Indiana has made the kind of speech that I expected him to make. When he made his motion to take up the war veterans' legislation and displace the agricultural bill, some of us thought it was because he was frightened at the prospect of a discussion of the tariff question. If he has become greatly frightened so quickly over the tariff question relating to the agricultural situation as he has now shown himself to be, I can assure him he will be on the run in the next few months.

Mr. WATSON. Mr. President, does the Senator really believe what he is saying?

Mr. HARRISON. If the Senator will bide his time with patience, I will even convince him, even though that is a very difficult task to perform.

Mr. WATSON. It certainly will be difficult on that subject.

Mr. HARRISON. Mr. President, I opposed the McNary bill. I opposed it contrary to the wishes of some of the representatives of a certain farm organization in my State. I opposed it notwithstanding some of the farmers of Mississippi may have had faith in it. I was against it because, as I stated once before upon the floor of the Senate, in my opinion it was unconstitutional, unsound, uneconomic, and contrary to my belief of party principle. So my opposition to the McNary bill was based upon very good grounds.



When the Senator from New Hampshire [Mr. MOSES] a moment ago rose and said that some paper in glaring headlines this morning said that "so many Republican Senators had voted for farm relief and so few Democratic Senators had voted for it," the Senator was but exercising the ingenuity of his talents rather than heralding what he believed to be facts. The real proposal, the one that would really have carried relief to the farmers of the country, was made by the distinguished leader on this side of the aisle, the senior Senator from Arkansas [Mr. ROBINSON], and in the vote on that proposition may I say in answer to the Senator from New Hampshire—

Mr. MOSES. Mr. President—

Mr. HARRISON. In one moment I will yield.

Mr. MOSES. The Senator is attributing to me language in the headlines of a newspaper. I quoted no newspaper. I gave only the result of my own research, and the Senator would do well to follow his own research instead of occupying so much time with the newspapers.

Mr. HARRISON. The Senator was one of those who voted against farm relief.

Mr. MOSES. I voted against the measure as presented for the same reason that the Senator from Mississippi did, as he just told us, because it was uneconomic, unsound, and against my party principle. [Laughter.]

Mr. HARRISON. Then we were agreed one time. The fact that the Senator from New Hampshire voted as I did was the one incident that made me doubt the correctness of my own position. On the real proposal that was offered, that of organizing a grain export corporation to take care of the surplus agricultural crops, the amendment offered by the Senator from Arkansas, there were 25 Democrats and 14 Republicans who voted for it, and against that proposal which, if it had received a few more votes, would have carried, there were 35 Republicans and only 10 Democrats. But that is no argument for or against the proposition.

Mr. MOSES. Oh, no, Mr. President!

Mr. HARRISON. I am simply offering it in answer to the suggestion proposed by the Senator.

Mr. MOSES. I understand the Senator resorts to a mathematical argument which in the last analysis has nothing to do with the question. In other words, most of the Democrats voted for the proposal advanced by the Democratic leader.

That is all it comes to.

Mr. HARRISON. We were for it because it carried out the pledges of the Democratic Party as embodied in its last platform, and because it was constitutional, economically sound, and calculated to be of immeasurable benefit to agriculture.

Mr. MOSES. What?

Mr. HARRISON. It was constitutional.

Mr. MOSES. What was sound?

Mr. HARRISON. I decline to yield further to the Senator. But, Mr. President, the Senator from Indiana says that if his motion fails the tariff question might be discussed. It is embodied in the other amendment offered by the Senator from Arkansas [Mr. ROBINSON]. It ought to be discussed. There is no reason why the bill would take four or five days longer in that event.

The Senator knows that we can have little discussion here. We have already entered into a unanimous-consent agreement that on no amendment can any Senator speak longer than 15 minutes nor longer than 30 minutes on the bill.

Mr. WATSON. Mr. President, will my friend yield?

Mr. HARRISON. Certainly.

Mr. WATSON. What advantage would there be to discuss it? We could pass nothing. Does the Senator really believe—

Mr. HARRISON. If the Senator would vote like a great many of his party colleagues believe, and have expressed themselves, he would vote for the tariff amendment.

Mr. WATSON. Does the Senator really believe we could revise the tariff and have a revised tariff bill as an addition to the farm relief bill?

Mr. HARRISON. Of course we could, if we could obtain sufficient votes.

Mr. ROBINSON of Arkansas. Mr. President—

Mr. HARRISON. I yield to the Senator from Arkansas.

Mr. ROBINSON of Arkansas. We could instruct the Tariff Commission, which is the purpose of my amendment.

Mr. WATSON. To do what?

Mr. HARRISON. I will read it to the Senator.

Mr. WATSON. I am familiar with the amendment. Does the Senator think we can instruct the Tariff Commission to present an entire new schedule of tariff rates?

Mr. ROBINSON of Arkansas. To make investigation and report to the Senate which looks toward a reduction of the

tariff. But the amendment itself does not reduce the tariff. It merely requires the Tariff Commission to make an investigation and report to the Senate, the purpose being to form the basis of legislation which the next Congress, being Democratic, will enact. [Laughter.]

Mr. HARRISON. Mr. President, the distinguished Senator from Idaho [Mr. GOODING], who has taken a very prominent part in this discussion, only yesterday employed this language:

There are four great agricultural products which can not be protected by a tariff, because we produce a surplus, and we must sell that upon the world market, which means the world's market price in America.

He has gone so far as to say that if we can not pass the Haugen bill they are going to make an attempt "to tear down the tariff walls to throw the present protection on the industries of the East into the sea." That is no new proposition. I have here an agricultural periodical published by Mr. Wallace, a son of the distinguished ex-Secretary of Agriculture of the Harding administration. In a leading editorial, entitled "Protection for all, or none," he employs this language:

If the administration still persists in defeating this legislation it seems probable that the farmers will be forced to join with the Democrats in a thorough campaign to demolish tariff walls.

Anyone reading the very eloquent speech of the distinguished Senator from Iowa [Mr. CUMMINS] must glean the idea that unless we equalize the tariff in this country the reformers of the West will stand for a reduction of the tariff on the protected manufactured interests of the East, and that is what ought to be done.

I voted against the bill, and one reason why was that it tried to commit me to a permanent policy of a protective tariff, something that I am against.

No matter how eloquently some few of my colleagues on this side of the Chamber may present the matter, they could not lead me into that pitfall. What right has a Republican to ask a Democrat who really has convictions upon the tariff to surrender all that he has ever stood for respecting that subject and vote for a measure that spreads the iniquity and perpetuates it in power? So, rather than follow that road, I chose to favor the very splendid amendment offered by the leader on this side [Mr. ROBINSON of Arkansas] to take care of the surplus in agricultural products. He has offered another amendment which provides for instructing the Tariff Commission to study the tariff rates upon a competitive basis and report to Congress just as quickly as possible, so that we can give additional relief to the farmers of the country. Those two amendments, drawn with care, represents at least a large part of the minority of this body. He mentioned in the amendment, among others, "steel ingots, which now bear a high and exorbitant tariff; sheets of iron or steel; table, kitchen, and household knives; pruning and sheep shears; scissors; pocket-knives; hinges; padlocks; tinware; table, kitchen, and household utensils of aluminum, on which the Republican Party raised the tariff the last time without reason or excuse; textile machinery; jute bags—and there is where you could really help the cotton farmer instead of merely offering him a sop in order to get the southern vote—cotton cloths; cotton blankets; cheaper woolen blankets; cotton suspenders; woolen suspenders; cotton gloves; men's cotton shirts; cotton-lace window curtains; cotton towels and sheets; knit fabrics and knit goods of rayon; woollens; wool socks; wool cloth (knit and not knit); table and kitchen articles of glassware; brick; asphaltum and bitumen; mechanic's tools not specially enumerated; sulphate of ammonia; paints, pigments, and varnishes; collar and cuff buttons; toothbrushes and paintbrushes; cheaper and coarser raw wools; glass table and kitchen utensils, pressed and unpolished; limestone; magnesite; saddlery and harness hardware; fountain pens; lawn mowers; broom handles; indigo; wood fence posts; hoop or band iron for baling cotton.

And many other articles which are enumerated in the amendment, articles upon which a reduction of tariff duties would give some real relief to the farmers of the country. So the special representatives of farm organizations which have the distinguished Senator from Oregon [Mr. McNARY] and the distinguished Senator from Indiana [Mr. WATSON] now doing their bidding and generously issuing statements to the press that they will go to the country on this one relief measure, let me say that there are some Democrats who will go to the farmers and show the fallacy of a protective duty on corn, of which we do not import as much as is raised in one county in Illinois. They will also show the fallacy of a duty on wheat. When a tariff was put on wheat it went down; when the President lifted the tariff still higher upon wheat, its price still went down. We will show to the farmers of the country how the leading expert in this body on the cattle industry and who



himself is at the head of a great cattle business sought to have that industry eliminated from the bill. We will show to the farmers of the country the iniquities of the protective tariff system, and that their relief must be sought by reducing the rates upon the protected industries and giving to them a market in the world. So in connection with this bill the amendment offered by the Senator from Arkansas should be considered. There should be more time to consider it than under the limitation of the rule which has been agreed to; but it can be considered; there can be an expression given here by Senators as to whether or not they want to give some relief to the farmers along that line.

I am opposed to the motion which has been made by the Senator from Indiana who wants to take up the veterans' relief bill. Every one knows that already we have entered into a unanimous-consent agreement to take up the veteran relief bill immediately upon the disposal of the pending measure. It is bound to come up. No one would vote for adjournment without the consideration of that bill. When the pending measure came up for consideration a few days ago I listened to the Senator from Oregon and the Senator from Indiana in their expressions to the Senator from Wisconsin and the Senator from Ohio to the effect that if they were allowed to have a vote first upon the committee substitute those Senators could then have a vote upon their substitutes. The only objection which was raised to that procedure was by the Senator from Arkansas, who said he wanted his amendment first considered. That amendment has been considered. Many of us on this side of the Chamber voted for it. While I am not for either of the other amendments, it is but fair play, it is but right to give Senators on the other side of the aisle or on this side of the aisle the opportunity to express by their votes whether or not they are for those substitutes. So, Mr. President, I am opposed to the motion which has been made by the Senator from Indiana.

Mr. WATSON. Mr. President—

Mr. HARRISON. I yield to the Senator from Indiana.

Mr. REED of Missouri rose.

Mr. WATSON. I wish to say before the Senator from Missouri begins that the Senator from Mississippi is not authorized to use my name in connection with any kind of an agreement to get a vote on either one of the amendments to which he has referred.

Mr. HARRISON. I withdraw that; but the impression over here was that if the committee substitute were first voted on, and it should be defeated, we should then vote upon the amendments offered by the Senator from Wisconsin and the Senator from Ohio. Indeed, the Senator from Wisconsin, in speaking upon the amendment offered by the Senator from Arkansas, said that he would vote against it, because he had given the impression, I think, to the Senator from Oregon that that Senator could have a separate vote first upon his substitute amendment.

Mr. LENROOT. Mr. President—

Mr. HARRISON. I yield to the Senator from Wisconsin.

Mr. LENROOT. I said I would vote against all substitutes, because I thought that the friends of the McNary amendment were entitled to vote upon it. It was not through any understanding, however, but was merely my own view of what was fair.

Mr. McNARY. That is correct.

Mr. REED of Missouri. Mr. President, George Rothwell Brown, who writes some very bright paragraphs for the Washington Post, a few days ago referred to the pending bill as a "bill for the relief of distressed politicians." The agonizing of this afternoon demonstrates pretty clearly that Mr. Brown was not far from the truth.

We have witnessed the performance of that troupe of celebrated actors who rush to the center of the stage each time the word "farmer" is mentioned. Loudly each proclaims himself the farmer's sole guardian and friend. Self-constituted and self-appointed, they demand that all the world shall look upon them as the anointed saviors of the agricultural class, and whosoever dares to differ from them is at once denounced as an enemy of the farmer, if, indeed, he be not a villain bent upon the destruction of civilization; and recently the charge has been embellished by a polite intimation that all opponents are drunk if not disorderly. I believe that every Member of the Senate is just as honestly desirous of seeing the farmers prosper as any of the gentlemen who declares himself the only "Horatius at the bridge" and "the only patriot in the land."

Mr. President, we differ regarding policies of government and economic principles, but we are not therefore unmitigated scoundrels.

Our Republican brethren have for years proclaimed the doctrine that the only way to make the farmer rich is to levy a

tariff tax which will first make the manufacturer rich and by enriching him in some mysterious way, not as yet made plain, enrich everybody else. They have declared consistently that the purpose of the tariff is to shut out foreign competition, thereby raising the price of the American product and increasing the profits of the manufacturers. This policy, they said, was for the protection of infant industries and should be protected only long enough to enable the infants to stand alone, when we were told they could and would produce cheaper than even the foreign manufacturer and that thereupon the blessings of cheap production would inure to the benefit of all the people.

That policy was fastened upon the country. Prices were advanced, the people paid the freight, the infant soon became so powerful that it has never been dislodged; the infant is to-day a giant, no longer asking alms but demanding, as of right, Government largess. We no longer hear the cry, "Protect our infant industries." The manufacturers now boldly declare that they are entitled to have a tariff wall permanently erected for the purpose of maintaining high price levels and preventing all competition from abroad. So, instead of the benefit of cheaper goods coming from American production and competition, we have high prices for goods fastened upon us apparently forever or so long as the advocates of the protective theory remain in power.

And now comes the farmer, who has at last thoroughly aroused himself to the fact that his price levels are fixed by European prices and that from that condition there is apparently no escape. Accordingly it was proposed to him that his price level be raised to the price level created by the law that had been passed for the benefit of manufacturers. To accomplish that result various devices have been brought forward. At first it was proposed that a tariff should be levied upon corn and wheat and other agricultural products. Those of us who did not believe in these theories said that would give the farmer no benefit, because he was an exporter instead of an importer; but the laws were passed, and substantially the same men who have been urging this particular legislation were then insisting upon a tariff being levied upon farm products.

Their distinguished leader at that time, Mr. McCumber, made the startling statement upon this floor that a tariff of 25 or 30 cents levied upon Canadian wheat would raise the price of American wheat to its former lines which was about \$1.25 per bushel higher than then existing price. According to his theory a tax of 25 cents on wheat shipped into this country would raise the price a dollar and a quarter. Of course, he failed to foresee that if the price were raised \$1.25, about 100,000,000 bushels of wheat would be shipped into the United States the next day, the tariff would be paid, and the shipper would make an enormous profit.

The result was, of course, disappointing. The price of wheat went down. That scheme has absolutely gone on the rocks. And now, sir, what is proposed?

One proposition is to create a body of men who will buy up the export wheat, thereby raising the price of the wheat intended for domestic consumption. If that were done, and if the price were actually raised so that wheat raising became very profitable, the next year we would have a surplus much larger than we have this year. The next year the surplus would be still larger. In the end a surplus would be created so great as to break down the system. Such a result would work irreparable injury to the entire agricultural class.

Again, it is proposed to take from the Public Treasury a certain large sum of money and employ it to sustain prices; such a device could at best afford only temporary relief; it probably would result in the planting of greater crops next year. It would only give us an increased evil next year. For such a catastrophe no remedy is proposed.

Here is the trouble with the entire situation. We years ago embarked upon the false economic theory that we could benefit the country by enacting a law artificially increasing the profits of the manufacturer. In a word, we have by a law excluding imports, plus the combinations of the American manufacturers back of that law, raised the price to all Americans, including the farmers, upon all manufactured products. To extricate ourselves from that dilemma we now propose to match the evil of the tariff law by another evil, one that is equally uneconomic and equally unjust. The remedy is as bad as the disease.

Let us diagnose the disease and get at its origin. The origin of the trouble is that we have by law created an artificially high market where the farmer must go to buy. That artificial market is higher than the market in which the farmer is obliged to sell. You had no right to artificially raise prices in the first instance. You said it was temporary, but you have made it permanent. The right way to relieve against the difficulty is to strike down the law that interfered with natural economic



law and thereby compel the farmer to pay high prices for all he must purchase.

Mr. President, I have offered an amendment to this bill, which may go out on a point of order. I was satisfied that if the McNary-Haugen amendment were adopted we would be dealing with revenues, and if the McNary-Haugen amendment could stand my amendment could stand. I have proposed as an amendment to reenact the Underwood tariff law. My amendment will not disturb the so-called farmers' tariff on wheat and corn. I let it stand, although I regard it as useless. I thus propose to begin reducing the burden upon the farmer by repealing the law which puts a burden upon him by increasing the price of everything he buys. In the end we must adopt that remedy if the farmer is to be given permanent relief.

Democrats, what has suddenly transformed some of you into high protectionists and induced you to suddenly embrace the evils you have for years denounced? When did we adopt the fallacy that the evil of tariff laws can be remedied by more tariff laws?

The trouble is with the laws that have been forced upon this country. Let us go back to the source of the trouble and strike down those laws and let the farmers of this country understand that there is something we can do. We can repeal the iniquitous tariff law which has created an artificial burden upon and fastened upon the farmers of this country. In my opinion, the farmers are beginning to understand and will insist upon an immediate and radical reduction in tariff taxes.

My amendment and that of the Senator from Arkansas are bound to fail in this body. How long will it be until we learn that the tariff is a tax, until we learn that somebody pays that tax, until we come to understand that the farmer has to pay his share of that tax, and that he must sell the surplus of his products in Europe upon an entirely different price level? Manifestly the thing to do is to reduce the tariff and give the farmer a fairer market in which to buy.

As I have indicated, I do not know whether the amendment I have introduced can be considered, since the McNary-Haugen amendment was defeated; but if that amendment had been sustained, as it dealt with revenues, we could have gone on and dealt with the entire subject. If this bill goes forward, however, I shall offer that amendment, but, Mr. President, what is the use? What is the use of staying here and discussing this question forever? I know that my amendment will not be accepted by this Congress. I offer it merely that I may express my views and give my colleagues who agreed with me an opportunity to express theirs. I know that if we pass any measure here under present conditions it will be a measure that will afford no substantial relief, and we might just as well abandon the proposition and go to something else.

As for these appeals to the country and the threats that have been held out, I have this to say:

It is my opinion that if the farmers of this country understand that it was proposed to take a toll from every bushel of wheat or corn, to take it from the farmers and put that toll into a fund to be used by some board or bureau, they never would have sanctioned that kind of proposition. I do not believe that the farmers of the country have reached the point where they want us to go into the Public Treasury and try to make up their losses; but if they did, and we made up their losses, we would only have greater losses to make up next year and the years following.

We must reach a solution of these problems which allows to the farmer an open market and a fair market, not only to sell in but to buy in, sir, and those of you who have been advocating a policy that was calculated to enrich the great manufacturers of the East will have ultimately, in my opinion, to abandon that policy, or you will have the farmer and many other classes of people constantly clamoring for a relief which you refuse to give.

So far as the Republican Party is concerned, it does not lie in their mouths to say that any proposition that has been made here is uneconomic. If you have the right to levy a tax to increase the profits of a manufacturer of Rhode Island or of Massachusetts, to raise artificially the price to the American people, you have the right to go into the Treasury of the United States and take every dollar out of it and distribute it broadcast everywhere and to everybody. Your excuse then was that you were going to do it just for a few days or a few years, as you now excuse these uneconomic and unsound propositions on the ground that they are temporary. The tariff evil, however, fastened itself upon our Government. Like a cancer it spread its roots to every part of the body politic, until it seems that cancer never can be eradicated until the great West and the South stand together in a demand for tariff revision. I am not in favor of postponing that issue so that we will get

past the next campaign with the false pretense that we have done something that in our hearts we know will not work.

So I am in favor of going to some other business. The people of the country know where we stand; and if they do not know we will have to go back and tell.

Mr. LENROOT. Mr. President, I am inclined to agree with the views that have been expressed that with the present condition in the Senate there is no hope for any relief other than possibly the bill passed by the House. It is apparent that our friends on the other side of the aisle propose to go to the country, and particularly to the farmers, with the plea that the only way for them to obtain relief is to strike down the protective-tariff system in America.

Mr. President, I voted against the McCumber-Fordney law because I believed that many of its duties were excessive. I believe so still. But, Mr. President, it is one thing to have a tariff law that will protect undue and excessive profits and it is quite another thing to have a tariff law that will protect American labor, enabling labor in the United States to live according to American standards. The proposition of our Democratic friends is to strike down that very thing, making wages in America the same as they are in Europe to-day, because in no other way can the cost of manufactured articles in the United States be brought down to a world price upon those articles.

It is true that the farmer has to pay an increased price for everything that he buys because of the protective-tariff system, though not because of a tariff upon the things he buys, because nearly everything the farmer buys to-day is upon the free list. It is true, however, that the protective-tariff system has created a higher standard of wages, not only for the protected industries but it has become general, and for that reason the cost of those commodities is higher.

Mr. President, last year John L. Lewis, president of the United Mine Workers, wrote a book entitled "The Miner's Fight for American Standards," and in that book he showed that the purchasing power of a day's wage in the State of Pennsylvania was twice as high as that of a laborer in the same occupation in London, more than three times as high as that of a laborer in the same occupation in Germany, and nearly five times as high as that of a laborer in the same occupation in Austria.

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

Mr. LENROOT. I yield.

Mr. FESS. I have figures here which show that the reductions in the prices from 1921 to 1926 are greater on protected articles than on articles on the free list. I hope the Senator gets what I mean.

Mr. LENROOT. Yes; I do.

Mr. FESS. The decline on clothing from 1921 to the spring of 1926 was 30 per cent; on household furnishings, 24.4 per cent; on sugar, 18 per cent. In other words, the decline in the prices of articles which are now protected is a greater percentage than of articles on the free list.

Mr. REED of Missouri. Mr. President, I do not want to interrupt the Senator from Wisconsin, but will he permit me to ask the Senator from Ohio if he claims that the decline in the price of sugar is due to the tariff? Does he not know that sugar has declined all over the world, and that its first big decline was down on the plantations of Cuba?

Mr. FESS. All I wanted to state was that the prices of articles that are now protected have declined a larger percentage than have the prices of articles on the free list, which certainly is a refutation of the statement of the Senator from Missouri.

Mr. ROBINSON of Arkansas. Mr. President, if the tariff makes a commodity cheap, why does the manufacturer insist on a high tariff?

Mr. LENROOT. This colloquy is getting quite aside from the point I was trying to make.

Mr. FESS. I wish the Senator from Wisconsin would answer the Senator from Arkansas.

Mr. ROBINSON of Arkansas. Why does not the Senator from Ohio do so? I asked him the question.

Mr. LENROOT. I yield to the Senator from Ohio for that purpose.

Mr. FESS. The prices of articles produced in the United States are reduced through the competition of the producers, and if you protect an article to the point where it can be produced in the United States instead of in competition with Europe, then prices here will come down in cases lower even than the tariff on them. That is the history of the tariff in this country.

Mr. ROBINSON of Arkansas. The object of the protective tariff is to raise prices.



Mr. FESS. The object of the protective tariff is to protect the scale of wages in America, so that capital can fully invest in the employment of labor at a scale of wages to maintain the American standard of living, which is far above that of Europe. That is the purpose of the protective tariff.

Mr. LENROOT. Mr. President, it must be plain to everybody that if a commodity can be manufactured abroad and brought to this country at a lower cost than that for which it can be manufactured here, it will not be manufactured here, but will be manufactured abroad. That is a simple statement which I think every Senator will agree with.

I stood upon this floor and fought excessive tariff duties with my Democratic friends. So long as I am here I will stand against any duty that affords excessive or undue profits. But now it is proposed to strike down the system itself, which means that there is a desire to strike down all protection in this country by way of tariff duties.

Mr. WALSH. Mr. President, can the Senator refer to any Democratic tariff that did that?

Mr. LENROOT. No; I can not; because when you come down to practice, you do not practice what you preach.

Mr. WALSH. So that there is no fear of destruction of American industry through a Democratic tariff?

Mr. LENROOT. I do not know. You have never before had a situation where you are saying to the farmer that he has to sell at the world price, and "If you join us we will wipe out the tariff wall and enable you to buy at the world price." That is your proposition now.

Mr. ROBINSON of Arkansas. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Arkansas?

Mr. LENROOT. I yield.

Mr. ROBINSON of Arkansas. With a view to cooperating with the Senators who, like the Senator from Wisconsin, do not believe in excessively high prohibitive tariffs, I framed this amendment, so as to provide that the rates suggested by the Tariff Commission should be designed to equalize the conditions of competition in the principal markets of the United States between domestic producers and foreign producers of the principal competing countries. I recognize the fact that no action could be secured whatever on such an amendment in the Congress as it is now constituted, unless those who believe in moderate protection should support the proposal. The amendment which I have suggested contemplates a reduction to a competitive basis.

Mr. LENROOT. Then the Senator does not agree with those of his colleagues who say that the farmer, being compelled to sell at the world price, should be permitted to buy at the world price.

Mr. ROBINSON of Arkansas. I do believe that one of the great difficulties under which the farmer is suffering is that he pays excessively high prices for many commodities which he consumes, and in some instances the tariff on those duties is as high as 200 per cent, commodities of common use by the consumers of the Nation, including the farmers. I feel—and I believe that the Senator from Wisconsin will agree with me—that it would result in a substantial relief if we should reduce the tariff on those commodities, in the hope that the reduction might be reflected, in part, at least, in the prices of the articles.

Mr. LENROOT. I will say to the Senator from Arkansas that I will favor in the future, as I have in the past, any reduction in the tariff that will leave the tariff sufficiently high to enable the American manufacturer to compete on a fair basis with manufacturers abroad.

Mr. ROBINSON of Arkansas. That is my proposal in this amendment.

Mr. LENROOT. But then we have gotten away entirely from the proposition that the Democrats are going to afford relief for the farmer, because the proposal of my friend from Arkansas now is on the basis of the real Republican theory of a protective tariff.

Mr. ROBINSON of Arkansas. Oh, no, Mr. President.

Mr. LENROOT. Oh, yes.

Mr. ROBINSON of Arkansas. I believe in the theory of a tariff for revenue, but I recognize the fact, as I said before, that as the Congress is now constituted a revenue tariff could not be adopted. But I would like to see substantial reductions made, because some of the rates on commodities are prohibitive.

Mr. LENROOT. I agree with the Senator.

Mr. ROBINSON of Arkansas. Some of them are so excessive that they enable the American producer of them to charge what I believe to be unreasonable prices for his products. I would like to do a practical thing, and reduce those tariffs. That is the proposal which I am making.

Mr. LENROOT. May I ask the Senator one other question? It has been prophesied here several times that the next Congress would be a Democratic one. The Senator says that in view of the way the present Congress is constituted he stands really upon the Republican theory. But where will my friend stand if there is a Democratic Congress as a result of the next election?

Mr. ROBINSON of Arkansas. I would advocate a tariff for revenue.

Mr. LENROOT. I thought so. That would mean the throwing out of employment of anywhere from 2,000,000 to 5,000,000 American workmen, and they would have no purchasing power. I would like to ask how that is going to help the farmer of the United States.

Mr. ROBINSON of Arkansas. Oh, Mr. President, no such things happened when the Underwood Tariff Act was in force. The country enjoyed a degree of prosperity almost unexampled in the history of the Nation. I know that some Senators are in the habit of justifying excessive and prohibitive tariff rates in the name of the American laborer and in the name of the American farmer. But the day is not far distant, I believe, when the farmer and the laborer will realize that they have been hoodwinked and that their real interest is to secure a reasonable tariff, which will permit competition in the markets of the United States.

Mr. LENROOT. But that is not a tariff for revenue only. That is a Republican tariff again that the Senator speaks of.

Mr. ROBINSON of Arkansas. I would be mighty happy to see such a tariff substituted for the tariff known as the Fordney-McCumber Tariff Act.

Mr. LENROOT. Then I take it, we are in this position, that if the Republicans do retain control of the next Congress we can look for the assistance of the leader upon the other side in making a real competitive tariff, without excessive profits.

Mr. ROBINSON of Arkansas. No—

Mr. LENROOT. Let me finish; but if the country should be so unfortunate as to have a Democratic Congress, then my friend would stand for a tariff for revenue only.

Mr. ROBINSON of Arkansas. Will the Senator yield?

Mr. LENROOT. I yield.

Mr. ROBINSON of Arkansas. If such a calamity, which can not reasonably be anticipated, in view of the record which this Congress has made, should occur, and a Republican Congress be returned to power, the Senator from Arkansas would hope for the cooperation of the Senator from Wisconsin in relieving the consumers of the Nation from the admittedly unjust and unreasonable burdens which the present law imposes upon them. I say admittedly, from the standpoint of the Senator from Wisconsin, because the last tariff bill was so bad that he as a Republican, could not even hold his breath and support it. He voted against it.

Mr. LENROOT. I did. I think it is plain, Mr. President, that the farmer may look for the assistance of our friends upon the other side of the aisle, unless there should be a Democratic Congress; but, if they should have the power to do so, they say they will stand for a tariff for revenue only, which means just one thing in effect, and that is a reduction of wages to every laboring man in the United States, thereby reducing his power to purchase farm products in the United States.

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

Mr. LENROOT. I yield.

Mr. REED of Missouri. Does not the Senator concede that it might mean a reduction of dividends and profits and that it might mean that the American manufacturer might begin to sell his goods in America for the same prices at which he is now dumping them in Europe by the tens of millions of dollars worth?

Mr. LENROOT. So far as a tariff produces excessive profits, I have not only said but the RECORD will disclose that I have voted against duties which would afford excessive profits. But if a manufacturer in the United States can not make a given commodity as cheaply as it can be made in Europe, to say nothing about profits at all, what is going to happen to American laboring men?

Mr. REED of Missouri. Whenever the manufacturer can sell a large percentage of his products abroad, that is conclusive evidence of one of two things—either he can compete or he is robbing the people at home and giving the benefit of his protected industry to foreigners.

Mr. LENROOT. If he is able to do that, it is evidence only of an abuse of the protective-tariff system and not a proper use of it.

Mr. REED of Missouri. But that abuse exists.



Mr. LENROOT. Now I want to say one word with reference to this agricultural situation—and I am sorry the Senator from Indiana is not in the Chamber. If the Senator from Indiana correctly reflects the views of his associates, we are confronted with this situation: There is no relief that can be granted to the farmer of the United States unless we can impose an equalization fee upon him; and if we have no power to do that under the Constitution of the United States, then the position of the Senator from Indiana is that there is no solution of the agricultural problem and that there is nothing that Congress can do for his benefit. That is inevitable.

Mr. NORBECK. Mr. President, there seem to be a great many things that Congress can do to them, but they are constitutional.

Mr. LENROOT. Mr. President, I do not agree with that contention, but that is the logic of the Senator from Indiana. Unless we can levy an equalization fee, there is nothing that can be done for them, he said. They are opposed to a subsidy; they do not want anything out of the Treasury, even though his associates have day after day stated that it is due to the action of the Government in the way of immigration and protective tariff laws that the farmer is in the position in which he finds himself to-day. If that be true, then the Government owes the farmer something, does it not? But the Senator from Indiana said, "No; that will not do; there can not be anything done for him, unless we impose an equalization fee upon him."

Mr. WATSON. To which the Senator from Wisconsin is opposed.

Mr. LENROOT. Conceding to the Senator from Indiana the same sincerity that I claim for myself—

Mr. WATSON. We all do that.

Mr. LENROOT. I have no more doubt of the unconstitutionality of the proposition than that I stand here.

Mr. WATSON. But they have asked for nothing from the Government except a loan and to set up the machinery. That is all.

Mr. LENROOT. They have asked for something, but Congress should do nothing except what some farm leaders ask for. In other words, we ought not to use our own judgment at all. Even though we could find some practical means of relief, we ought not to exercise it, because these farm leaders in the gallery have not asked for it. I undertake to say that there is not one farmer in a thousand in America, aye, not 1 farmer in 10,000 in America raising hogs who knows at this moment that the amendment which was voted down yesterday authorized an assessment upon him, proposed to take a sum of money out of his pocket and put it into the treasury of the beef packers for the purpose of paying the profits of the beef packers; that he does not know, not 1 in 10,000, that the bill authorized a contract with the miller compelling the wheat grower to pay the losses and the profits of the miller in granting the farmers relief.

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

Mr. LENROOT. Certainly.

Mr. WATSON. Of course, I do not know how much of advertising there may have been of this scheme among the farmers of Wisconsin or any other State except my own. About my own State I do know. I know how many farmers belong to the different organizations that have to do with farming. I know about how many speeches were made. I know about how many farm papers are published, and I know about the number of subscribers. I know about how much the matter has been discussed generally and how frequently they have met. If the farmers are acquainted with any proposition that has been submitted to Congress in years, they are acquainted with this proposition. They were not only acquainted with it and entirely familiar with it, but decidedly in favor of it. Not only that, I will say to my friend, but they also passed resolutions all over Indiana in their various organizations stating that they were familiar with the situation in regard to cotton, that they knew it was entirely different from that relating to wheat, and that they were willing that the equalization fee on cotton should be deferred.

Mr. LENROOT. So the Senator from Indiana says that the farmers of the West did not ask for a subsidy and did not care for a subsidy, but they did ask, then, the Senator from Indiana to vote for a subsidy for the cotton grower of the South.

Mr. WATSON. No, not at all; and the proposition as they understood it, was not a subsidy directly voted to the cotton growers of the South.

Mr. LENROOT. If there are any losses, they are to come out of the Treasury.

Mr. WATSON. When the question was originally presented to the House of Representatives that was no part of it. It

was afterwards injected by Members of Congress, and then the question came as to whether or not the whole bill should fail or have that new feature injected, and they said they would take the new feature rather than have it all fail.

Mr. LENROOT. So we are to understand that the farmers of the Northwest—

Mr. WATSON. I do not know about them.

Mr. LENROOT. The farmers of Indiana were opposed to any subsidy for themselves, but were willing to grant a subsidy to the cotton planters?

Mr. WATSON. I do not call that a subsidy. As formulated finally in the bill, I do not claim it was a subsidy.

Mr. LENROOT. They could purchase anything and sell it at a loss, could they not?

Mr. WATSON. But here is the point about it. There would have been no loss, in my judgment, and even the Secretary of Agriculture, in his testimony before the House committee, explicitly said that there would be no loss in the handling of cotton under these conditions.

Mr. LENROOT. Then why does the Senator call the substitute a subsidy?

Mr. WATSON. Because it provides for \$150,000,000 to be voted right straight out of the Treasury with no hope of ever getting a dollar of it back.

Mr. LENROOT. Why not?

Mr. WATSON. How are we going to get it back?

Mr. LENROOT. Could not they have done the same thing with reference to cotton that the amendment proposed?

Mr. WATSON. But the equalization fee was to be levied.

Mr. LENROOT. No; there is no equalization fee on cotton.

Mr. WATSON. There was to be.

Mr. LENROOT. Not until Congress authorized it.

Mr. WATSON. Precisely, but there was an evidence of good faith that it would be imposed.

Mr. LENROOT. Oh, no; there was no such statement.

Mr. President, I am not going to take any further time of the Senate.

Mr. MAYFIELD. Mr. President, on yesterday I voted for the McNary amendment to the measure pending before the Senate, but I did not vote for it with the idea that the measure was the only method by which we could give relief to the farmers and stock raisers of the Nation. There are many ways by which we can give the relief that is desired. In my opinion we can give substantial relief to agriculture by adopting the amendment which has been offered to the bill by the Senator from Arkansas [Mr. ROBINSON], which calls for a reduction in the tariff. I have not the slightest doubt but that we can give real relief to the agricultural and stock-raising interests of the Nation by adopting the amendment which I have offered to the bill. My amendment provides for the repeal of section 15a of the transportation act of 1920.

The Senator from Indiana [Mr. WATSON] a few moments ago said that he had consulted with all the farm organizations which have representatives here in the city of Washington, and that none of these organizations favor any amendment which has been offered to the measure. In reply to that statement I wish to say that nearly every farm organization in the United States has spoken upon the Esch-Cummins law of 1920, and they have declared unequivocally in favor of a repeal of section 5a of that law.

During the Sixty-eighth Congress we passed what is known as the Hoch-Smith resolution, which requested, if it did not demand, the Interstate Commerce Commission to revise the rate structure of the country in order that the agricultural and stock-raising interests might have relief. What has the commission done? It has conducted hearings for many months, but no action has been taken. Section 15a of the transportation act absolutely freezes the rate tariffs which are now in existence, and we can not have any substantial reduction of freight rates on products of the farm and ranch until that section of the law has been repealed.

The Senator from Maryland [Mr. BRUCE] a few moments ago offered an amendment to the measure before the Senate providing for an investigation of the agricultural situation for the purpose of determining what relief should be given to this great basic industry. I desire to call attention again to the fact that in 1924 President Coolidge appointed an agricultural committee to investigate the condition of agriculture and stock raising in this country. Hon. Robert D. Carey, ex-governor of Wyoming, was chairman of that committee. Hon. W. M. Jardine, the present Secretary of Agriculture, was also a member of that committee. That committee, Mr. President, investigated fully and completely the condition of agriculture and published its report in the early part of last year. What did the President's committee say? Here is what it said, and oh, how I



wish that Republican Senators would listen to the report! I know there are some Senators on that side of the Chamber who do not like to hear section 15a mentioned, but I want to read to them what President Coolidge's committee said on that subject. Here is what it said:

By reason of the horizontal changes in freight rates during recent years and of greater depression of prices of agricultural products than of those of other products during the same period, the raw products of agriculture are now bearing a relatively excessive cost for transportation. A special burden is laid upon the cattle industry by this situation. A serious emergency exists not only in freight rates but also in the lack of provision of interline rates and in routing arrangements. The conference wishes to emphasize at this time its conviction that while adequate service is essential, the welfare of agriculture also demands an early and thorough revision of the freight-rate structure to relieve the raw products of agriculture and livestock from their disproportionate share of transportation costs.

That is the recommendation of President Coolidge's agricultural committee. There can be no relief and the "special burden" from agriculture and the stock-raising industry of the country can not be relieved until section 15a of the Esch-Cummins law has been repealed.

Let me call the attention of the Senate to this further fact. Section 15a provides that when any system of railroads earns more than 6 per cent per annum, one-half of the excess profits shall go to the Government. The Congress has therefore enacted legislation which places the railroads upon a cost-plus operation basis and we are taxing the farmer, the stock raiser, the consumer, and the people generally in order to enable the railroads of the country to operate on a cost-plus basis.

We might as well look at this thing in a common-sense way. Whenever a railroad approaches the danger zone of 6 per cent what does it do? No railroad in this country is going to pay any excess profits to the Government if it can keep from doing it. So when it approaches the danger zone of 6 per cent and being compelled to pay one-half of its profits above 6 per cent to the Government, what does that railroad do? It begins to inaugurate a system of extravagance. It begins to devise every method possible to increase its maintenance, its renewals, and its repairs and therefore brings about a system of extravagance that increases its accounts and thereby lessens its earnings.

Let me briefly illustrate. The western district, for instance, embraces all that territory west of the Mississippi River extending to the Pacific Ocean. In 1911, 1912, and 1913 all of the railroads in the western district expended on an average \$150,870,457 for maintenance of way and structures.

What did they do in 1923 under the operation of section 15 (a) of the transportation act? Class 1 railroads alone in that district spent for maintenance of way and structures \$322,297,240 per annum, which was an increase of 113 per cent over what all of the railroads in that district spent for maintenance of way and structures during the three years I have mentioned.

Let me give another illustration. In the western district for the years 1911, 1912, and 1913 all of the railroads spent on an average for equipment the sum of \$161,827,232 per annum. What did they do in 1923 under the operation of section 15 (a) of the transportation act? Class 1 railroads alone in the western district spent for that year for equipment the stupendous sum of \$494,413,142, which was an increase of 205 per cent over what all of the railroads in that district spent for equipment on an average for the years 1911, 1912, and 1913.

A Senator told me the other day that when the Senate was considering the transportation act of 1920 the Senator from Connecticut [Mr. McLEAN] said: "If you enact section 15 (a) as it is written, the railroads will put gold smokestacks on their engines before they will ever pay any of their excess earnings into the Treasury of the United States." So long Mr. President, as this section of the law remains as it is there can be no reduction in the freight rates in this country. If we want to give the farmers and the stock raisers of the Nation substantial relief—relief that will come to them at once—adopt my amendment to the pending bill.

Mr. President, my amendment is one that is not unconstitutional. It is not revolutionary. It is not socialistic. It is not bolshevistic. What will the Senate do with it? Will the Senate vote the amendment down, and thereby become the guardians and the protectors of the railroads, or will they vote in favor of the amendment and give substantial and immediate relief to the farmers and the stock raisers of the country?

Mr. WILLIS. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Texas yield to the Senator from Ohio?

Mr. MAYFIELD. I yield the floor, Mr. President.

Mr. WILLIS. I desire to ask the Senator a question. I have not had an opportunity to examine his amendment. I wonder what the chief provisions of his amendment are, if he will state them?

Mr. MAYFIELD. My amendment is embraced in just one line. It proposes to insert a new section, to be known as section 7 (a), providing for the repeal of section 15 (a) of the transportation act of 1920.

Mr. WILLIS. Just how does the Senator figure that that would bring the relief which he seeks?

Mr. MAYFIELD. Under the law as it stands to-day, section 15 (a) is not exactly a guaranty, but it gives the railroads the assurance and gives them the right to call upon the Interstate Commerce Commission to make rates that will yield them the standard return. What I wish to see, Mr. President, is that section 15 (a) shall be repealed, so that we can get away from the frozen freight-rate situation and then the Interstate Commerce Commission will be in a position to take up the rate structure of the country and to change it as it sees best, increasing some rates and reducing others. Let us, Mr. President, repeal this section 15 (a) of the transportation act of 1920 and return to the old, yet much-valued principle of railroad regulation, under which the Interstate Commerce Commission made reasonable and nondiscriminatory rates for the entire country. If Senators are really sincere in their desire to give relief—yes; immediate relief—to the farmers and stock raisers of the Nation, they will vote for my amendment. Let them explain to their constituents why they vote against it and yet claim with their lips only that they favor farm relief.

Mr. LA FOLLETTE. Mr. President—

Mr. REED of Pennsylvania. Will the Senator yield?

The PRESIDENT pro tempore. To whom does the Senator from Texas yield?

Mr. MAYFIELD. I yield the floor.

Mr. WILLIS. I have the floor, I understand.

The PRESIDENT pro tempore. The Senator from Texas had the floor and yielded to the Senator from Ohio for a question. The Senator from Texas having yielded the floor, the Senator from Wisconsin is recognized.

Mr. REED of Pennsylvania. Mr. President, will the Senator from Wisconsin yield to me for a moment?

Mr. LA FOLLETTE. It is necessary for the Senate to recess at 5.30 o'clock under the unanimous-consent agreement, and I think it is perfectly obvious that we will not be able to have a vote on the pending motion this afternoon. I am very desirous of presenting a proposed amendment to the rules of the Senate and making a brief statement about it before the recess shall be taken.

Mr. REED of Pennsylvania. Will the Senator yield to me for a question before doing that?

Mr. LA FOLLETTE. If it will not take more than a very brief time, I will be glad to yield.

Mr. REED of Pennsylvania. Mr. President, the disabled American veterans are to-day finishing their convention at Atlanta. They have been told that there was a chance that the veterans' bill would be taken up by the Senate to-day. Is it not possible for the sake of those men for us to get a vote on the motion of the Senator from Indiana?

Mr. LA FOLLETTE. Mr. President, if the Senator will permit me, before addressing the Chair I made inquiry from a number of Senators as to whether or not it would be possible to get a vote on the pending motion this afternoon. I think the Senator knows that I would not stand in the way of a vote on the motion, but I have found that there is no possibility of a vote being taken before 5.30, and therefore I am very anxious before the recess to submit a resolution embodying a proposed amendment to the rules and to make a brief statement concerning it.

Mr. REED of Pennsylvania. I should like to appeal to the Senate to bring this motion to a vote now, so that we may know whether the bill to which I have referred may be taken up.

Mr. LA FOLLETTE. If the Senator desires to submit a request for unanimous consent that we may vote immediately, I will yield for that purpose.

Mr. REED of Pennsylvania. That is what I desire, Mr. President.

The PRESIDENT pro tempore. The question is on agreeing to the motion made by the Senator from Indiana.

Mr. WILLIS. Mr. President, I object.

Mr. FESS. I object.

Mr. CARAWAY. I ask for the yeas and nays.

Mr. WILLIS. Mr. President, the Senator from Ohio has been recognized on that question.

Mr. ASHURST. I ask that the roll may be called.



Mr. WILLIS. Mr. President, this question is debatable.

Mr. LA FOLLETTE. Mr. President—

The PRESIDENT pro tempore. The Senator from Wisconsin yielded for the purpose of a unanimous-consent request to be proposed by the Senator from Pennsylvania as the Chair understood the situation.

Mr. LA FOLLETTE. I did yield for that purpose.

The PRESIDENT pro tempore. But under the circumstances there was no occasion for a unanimous-consent request, because the motion was already pending.

Mr. LA FOLLETTE. As I understood it, the request was for an immediate vote upon the motion without further debate.

The PRESIDENT pro tempore. Very well; the Senator from Wisconsin having yielded for that purpose, the Senator from Pennsylvania now proposes a unanimous-consent request that a vote be taken upon the motion offered by the Senator from Indiana immediately. Is there objection?

Mr. WILLIS. I object.

The PRESIDENT pro tempore. Objection is made; and the Senator from Wisconsin has the floor.

#### AMENDMENT OF RULES—ELECTION EXPENDITURES

Mr. LA FOLLETTE. Mr. President, the resolution which I send to the desk is a proposed amendment to the rules of the Senate. I do not ask to have it read in view of the brief time which remains before the recess.

The resolution (S. Res. 261) submitted by Mr. LA FOLLETTE, is as follows:

##### Resolution

*Resolved*, That the Standing Rules of the Senate are hereby amended by adding at the end thereof the following new rule:

##### RULE XLI

##### ADMISSION OF SENATORS

1. No individual shall be entitled to a seat in the Senate unless the following provisions have been complied with by such individual or on his account:

(a) There shall be filed with the Secretary within 30 days after the date of the general or special election for Senator at which the name of such individual was presented, a statement containing—

(1) A correct and itemized account of each contribution received by such individual or by his duly authorized campaign manager or campaign committee, from any source, in aid or support of his candidacy for nomination for Senator, or for the purpose of influencing the result of the primary, together with the name of the person who has made such contribution;

(2) A correct and itemized account of each expenditure made by such individual or by his duly authorized campaign manager or campaign committee, in aid or support of his candidacy for nomination for Senator or for the purpose of influencing the result of the primary, together with the name of the person to whom or on whose account such expenditure was made;

(b) Such statement shall be verified by the oath or affirmation of such individual, and in so far as it relates to contributions received and expenditures made by a duly authorized campaign manager or campaign committee, by the oath or affirmation of such campaign manager or the treasurer of such campaign committee, taken before any officer authorized to administer oaths.

(c) All expenditures made in aid or support of the candidacy for nomination of any such individual or for the purpose of influencing the result of the primary shall be made under the personal direction of such individual or through his duly authorized campaign manager or campaign committee. No expenditure shall be made for any purpose in connection with the candidacy for nomination of such individual except the following:

(1) For advertising in newspapers, magazines, and periodicals, in or on railroad cars, trolley cars, motor or other vehicles, or aircraft; or by means of banners, electric signs, motion pictures, wireless telephone or telegraph, or radio.

(2) For maintenance of headquarters and for hall rentals incident to the holding of public meetings, including expenses for music and other entertainments at such meetings, for the compensation of employees in such headquarters, telegraph or telephone charges, postage, expressage, and the preparation and printing of literature and the distribution thereof.

(3) For the personal subsistence and traveling expenses of such individual.

(4) For the subsistence and traveling expenses and compensation of public speakers and agents employed in arranging for and conducting political meetings.

(5) For payments required to be made pursuant to law by such individual to the State on account of such candidacy.

(d) (1) Expenditures in support of the candidacy of such individual shall not be made by such individual or by his duly authorized campaign manager or campaign committee in excess of the amount

which may lawfully be made under the laws of the State in which such individual is a candidate, nor in excess of the amount which may lawfully be made under the provisions of this rule.

(2) Unless the laws of the State prescribe a less amount as the maximum limit of campaign expenditures, expenditures may be made in support of the candidacy of such individual up to (A) the sum of \$10,000, or (B) an amount equal to the amount obtained by multiplying 3 cents by the total number of votes cast at the last general election in such State for all candidates for the office of Senator, but in no event exceeding \$25,000.

(e) Such individual shall not directly nor indirectly promise or pledge the appointment or the use of his influence or support for the appointment of any person to any public or private position or employment for the purpose of procuring support in his candidacy.

##### 2. As used in this rule—

(1) The term "contribution" involves a gift, subscription, loan, advance, or deposit of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution, and an indorsement of negotiable paper;

(2) The term "expenditure" includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure, and an indorsement of negotiable paper;

(3) The term "person" includes an individual, partnership, committee, association, corporation, and any other organization or group of persons; and

(4) The term "primary" includes a nominating convention.

3. There is hereby created a special subcommittee of the Committee on Privileges and Elections, to consist of three members of such committee, two of whom shall be members of the majority and one of whom shall be a member of the minority, to be elected by the Senate. No Senator shall be eligible to serve on such subcommittee whose term expires prior to the beginning of the term of any individual whose qualifications the subcommittee is to consider. Such subcommittee shall, prior to the seating of any individual as Senator, examine into and investigate the statements hereby required to be filed, together with all other matters bearing on the qualifications of any individual under this rule. All credentials of Senators elect, and all such statements shall be transmitted by the Secretary to such subcommittee immediately upon receipt of the same by him. For the purposes of this rule such subcommittee is authorized to hold hearings and to sit and act at such times and places; to employ such experts and clerical, stenographic, and other assistants; to require by subpoena or otherwise the attendance of such witnesses and the production of such books, papers, and documents; to administer such oaths and to take such testimony and make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of such subcommittee shall be paid from the contingent fund of the Senate. Such subcommittee shall make a report to the Senate upon the qualifications of each individual under this rule upon the first day of the session of the Senate next following the election at which such individual was elected or voted upon (or, in case such individual was elected or voted upon while the Senate was in session at a special election to fill a vacancy, as soon as practicable after the statement hereby required has been filed if the Senate is in session), together with such recommendations as it deems advisable.

4. Blanks for all statements required under this rule shall be prepared by the Secretary, and copies thereof, together with a copy of this rule, shall be furnished, free of charge, upon application therefor, to the secretary of every personal campaign committee, to the secretary of every party committee, and to every candidate for nomination for a seat in the Senate.

Mr. LA FOLLETTE. Mr. President, this proposed amendment to the rules of the Senate provides, practically speaking, that the Senate shall establish a corrupt practices act to deal with primary elections of candidates for the United States Senate. I have presented the resolution because I believe that it affords the only solution of this grave problem which now confronts the Senate and the country and at the same time meets the decision rendered by the Supreme Court in the so-called Newberry case.

Mr. President, recent revelations of excessive campaign expenditures make it imperative for the Senate to take steps to limit such expenditures before the adjournment of the present session.

In the Newberry case the Supreme Court of the United States decided that Congress did not have power to enact legislation directly limiting expenditures in connection with primary elections. Since the date of that decision there has been no Federal legislation to control expenditures in primary campaigns, and many of the States have failed to enact effective corrupt practices acts to deal with the situation.

Thus an opportunity has been afforded for wealthy candidates or those backed by rich and powerful interests to attempt



to buy their seats in the Senate by the use of huge slush funds in the primary campaigns. In Pennsylvania alone the ascertained expenditures for the various candidates have already reached the staggering total of between \$2,000,000 and \$3,000,000. Such debauchery of the electorate means the eventual destruction of representative government in the United States.

I can not believe that the Congress is powerless to put an end to this scandal. I have consulted eminent constitutional authorities and I am convinced that the Constitution itself in Article I, section 5 provides a remedy. This section of the Constitution declares that—

Each House shall be the judge of the elections, returns, and qualifications of its own Members \* \* \*

The Senate, therefore, has full authority to prescribe the qualifications of those who seek to be seated and thus place definite limitations upon their campaign expenditures. Under this section of the Constitution it may specify the maximum that each candidate shall expend and define the purposes for which such expenditures shall be made.

I have, therefore, introduced this resolution to amend the rules of the Senate so as to limit the amount of campaign expenditures in primaries and to prescribe the purposes for which such expenditures shall be made.

The resolution further provides for complete reports of campaign contributions and expenditures and for the certification by a subcommittee of the Senate Committee on Privileges and Elections that those who hereafter seek to be seated in the Senate are properly qualified in accordance with the terms of the resolution.

Mr. President, with all the power I possess I shall urge the passage of this resolution before the adjournment of the present session of Congress so that all candidates may be duly advised of the limitations which they must place upon their expenditures and the purposes for which money may be expended if they are to be seated in the United States Senate.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a brief memorandum, which was prepared at my request by the legislative counsel, on the constitutional power of the Senate to adopt the resolution which I have submitted.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The memorandum referred to is as follows:

MEMORANDUM IN RE CONSTITUTIONALITY OF RULE PRESCRIBING QUALIFICATIONS FOR MEMBERS OF SENATE

This office has been requested to furnish material relating to the constitutional power of the Senate to adopt an amendment to its rules requiring any person claiming to be entitled to a seat in that body to conform to certain restrictions embodied in the rule. The restrictions are in the nature of a corrupt practices act applicable to the conduct of the claimant's campaign during the primaries.

Article I, section 5, of the Constitution provides that "Each House shall be the judge of the elections, returns, and qualifications of its own Members \* \* \*." The Senate under this provision of the Constitution is the sole judge of the elections, returns, and qualifications of its Members. Story in his *Commentaries on the Constitution*, fifth edition, volume 1, pages 604-605, comments as follows upon this power:

"If lodged in any other than the legislative body itself, its independence, its purity, and even its existence and action may be destroyed or put into imminent danger. No other body but itself can have the same motives to preserve and perpetuate these attributes; no other body can be so perpetually watchful to guard its own rights and privileges from infringement, to purify and vindicate its own character, and to preserve the rights and sustain the free choice of its constituents."

See also, Burdick, *The Law of the American Constitution*, section 70, page 168, et seq.

The Senate in judging of the elections, returns, and qualifications of its own Members has adopted two methods of procedure:

(1) It has voted upon the question of the validity of the elections, returns, and qualifications prior to seating a candidate. Case of Philip F. Thomas (Senate Election Cases, S. Doc. No. 1036, 62d Cong., p. 333); case of Henry W. Corbett (Ibid p. 89); case of Matthew S. Quay (Ibid p. 107); case of Frank P. Glass (51st Cong. Rec. pp. 2864-2886; case of GERALD P. NYE (67th Cong. Rec. pp. 1008-1532).

(2) It has seated a Member and then voted to determine whether he was qualified and entitled to his seat. Case of Albert Gallatin (Senate election cases, supra, p. 157); case of REED SMOOT (Ibid, p. 928 ff.); case of William Lorimer (Ibid, p. 1002 ff., especially p. 1061); case of Smith W. Brookhart (67 Cong. Rec., pp. 6687 to 7144). For additional discussion of the constitutional power involved in determining election and qualifications of Members, see case of John Smith (Senate election cases, supra, p. 1172 et seq.), and the brief submitted

by the Hon. Gilbert E. Roe in behalf of Senator Robert M. La Follette (S. Rept. No. 614, 65th Cong., p. 19 et seq.).

While the adoption by the Senate of the proposed rule might be said to have the indirect effect of controlling party primaries, it does not conflict with the decision in *Newberry v. United States* (256 U. S. 232), where a majority of the court, in holding that Congress had no power under the Constitution to control party primaries in designating candidates for the Senate, pointed out (p. 258):

"As 'each House shall be the judge of the elections, returns, and qualifications of its own Members, \* \* \*' the National Government is not without power to protect itself against corruption, fraud, or other malign influences."

Mr. Justice Pitney, with whom Justices Brandeis and Clark concurred in part, could not agree with the majority in its conclusion that the Congress in its inherent power to regulate the manner of elections had no power to regulate primary elections. In his opinion Justice Pitney, in discussing the power which each House had to judge the elections and qualifications of its Members, and pointing out the logical difficulty which the majority encountered in sustaining its view, made the following statement (pp. 284-285):

"In support of a narrow construction of the power of Congress to regulate 'the manner of elections' of its membership, it is said there is a check against corruption and kindred evils affecting the nominating procedure in the authority of each House to judge of the elections, returns, and qualifications of its own Members; the suggestion being that if—to take a clear case—it appeared that one chosen to the Senate had secured his election through bribery and corruption at the nominating primary he might be refused admittance. Obviously, this amounts to a concession that the primary and the definitive election, whose legal separateness is insisted upon, are essentially but parts of a single process; else how could the conduct of a candidate with reference to the primary have legitimate bearing upon the question of his election as Senator? But the suggestion involves a fundamental error of reasoning.

"The power to judge of the elections and qualifications of its Members inhering in each House by virtue of section 5, Article I, is an important power, essential in our system to the proper organization of an elective body of representatives. But it is a power to judge, to determine upon reasonable consideration of pertinent matters of fact according to established principles and rules of law; not to pass an arbitrary edict of exclusion. And I am unable to see how, in right reason, it can be held that one of the Houses of Congress, in the just exercise of its power, may exclude an elected Member for securing by bribery his nomination at the primary, if the regulation by law of his conduct at the primary is beyond the constitutional power of Congress itself. Moreover, the power of each House, even if it might rightfully be applied to exclude a Member in the case suggested, is not an adequate check upon bribery, corruption, and other irregularities in the primary elections. It can impose no penal consequences upon the offender. When affirmatively exercised it leaves the constituency for the time without proper representation; it may exclude one improperly elected, but furnishes no rule for the future by which the selection of a fit representative may be assured; and it is exerted at the will of but a single House, not by Congress as a law-making body."

Whether the majority or minority opinion is relied upon, it has no binding effect upon the Senate in determining the qualifications of its Members, because the Supreme Court has no power to review the action of the Senate in refusing to seat a Member because he has, in the opinion of that body, disqualified himself, or to review as beyond its constitutional power any rules adopted by the Senate in order to notify candidates for that body what will be the necessary qualifications for admission to that body if elected. See *Cooley, Constitutional Limitations*, seventh edition, page 189, and cases there cited, holding that the decision of a legislative body upon the election and qualification of its own members is conclusive and not subject to review by any court.

It may be urged that the adoption of this rule will violate Article V of the Constitution, which provides that "no State, without its consent, shall be deprived of its equal suffrage in the Senate." Such a contention was, for instance, urged in the minority report in the case of GERALD P. NYE (S. Rept. No. 3, 69th Cong., 1st sess., p. 12. See also discussion in this case, 67th Cong. Rec. pp. 1461-1463.) In support of the contrary view it may be said that the Senate by the adoption of the rule is giving adequate notice to every State that unless the procedure in the primary election conforms to the requirements of the Senate rule a successful candidate for a seat in that body may be disqualified by the Senate for failure to comply with the rule. The promulgation of the rule will afford the State an opportunity to enact legislation (in the event that it has not already done so) sufficiently restrictive to comply with the requirements of the rule. The rule also imposes upon the candidate the obligation as an individual to conduct his primary campaign so as to come within the requirements of the rule. By setting forth the requirements for qualifications which the Senate intends to enforce no State need be deprived of its equal suffrage in the Senate; but, on the contrary, there should be fewer disqualifications because of the definiteness of the standard which the Senate proposes to enforce.



The State also is further protected against loss of equal suffrage in the Senate by the specific provision in the seventeenth amendment to the Constitution, which reads—

"When vacancies happen in the representation of any State in the Senate, the executive authority of such State shall issue writs of election to fill such vacancies: *Provided*, That the legislature of any State may empower the executive thereof to make temporary appointments until the people fill the vacancies by election as the legislature may direct."

Respectfully submitted.

GLENN MCHUGH,  
Assistant Counsel.

Hon. ROBERT M. LA FOLLETTE, Jr.,  
United States Senate, June 24, 1926.

The PRESIDENT pro tempore. Without objection, the resolution will be received, printed, and referred to the Committee on Rules.

#### COOPERATIVE MARKETING

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7893) to create a division of cooperative marketing in the Department of Agriculture; to provide for the acquisition and dissemination of information pertaining to cooperation; to promote the knowledge of cooperative principles and practices; to provide for calling advisers to counsel with the Secretary of Agriculture on cooperative activities; to authorize cooperative associations to acquire, interpret, and disseminate crop and market information, and for other purposes.

The PRESIDENT pro tempore. The question is on agreeing to the motion proposed by the Senator from Indiana.

Mr. WILLIS. Mr. President, I do not think it is feasible or seemly to crowd this amendment to a vote at this time this evening. There are numerous Senators who have amendments pending. So far as I am concerned, I am unwilling to subscribe to the theory that because one type of farm-relief legislation advocated by certain Senators has failed therefore no other form of relief can be adopted.

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

The PRESIDENT pro tempore. Does the Senator from Ohio yield to the Senator from Kansas?

Mr. WILLIS. I do not yield the floor. I yield for a question.

Mr. CURTIS. I ask unanimous consent that when the Senate concludes its business to-day it take a recess until 12 o'clock to-morrow.

The PRESIDENT pro tempore. Is there objection?

Mr. BRUCE. I object.

The PRESIDENT pro tempore. Objection is made.

Mr. HEFLIN. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Ohio yield to the Senator from Alabama?

Mr. WILLIS. I yield to the Senator from Alabama for a question.

Mr. HEFLIN. Mr. President, a few days ago the Senator from Iowa [Mr. CUMMINS] submitted a resolution, which passed this body, calling for certain information in regard to the civil service. That information, I understand, has come to the Senate. I ask unanimous consent—

Mr. WILLIS. I do not yield for the transaction of business.

#### RECESS

The PRESIDENT pro tempore. The hour of 5.30 o'clock having arrived, under a unanimous-consent agreement previously entered into, the Senate stands in recess until 8 o'clock this evening.

The Senate thereupon (at 5.30 o'clock p. m.) took a recess until 8 o'clock p. m.

#### EVENING SESSION

The Senate reassembled at 8 o'clock p. m., on the expiration of the recess.

The VICE PRESIDENT. Pursuant to the order of the Senate heretofore entered, the Chair lays before the Senate House bill 10000, to consolidate, codify, and reenact the general laws of the United States.

#### CODIFICATION OF LAWS

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 10000) to consolidate, codify, and reenact the general and permanent laws of the United States in force December 7, 1925.

Mr. REED of Missouri. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

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

Ashurst  
Bayard  
Bingham  
Blease  
Bratton  
Bruce  
Butler  
Curtis  
Ernst  
Fernald  
Ferris

Fess  
George  
Goff  
Hale  
Harrell  
Hefflin  
Howell  
Jones, Wash.  
Kendrick  
King  
La Follette

McMaster  
McNary  
Mayfield  
Means  
Metcalf  
Moses  
Pepper  
Phipps  
Pine  
Reed, Mo.  
Reed, Pa.

Sackett  
Sheppard  
Stanfield  
Steck  
Wadsworth  
Walsh  
Watson  
Willis

The VICE PRESIDENT. Forty-one Senators having answered to their names, there is not a quorum present. The clerk will call the roll of absentees.

The legislative clerk called the names of absent Senators, and Mr. ODDIE, Mr. ROBINSON of Arkansas, and Mr. ROBINSON of Indiana answered to their names when called.

Mr. JONES of Washington. I wish to announce the necessary absence of the Senator from Illinois [Mr. DENEEN].

Mr. ASHURST. Mr. President, has a quorum been secured?

The VICE PRESIDENT. A quorum has not been secured. Only 44 Senators have answered to their names.

Mr. ASHURST. I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The VICE PRESIDENT. The question is on the motion of the Senator from Arizona.

The motion was agreed to.

The VICE PRESIDENT. The Sergeant at Arms will execute the order of the Senate.

Mr. CAMERON, Mr. CAPPER, Mr. LENROOT, Mr. NORBECK, Mr. STEPHENS, Mr. TRAMMELL, Mr. BROUSSARD, Mr. KEYES, Mr. EDGE, Mr. HARRISON, Mr. MCKELLAR, Mr. SHIPSTEAD, Mr. EDWARDS, and Mr. WHEELER entered the Chamber and answered to their names.

The VICE PRESIDENT. Fifty-eight Senators having answered to their names, a quorum is present.

Mr. CURTIS. Mr. President, I ask unanimous consent to dispense with further proceedings under the call.

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

#### THE TARIFF

Mr. PHIPPS. Mr. President, I wish to give notice that to-morrow morning on the convening of the Senate I desire to address the Senate for a few minutes on the subject of the tariff.

#### PROPOSED DISMISSAL OF CERTAIN GOVERNMENT EMPLOYEES (S. DOC. NO. 127)

Mr. HEFLIN. Mr. President, this afternoon just before we took a recess I referred to some information called for by the Senate under Senate Resolution No. 239, which had been introduced by the senior Senator from Iowa [Mr. CUMMINS] in reference to the civil service. That information has been received, and I ask that it may be referred to the Committee on Civil Service.

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

#### ADDRESS BY SENATOR PITTMAN

Mr. KING. Mr. President, on the 24th instant the senior Senator from Nevada [Mr. PITTMAN] delivered a very able and interesting address at the commencement exercises of the College of the City of New York, June 24, 1926. I ask unanimous consent that it may be printed in the RECORD.

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

Mr. President, members of the faculty of the College of the City of New York, and fellow students, I am still only a student. This address can be considered no more than a study of the causes that affect governments for good or for evil and the duties and responsibilities of nationals and those who represent them.

In this age of materialism, when the ideal of happiness is based upon the accumulation of great wealth and the mind and body is driven at the highest tension in search of means to accomplish that ideal, it is difficult for us to study and analyze the causes and effect of the great events of history.

Only a century and a half ago, when a most remarkable group of statesmen assembled to lay the foundation for the greatest and most nearly perfect Government ever conceived by man, frail sailing vessels, buffeted by the storms of oceans, made personal communication and international commerce a slow, tedious, and hazardous task. On land transportation was limited to animal power. The practical utilization of steam had not been accomplished. The uses and benefits of electricity were unknown, and all the sciences save the science of government lay dormant in the mind of man.

Love of country then stirred the soul and good government was the ideal of statesman and citizen alike. And now behold the startling change that has taken place in the brief intervening period. All the sciences save the science of government have rushed forward with



magic speed. Ships of Titanic capacity, driven by steam and electricity, fed by liquid fuel that comes from the bowels of the earth, are rushed around the globe in less than 60 days.

The nations of the world are linked together in close and immediate touch by the telegraph, the cable, and the telephone, while wireless communications that speed through the air with the swiftness of lightning make neighbors of the remotest peoples of the earth. The report of an uprising in China, an earthquake in the South Sea Islands, a revolution in a remote government, a message from a ship of the air flying over the eternal ice of the North Pole, the speeches of statesmen and rulers in every country throughout the universe are communicated to us without the delay of even a day.

Is it a wonder that the imagination fails to visualize the progress of science. Yet this great progress of the material sciences serves by comparison to emphasize the world's criminal negligence of the science of government after 4,000 years of civilization. Two thousand years after Jesus of Nazareth laid down the perfect law for man's association with man we witnessed the most stupendous, terrible, and brutal war in all history.

Let us for a moment study the causes and effect of that war for the purpose of demonstrating the frailty of even the strongest of governments and the responsibilities of rulers and of the people for whom they govern. A hereditary prince, of consequence solely by virtue of the accident of birth, was assassinated by a patriotic fanatic in an insignificant Province of a far-off country. Immediately armies commenced to mobilize all over Europe, common sense disappeared, instrumentalities for peace were discarded for weapons of destruction.

Shells and shrapnel, liquid fire, poisonous gases, scythelike bullets of rapid-fire guns, bombs dropped in the night from airships and airplanes tore and maimed and murdered hundreds of thousands of the gallant soldiers of every gallant army. Defenseless cities were assaulted with all of these great instruments of destruction, and peaceful men, women, and children alike suffered the torment and misery and the death of war. Great areas were devastated, temples, cathedrals, works of art, and homes were ruthlessly destroyed. The accumulated surplus of the energy, skill, and labor of the world was consumed in the great conflagration. Peace throughout the earth was shaken, and men and women lost confidence in the teachings of Christ and many even in the wisdom of God.

And then the war ended. What was its aftermath? The autocratic imperial government of Russia was destroyed by bloody revolution and the tyrannical and barbaric communist government established.

Wilhelm, of Germany, once the most powerful of rulers, sneaked from his empire in the night, and his military supporters and the Junkers supinely slunk into seclusion. A turbulent and seething mass struggled and fought to establish government. Forces of monarchy, republicanism, and communism contended for power whilst the scales wavered in the balance. At last, over the ashes of militarism arose the Republic of Germany.

The Government of Austro-Hungary was dissolved and its territory divided up. The new governments, Austria, Hungary, Czechoslovakia, and Poland arose and in these countries monarchy was succeeded by democratic forms of government.

Turkey was practically driven out of Europe, and Greece for a time was given the power of a substantial nation.

Communism infiltrated through the Alps and anarchy pervaded Italy. The Kingdom became but a government in name and the rulers were without control. The parliament was unable to function. The parliamentary monarchy of Italy almost ceased to exist. A dictator arose. Mussolini, a printer by profession and socialist in doctrine, a common soldier, organized and led a revolutionary army under the name of Fascisti down the ancient ways of Italy into the gates of Rome and established a paternal and patriotic dictatorship.

France recovered back Alsace-Lorraine. There was no weakening in the patriotism of her people. There was no tendency toward revolution, and yet a great change has come over France. France suffered terribly. Her young men were slaughtered on the field of battle. One-tenth of her manhood was snuffed out as war casualties. Large areas of her most valuable territory were devastated. Her wealth was expended and the surplus of her frugality and labor was devoured by war. Her debts were enormous. Her people refused to be taxed, believing that the losses of France should be recouped through payments from Germany. Germany did not pay as was expected by France. The French Government to meet the emergencies issued fiat paper money. Her statesmen realized the danger of this unsound economic procedure, but the people would stand for nothing else. So to-day France is staggering under a financial debt that she can never pay, and her Parliament, divided into many blocs, will not agree on any practical plan of reconstruction. Parliamentary government has almost broken down in France, and it will break down unless the people can be made to understand their responsibility to the Government and can be induced to bear the burdens that must fall upon each citizen.

England, with her statesmen and her statesmanship and through the patriotism of her subjects, has carried on and yet England has suffered terribly. She has taxed her people to the utmost and they have paid.

Her industries are at a low ebb and her population have remained to suffer from idleness and poverty.

The recent great strike in England was conclusive evidence of the serious condition that exists. There is no doubt that the Communist Party of Russia attempted to turn that peaceful economic revolution into a violent political revolution. Had the labor unions accepted the aid and advice of the Soviet Government, who may predict what might have been the outcome?

And peace is not yet in Europe. The whole of Europe is in poverty and distress. Its gold is gone. It can only purchase through its products and its labor. All of its commerce has been interrupted, all of its markets disturbed and some absolutely destroyed.

There is still the element of fear actuating the European national. Many feel that existence is a fight of the survival of the fittest. Serious efforts for the establishment of instrumentalities for reconstruction of existing relations and the adjustment of future difficulties have not succeeded.

Our country suffered too, but its sufferings were little by comparison with those of Europe. We were not in the war so long, the battles were remote from our territory and the wealth and great natural resources of our Nation could better stand the drain. But we deeply feel the effect of that war. We have felt the sting of death, and we have constantly with us the maimed and the helpless victims of battle.

We have been compelled to impose heavy taxes on our people to maintain our economic system. We are faced with a serious problem in seeking foreign markets for our surplus production. We are torn between contending emotions—our desire to aid the sufferers of other countries and our dread of being involved in foreign disputes. We long for peace and yet we fear the return of war. We are bitterly opposed to militarism, and yet we know that it is the duty of our Government to be prepared to defend our people. We long to aid our industries that have peculiarly suffered by reason of conditions abroad, and yet we hesitate to do those things that are subversive of the principles upon which our Government is founded.

It is true that our Government came out of the war unshaken. It demonstrated the power of a republic in peace and in war when backed by an intelligent and patriotic people. It did its part bravely, gallantly, and efficiently, without the taint of cowardice, injustice, or corruption. And yet there was a time when its very existence was threatened. Due to the peaceful policies established by our forefathers and the sentiment of our people, we made every effort to keep from being involved in the great struggle. We were forced into it. The Kaiser committed acts of war against us. Indeed, there was a condition of war when the declaration of war was made. It is well for us, as it is fortunate for our allies and the rest of the world, that we were forced into the contest when we were. Our soldiers arrived at the battle front just in time.

The French and English Armies were worn out and discouraged. Nothing but the fresh American soldiers could have prevented the success of the great German drive in the spring of 1918. With that success the war would have been over. Germany would have been victorious and the Kaiser would have been the dominating power of the Eastern Hemisphere. He would have had at his command the man power and the munitions of war of entire Europe. What alliances the Kaiser might have made against us in his moment of wild anger may only be surmised. It certainly was within the range of possibility. There is no doubt, however, that had the Kaiser won the United States would have been compelled to endure a long and savage struggle against an attempt upon her independence.

It was a serious crisis. It called for action, immediate action of the most intelligent and intense character. Through the statesmanship and vigor of the officers of Government and the bravery and patriotism of our people, we successfully responded to the emergency. What would have been the result had our Government been weak and vacillating?

These revolutionary and disastrous events force upon our minds the realization of the tyranny, impotency, and frailty of governments. We have seen and felt their effect. Our own patriotism challenges us to seek and study the causes. Obviously the war was a natural outgrowth of the unrestrained ambition and greed of European rulers. Great governments were mad with the craving for economic and commercial domination. Expansion and greater expansion of territorial domain obsessed all. The spirit of conquest inflamed the minds of the most powerful of these rulers. In the rich soil of these ruthless ideals militarism grew and flourished. Rivalry in the upbuilding of armies and navies was pursued with feverish haste. Centralization of power inevitably followed. The influence of the people of Europe on the conduct of their own governments was rapidly usurped by ambitious rulers, advised by small autocratic groups, and supported by military forces.

Democracy could not live in such an atmosphere. A military government requires a militant ruler. They were there. Rulers of governments so organized found it easy to precipitate wars to satisfy their dreams of world domination. That these conditions did exist we now realize, but the causes that led up to such governmental deterioration is more difficult of analysis and description.



Some of these governments had always been tyrannical not only in their intercourse with other nations but in their conduct toward their own subjects. Such nations through military power had kept their nationals in subjection, poverty, ignorance, and fear. Through these means they had destroyed in the great masses of their people the desire and the ability to participate in government. The intellectuals who sprang up among such peoples were blind to the true principles of democracy, were imbued with the same ambitious desire for tyrannical rule that possessed the tyrants against whom they fought. With all of their education these intellectuals sought to abolish tyranny with tyranny, to substitute for the influences of logic, reason, and persuasion the dagger, the bullet, and the bomb of the assassin. So when one tyranny was destroyed by bloody revolution an equally bloody and tyrannical government was substituted in its place.

The rulers of still other governments, while autocratic and tyrannical toward their own people, as well as toward the rest of the world, held the allegiance of their own subjects by securing prosperous internal conditions, promoting education, the advancement of the arts, and the sciences, and stimulating the spirit of industry and discipline. Yes; they went even further. They instilled into the minds of their subjects the same desire for conquest and aggrandizement that they themselves possessed. They taught their people to believe that they were superior to the rest of the peoples of the world and that the world would be better off and happier if it were under the domination of their government.

Such governments in their prosperity seemed ideal, but they were builded upon a false foundation. No autocracy, no matter how paternal it may be or what booty it brings to its subjects, can be trusted to unselfishly guard the best interests of a people. The results have demonstrated this. Those prosperous, contented people were led into a destructive war without their foreknowledge or consent, with the result that their husbands, brothers, and sons were slaughtered by the millions. To-day they are suffering in poverty, the aftermath of the inhuman war.

The people of a country must inevitably bear the burdens of a government, both in peace and in war, and they can trust themselves alone for the proper conduct of their government.

The nationals of still other governments were directly responsible for the impotency of their governments. They enjoyed broad powers of expression and control. They had parliamentary governments. They elected their representatives who made the laws that governed them and who determined the relations of their country with other countries. And yet such governments had degenerated until they had little influence for peace or strength for battle.

It is true that the ambition and greed of rulers brought the great cataclysm upon the world, but the subjects and citizens of those rulers can not escape their own responsibility for the acts of their rulers. It was through the ignorance, the selfishness, or negligence of the people that such rulers were able to rise, grasp, and hold the power that they so fatally wielded.

The deterioration of a people precedes the deterioration of their government. When people cease to understand the true principles of free government, when they lose appreciation for the power and value of honorable and just government, when they lose the desire to govern themselves, when selfishness and covetousness supersede the higher ideals of life and banishes from the mind of man the love of country, when through ignorance or selfishness or cowardice a people become unworthy to govern themselves, they will then be governed by an autocratic power. That power may be benevolent or it may be brutal; it may be capable or it may be impotent; but in no case can it satisfy or long continue to exist. It is an unnatural form of government in this age and is but the outgrowth of chaotic conditions.

We can not remedy these conditions in other countries. Every people must work out its own salvation. Though evolution seems slow, yet even our brief history convinces us that the mind of man is surely evolving to a higher plane. Unhappily, experience is individual, and the mistakes and sufferings of others rarely warn us against similar mistakes.

The pendulum of political life was ruthlessly dragged beyond the scope of its swing, and when it was torn from the hand that held it it was swung with equal violence to the other extreme. It is still oscillating with dangerous uncertainty, and when and how it may be adjusted to its normal movement the mind of man can not fathom.

We study these conditions because it is our duty to study them, and because there lingers in our breast the hope that we may to some extent profit by the unhappy experience of other governments and long delay, if not forever prevent, such disastrous occurrences in our own country. It is true that our Government was not shaken by the great political earthquake. It is true that the principles upon which our Government was founded were tried in the hottest furnace of all times and came out sound and shining. And yet, when we think of the great governments that compared favorably with our own Nation in wealth and prosperity that have lost all, their young men, their credit, their prosperity, their confidence, and even hope, we are warned that every government

is fallible. As we study our Constitution and the eternal principles upon which our own Government was founded, our wonder and our admiration grows.

It was predicted by great foreign statesmen upon its organization that its life would be brief. They reminded us of the fact that only a strong, centralized government can defend itself against foreign foes. At its very birth it successfully defended itself against the then most powerful nation on earth. Again, but a few years later, in its childhood, it repeated the same gallant success. They contended that a dual form of State and Federal government must of necessity arouse conflicts that would mean disintegration. The conflict arose, but disintegration did not follow. They confidently asserted that the numerous immigrants coming to our shores from every nation would hold in their breasts the love of their own country and their own nationality, and that they could not be assimilated and that the tendency would be toward the death of patriotism.

The Great War has successfully answered this dogmatic assertion. Of course, there lived in the breast of every citizen of foreign birth a natural fondness for his native soil, but when the great call came they realized that this was their Government, that it had protected them, that it had given them opportunities, and that it was the best Government on earth, and they offered their lives gallantly and bravely in its protection.

They warned us that popular suffrage would result in representation by ignorant demagogues instead of tried and true statesmen. Their predictions have not come true. The representatives of the people in Government have been able, honest, and patriotic. And yet there are great students of political economy who profess to see deterioration even now, slowly but persistently, gnawing at the foundation of our Government. They call to our attention the fact that local self-government is rapidly being destroyed through the assumption by the Federal Government of the functions heretofore exercised by the States. They contemptuously point to the attempt of our Government to elevate the morals and habits of its citizens through proscriptive laws as an evidence of the weakening will power of the individual citizen. They place their fingers upon the black spots of corruption in high public office that only recently have been disclosed in our governmental life. They profess to see a deterioration in the ideals of our citizens. They say our citizens are losing their pride in participation in their own Government, that they are becoming negligent of the conduct of their public affairs, that selfishness is developing a disposition of unconcern, and that the greed for wealth has so permeated even the electorate that they are selling high offices to the highest bidder, that they may increase their luxuries with a few detestable dollars.

Whilst there may be some foundation for such criticism, it must be remembered that the faults of others are readily discovered, whilst the good remains obscured and is not taken into consideration by such critics. Our friends will not criticize us, however, and it is well therefore for us to weigh the criticisms of the disinterested.

We must admit, I regret to say, that the overpowering greed for money in this age, with its tendency to extravagance, luxury, and idleness, threatens the independence and the political solicitude of our electorate, which is absolutely essential to the continued existence of a representative form of government. Any government—and particularly a democracy—depends upon the character, ability, and patriotism of the officers of the government elected by the people. No government, no matter upon what principles it may be founded, can be better than its governors. If seats of power in government may be obtained through the influence of wealth rather than through the free, independent, and intelligent selection by the electorate, then autocracy will reign and democracy will exist only in name. And when that autocracy, if it ever arises, grasps the pendulum that regulates our political life and pulls it beyond its limit of movement the time will inevitably come, as it has in similar cases throughout all history, when another power shall arise in its anger and tear from the hand of autocracy the pendulum of fate and swing it back in the other direction until its normal functions are again destroyed. If there is any one thing that we have learned from history it is that one excess brings on another excess, that violent revolutions beget violent revolutions, that reaction is measured by action.

These things we must guard against with every power that God has given us and with every sacrifice that may be necessary. When we discover that there is some selfish class in our country that seeks to manipulate the instrumentalities of government for their own selfish profits and preferment, then we must eliminate that class from its governmental influence. We must watch and guard against the development of militarism, but with equal watchfulness we must see that unreasonable pacifism does not subject us to that supine lethargy that has made China the helpless victim of the rapacity and tyranny of many nations. We must recognize that in this age governmental isolation is practically impossible and it is therefore our duty to do all in our power, through cooperation and agreement with other nations, to remove the causes of war, to limit the effect of war, and to maintain the freedom of commerce and intercourse throughout the world. Of necessity our highest duty is to our own Government and our own people, and where cooperation with other governments endangers the



safety of our own Government and the peace and prosperity of our own people, that must be our limit. We must stop the drift away from local self-government toward the centralization of Federal power. Russia is governed by an army. Let it never happen that the United States is governed by an army of Federal officeholders.

I have no fear for the patriotism and intelligence of our people. We have the most intelligent and patriotic electorate in the world. It may be that our minds, like the minds of the people of the rest of the world, have been excited, disturbed, and disarranged by the great cataclysm that but recently enveloped us. This excitement will disappear. It is rapidly disappearing and as the mind clears our citizens will turn their eyes again toward the Constitution. They will study the words and deeds of our great forefathers. They will analyze the beauty and the justice and the freedom of our Government. They will revalue the great gift of free and equal suffrage. They will repel with contempt and righteous indignation every attempt through bribery or intimidation to induce them to forsake the great duty that has been imposed upon them and to sacrifice the sacred privilege that has been obtained through the blood of their forefathers. And when the true spirit has returned to our people, and it is returning rapidly, then our great Government will shake off the destroying tendencies that have attached themselves to the body corporate and again it will stand forth not only as the most vigorous and perfect government on earth, but one that will influence the lovers of freedom and justice everywhere, to the end that all governments will seek the high plane that we maintain.

#### PRINTING OF THE COMMERCE YEARBOOK

Mr. JONES of Washington, from the Committee on Commerce, to which was referred the joint resolution (S. J. Res. 54) to provide for the printing of the Commerce Yearbook, reported it with an amendment.

#### MERCHANT MARINE PLANS

Mr. JONES of Washington submitted the following resolution (S. Res. 262), which was ordered to lie on the table:

*Resolved*, That the United States Shipping Board be, and it is hereby, requested to prepare and submit to the Senate not later than January 1, 1927, comprehensive and concrete plans for building up and maintaining an adequate merchant marine for commerce and national security (1) through private capital and under private ownership and (2) through construction, operation, and ownership by the Government.

#### CODIFICATION OF LAWS

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 10000) to consolidate, codify, and reenact the general and permanent laws of the United States in force December 7, 1925.

Mr. PEPPER. Mr. President, at the request of the senior Senator from Kentucky [Mr. ERNST], the chairman of the select committee in charge of the pending bill, I offer the amendments which I send to the desk to the measure before the Senate, being House bill 10000. I suggest that only the first of them be read, as a word of explanation I think will indicate the propriety of omitting the reading of the other two.

Mr. KING. Mr. President, will the Senator from Pennsylvania yield to me?

Mr. PEPPER. I yield.

Mr. KING. Nothing in the request of the Senator from Pennsylvania, as I understand, implies the abandonment of the rule requiring the bill to be read, does it?

Mr. PEPPER. No, Mr. President. I am merely sending to the desk for proper consideration three proposed amendments, but I am making no suggestion with reference to the subsequent course of procedure.

Mr. KING. I did not want it to be understood that there was any waiver of the parliamentary rights of individual Senators, including the right which we have to have the bill read in its entirety and textually.

Mr. MOSES. Mr. President, does the Senator from Utah intend to object to the usual proposal that the formal reading of the bill shall be dispensed with?

Mr. KING. When that request shall be made we will determine what course to take.

Mr. MOSES. Without wishing to impinge at all upon the prerogative of the Senator in charge of the bill, I desire to say that I think that request should be made at once so that we may determine the position of the Senator from Utah.

Mr. PEPPER. Mr. President, I ask that the first of the three amendments be now read.

Mr. BLEASE. Mr. President, I should like to ask the Senator from Pennsylvania if these amendments have been agreed upon and if it is intended to amend the bill with new matter as its consideration proceeds.

Mr. PEPPER. Mr. President, before the first of the three amendments shall be stated, I will answer the question of the Senator from South Carolina as follows: In House bill 10000

as messaged to the Senate there was a provision which, if enacted into law, would have operated to make this bill the law of the land in respect to all the matter contained in it and would have operated to repeal all antecedent legislation. The first of the three amendments which I have just offered, if adopted, would have the following effect: It would substitute for the provision for enactment and repeal a provision merely setting forth the matter contained in the code as a systematic body of law for a convenient use in courts and elsewhere, providing that the volume shall be evidence of the law, but specifically providing that there shall be no repeal of antecedent legislation or enactment as new legislation of any of the matter in this code. In other words, if the amendment shall be adopted and the enactment of the bill as amended shall follow, the code will be evidential of the statutory law of the United States from 1789 to date but will not operate to work a repeal of the body of laws as it at present exists.

Mr. BRATTON. Mr. President—

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from New Mexico?

Mr. PEPPER. I yield.

Mr. BRATTON. I understand paragraph (a) of section 2 to mean this: If an act was actually in force on the 7th day of December, 1925, but was omitted from this compilation, its validity would not be affected; it would be the law notwithstanding its omission?

Mr. PEPPER. That is correct, Mr. President.

Mr. BRATTON. Also, if an act was placed in the compilation which was not in force on that day and was wrongfully put in by the codifiers under the belief that it was the law, this bill, if enacted, will not give it any validity whatever; it will be a dead letter notwithstanding it is found in the compilation?

Mr. PEPPER. That is correct, Mr. President. Both of the propositions laid down by the Senator are covered by subsection (a) of the amendment that has just been sent to the desk.

Mr. BRATTON. In the third case, if a provision is in the compilation substantially different from the original act, the original act controls, and the compilation must yield to it?

Mr. PEPPER. I take it that must be so, Mr. President, in virtue of the fact that the matter contained in the code is not enacted into law as such.

Mr. BRATTON. It is sought merely to bring the law forward and compile it for convenient reference, but does not repeal any existing law; it does not give validity to any non-existing law, and it does not make any material changes in existing law?

Mr. PEPPER. I answer all those questions in the affirmative.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield?

Mr. PEPPER. I yield to the Senator from Arkansas.

Mr. ROBINSON of Arkansas. It is true, however, that the amendment which is now proposed makes every provision in the code *prima facie* the law, and if a provision is inserted in the code that is in conflict with the law as it existed on the 7th day of December it will devolve upon anyone contesting the correctness of the provisions of the code to establish the fact that the code is in conflict with the actual law.

Mr. PEPPER. That is correct, Mr. President, or, to put it a little differently, if an error appears in the code in such fashion that something in it is in conflict with the provision of existing law, the production of the code would establish *prima facie* the existence of the law as therein erroneously stated, and it would become necessary for the persons desiring to correct the error to bring forward the original legislation.

Mr. ROBINSON of Arkansas. I do not make the suggestion as a valid ground of objection, because I think it is exceedingly desirable to have a compilation of what is believed to be the existing law, but I merely wanted to point out the fact that the presumption is that the code is correct, and if this bill shall be enacted it will devolve upon anyone contesting it to establish the contrary.

Mr. PEPPER. That is correct. It is evidence of what the statute law of the United States is, but it is evidence which is not conclusive and may be rebutted in the way the Senator has indicated.

Mr. BRATTON. Mr. President, will the Senator from Pennsylvania yield further to me?

Mr. PEPPER. I yield.

Mr. BRATTON. Doubtless the Senator has given much thought to this subject. I have not. I ask this for information. It is quite common in enacting compilations of this kind to state expressly that in cases of conflict between two or more provisions found in the compilation reference may be had in solving the conflict to the dates upon which the re-



spective statutes were enacted. Does the Senator from Pennsylvania think such a provision should be inserted in the enacting part of this compilation, or would the courts have the power to do that independently of any such provision in this enactment?

Mr. PEPPER. The committee had contemplated the necessity of some such provision in case the original plan had been followed of seeking the enactment of the code as a body of law. In that case the effect of simultaneous enactment of all the provisions would have rendered it important to safeguard the situation in the way the Senator has indicated. Under the present proposal, however, the matter contained in the code is not enacted into law at all. It is merely set forth under the authority of Congress for the convenience of its users, and is given an evidential effect, but in no way supersedes the existing law, or itself becomes law.

Mr. BRATTON. The Senator thinks, in view of the provisions contained in the proposed amendment, that such language with reference to conflicts is not necessary?

Mr. PEPPER. That was our thought, Mr. President; but we are quite open minded about it.

Mr. WALSH. Mr. President—

Mr. PEPPER. I yield to the Senator from Montana.

Mr. WALSH. I take it that it is the purpose of the Senator should the amendment which he has now tendered be adopted to offer further amendments striking out certain sections which were printed under order of June 2, 1926, being the general enacting and repealing clauses of the code or compilation, section 2 thereof, section 3, section 4, section 5, and so much of section 6 as is found on the last line of page 3, commencing with the word "Until," and the remainder of that section and the succeeding one?

Mr. PEPPER. The Senator is quite right. The amendments sent to the desk are printed, and I do not think the Senator has at hand a copy of them in the precise form submitted.

Mr. WALSH. Yes; I think I have both of them.

Mr. PEPPER. If the Senator will refer to the second page of the amendment, which is preceded by a Roman numeral "I," I think he will find that the various points he has in mind have been safeguarded. The effort has been, on the second page of the printed amendment, to cover all the changes made necessary by the substitution of the new plan for the old, namely, the substitution of an evidential statement of the law for a body of newly enacted law.

Mr. KING. Mr. President, so that I may not misunderstand the Senator, if he will yield, I understand that if this measure shall pass this evening, in whatever form contemplated, it does not become the law to the extent of superseding existing law.

Mr. PEPPER. That is correct, Mr. President. In effect, the Congress of the United States goes into the business of making a compilation of the law and the publication thereof; and the only legislative function that is performed in connection herewith, apart from authorizing the printing and distribution, is a provision that this body of statute material shall be accepted as prima facie evidence of the law in the courts and in the departments, and for other public purposes.

Mr. BRUCE. Mr. President, in other words, it is not the law, but prima facie evidence of the law.

Mr. KING. So that it would not preclude Congress, if later it is discovered that this compilation answers all purposes and is entirely satisfactory and is free from defects, from enacting it as a law?

Mr. PEPPER. Mr. President, in the natural course of events, if this volume subserves the purpose that we expect that it will, it will become the order of the day to repeal antecedent legislation and enact this as a code in the usual sense of the word; but at present, as explained by the Senator from Maryland, it is merely a formal and authoritative statement evidential of the law but not itself having the force of law.

Mr. KING. So that, to repeat—for which I crave pardon—Congress next winter or in a year from now or at any time, after being satisfied with the operation of it and that it is correct, could enact it as a statute, and it would then become the law of Congress?

Mr. PEPPER. That is quite correct, Mr. President; and I am very glad the Senator from Utah has called attention to that phase of the matter, because it is contemplated that in the distribution of this volume, if Congress shall pass this bill, the Public Printer shall annex a slip inviting careful and constructive criticism, to the end that just such a process as the Senator has in mind may hereafter be made operative.

Mr. WILLIS. Mr. President—

Mr. PEPPER. I yield to the Senator from Ohio.

Mr. WILLIS. What effect does the amendment offered by the Senator have on the language of the second paragraph on

page 2 of that which is denominated "H. R. 10000," the smaller document that I hold? That language is as follows:

The sections of this code shall be in force in lieu of corresponding provisions contained in acts passed prior to the 7th day of December, 1925, which, where substantially identical with the matter in this code, are hereby repealed.

Mr. PEPPER. Mr. President, answering the Senator's question, I will say that the effect of the amendment which has just been offered would be to strike out all of the matter contained in Chapter I and to substitute, immediately after the enacting clause, the matter which appears on the first page of the printed amendments.

Mr. WILLIS. Mr. President, let me be sure that I understand the Senator. His amendment proposes to strike out all of Chapter I. Where does that end? I can not tell from this document. On what page does it end? I have the amendment here.

Mr. PEPPER. Mr. President, I am not sure whether the Senator has the amendment which has been presented.

Mr. WILLIS. Yes; I have the amendment; but I also have another document that was laid on the desks of Members, entitled "H. R. 10000." It is a four-page document and purports to be that upon which we are to act, entitled "An act to consolidate, codify, and reenact the general and permanent laws of the United States in force December 7, 1925." That is what is before us, as I understand. What I am asking the Senator is, How is this document affected by the amendment which he offers?

Mr. PEPPER. Mr. President, I think the document which the Senator has last referred to is a mere reprint, for the convenience of the Senate, of Chapter I as it appears in the large volume. In other words, the document last referred to by the Senator would have substituted for it the matter contained in the amendment which has been sent to the desk.

Mr. WILLIS. I present to the Senator a document and ask him whether it is proposed to substitute his amendment for that document.

Mr. PEPPER. Yes, Mr. President; it is, as I have indicated. The document handed me by the Senator from Ohio is a mere reprint, for the convenience of the Senate, of the exact matter contained in Chapter I of H. R. 10000 as it came from the House.

Mr. WILLIS. What is the matter now pending before the Senate? I thought it was the document that I presented to the Senator. What is it?

Mr. PEPPER. On the contrary, Mr. President, the matter now pending before the Senate is a proposal to substitute, by amendment, the matter contained in the document sent to the desk for the matter originally appearing in H. R. 10000, and reprinted in the document which the Senator holds in his hand.

Mr. WILLIS. Then, as a matter of fact, the Senator is proposing to substitute the document here, headed "Amendments," for the document which I have presented to him?

Mr. PEPPER. That is correct.

Mr. WILLIS. So this is really the document that is before the Senate at present, the document headed "H. R. 10000," is it not, and the Senator is proposing to amend by substituting this document for it?

Mr. PEPPER. If the Senator prefers to state it in that way—

Mr. WILLIS. That is the parliamentary situation?

Mr. PEPPER. The parliamentary situation is that there has been laid before the Senate H. R. 10000 in exactly the form in which it came from the House. That includes Chapter I thereof, which has been reprinted, for the convenience of the Senate, in a separate slip; and as a substitute for Chapter I, I have offered, at the request of the Senator from Kentucky [Mr. ERNST], the matter contained in the larger document which the Senator from Ohio holds.

Mr. WILLIS. Then I desire to ask the Senator a further question. I have examined this four-page document which is technically before the Senate, as I understand; and the Senator advises the Senate that the portion of section 2 which I read is all stricken out?

Mr. PEPPER. Yes.

Mr. WILLIS. So that there is no repeal proposed in the amendment which the Senator now offers?

Mr. PEPPER. The Senator is quite right. There is not only no repeal, but there is no enactment. The matter contained in the code is merely set forth with authority for convenient use, and the only legislative function that the Congress will perform in regard to it will be a declaration that the matter so set forth can be used for evidential purposes in the courts and elsewhere.



Mr. WILLIS. Then, as a matter of fact, it is not proposed to act on the 1,700-page document on which the Senator's hand now rests?

Mr. PEPPER. That is correct. It is not proposed to act upon it in the ordinary sense in which we act upon a measure presented for enactment into law. It is merely proposed to set forth the matter contained in this document with the authority of Congress and make it evidence for use in the courts and elsewhere.

Mr. WILLIS. Just as it might be said that right back of the Senator is a chart, and the Congress might pass a resolution saying that the chart—describing it—may be offered in evidence, but the chart itself is not made law. Am I correct in that?

Mr. PEPPER. I have not reflected completely on the analogy, but it occurs to me that it is an analogy. Certainly it is true that the matter contained in this code will not be the law of the United States, in virtue of the action of Congress, if the amendment now proposed is adopted.

Mr. WILLIS. But I understood the Senator to say, in response to an inquiry made by the Senator from Utah [Mr. KING], that the Congress could at any time if it desired, of course, take up the 1,700-page document and enact it into law, but that the action now proposed does not enact it into law.

Mr. PEPPER. The Senator has stated it very clearly.

Mr. WILLIS. Then let me ask the Senator another question. I was particularly interested in this. In the original document, the one that is technically before us, I find this language:

Until July 1, 1927, but only until then, in case of any inconsistency between the provisions of any section of this code and the corresponding portions of legislation passed prior to the 7th day of December, 1925, effect shall be given for all purposes whatsoever to the earlier enactment.

That would make this document of 1,700 pages the law after July 1, 1927; but in the amendment that the Senator now offers that is stricken out, and it is not proposed to make it the law at any time?

Mr. PEPPER. That is correct, Mr. President. The section, or the part of the section, read by the Senator from Ohio is covered by the broad language of the amendment, which strikes out all of the first chapter excepting that which appears on the first page of the amendment sent to the desk.

Mr. WILLIS. I have another question. I dislike to take the Senator's time, but I want to get this information. Why did the Senator propose an amendment which is headed "chapter 4" in the large amendment entitled "Railroads." Just why is that particular amendment proposed?

Mr. PEPPER. That amendment is not proposed. It was intended to be proposed, but on further consideration it has not been proposed, and, at the request of the Senator from Kentucky [Mr. ERNST], I sent to the desk merely the first three amendments, not including the one to which the Senator from Ohio has last called attention.

Mr. WILLIS. I wondered whether this had led to the proposal. There has been brought to my notice an editorial in a reputable publication of this city, in which it is pointed out that there were in the original some important changes. This editorial states:

The legislative representatives of the railway unions, looking into one matter which they understand and are vitally interested in, found that the law relating to inspection of locomotives had been changed a great deal and always for the worse.

The proposed code omits the title and purpose of the law, often of supreme importance in construing the same.

It changes the references to other laws and to sections of the same law.

It changes the methods of filing and putting into effect safety regulations.

It cuts the salaries of inspectors from \$3,600 per year, as now, to \$1,800 per year.

All these changes weaken the law, and the cut in salaries destroys its effectiveness.

What does the Senator say as to that? Have those omissions or changes been corrected?

Mr. PEPPER. Mr. President, the best way I can answer the Senator is to say that the critics who brought forward the objections which the Senator has just summarized based their objections upon the proposition that the enactment as law of the matter contained in the code would have the complicating effect suggested in the criticism, but in view of the fact that the matter contained in the code is not to be enacted into law, the criticisms fall, because all that the code does is to embody in an orderly way the existing legislation, and makes no attempt to change it, to reenact it, or to repeal any of it.

Mr. WILLIS. Mr. President, the Senator perceives the point of my question. If those errors, if they were errors, were discovered by one investigation, with one object in view, I was wondering whether there might not be a good many others.

Mr. PEPPER. Every one of the things to which the Senator has called attention is a separate ground of debate as to whether the criticism is or is not well founded. But it is not necessary to give attention to that criticism, in view of the fact that the critics are, as I am authoritatively informed, satisfied that the change in the method of dealing with the code remedies the menace which they apprehended.

Mr. WILLIS. In other words, the Senator's answer specifically is this: That whatever these criticisms are, or whatever others there might be, they are met by the fact that it is not proposed to enact this into law at this time, but it is simply made evidentiary. Is that correct?

Mr. PEPPER. That is correct.

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

Mr. PEPPER. I yield.

Mr. WALSH. I desire to supplement what was said by the Senator from Pennsylvania in answer to the inquiry addressed to him by the Senator from Ohio, by saying that the criticism made of this work referred to in the article to which our attention has been directed by the Senator from Ohio led some of us, when the matter was up some time ago, to question the wisdom of making this a real code of laws, with enacting and repealing clauses, which would wipe out, either presently or in the immediate future, all existing legislation, leaving this as the sole body of Federal law.

We conceived, as suggested by the Senator from Ohio, that there might be other discrepancies. The work is of a stupendous character, as everyone will appreciate, and it is reasonably to be expected that with the very best work—and I have no doubt it was done by men fully qualified for the work—with the very best of intentions, and the most diligent effort it is quite likely that some statutes would be overlooked—indeed, it is conceded that some have been overlooked—and that some of the reproductions might not be exact. Therefore it was suggested that rather than take chances of that character the enacting and repealing clauses should be modified so as to make this only a convenient compilation of the law.

Mr. WILLIS. Mr. President—

The PRESIDING OFFICER (Mr. WADSWORTH in the chair). Does the Senator from Pennsylvania yield; and if so, to whom?

Mr. PEPPER. I have yielded to the Senator from Montana.

Mr. WILLIS. I desire to propound a question to the Senator from Montana.

Mr. PEPPER. Very well.

Mr. WILLIS. What I wanted to ask the Senator was this—because I value the opinion of the Senator from Pennsylvania, who is a great lawyer, and the opinion of the Senator from Montana, who is an equally great lawyer. Does the Senator from Montana agree with the Senator from Pennsylvania that this proposed action will result simply in the establishment of an evidentiary volume, if we may so call it, and that there is no action looking toward its enactment as a law, that the Congress, therefore, subsequently, if it desires, could enact this into law? Does he agree with the Senator from Pennsylvania on that?

Mr. WALSH. Yes. I agree with that. That is substantially correct. I was going to say that, as it was presented, the apprehension suggested in the editorial to which the Senator has directed our attention was entertained, and in order to meet that situation those interested in that part of the compilation prepared the draft to which the Senator has called our attention, and which has been printed under the head of "Title 45—Railroads," with a view to offer that as a substitute for what appears in this compilation. But in view of the change that is made, and it being now realized that the law as it now exists will continue to be the law, notwithstanding this enactment, which, as indicated, will be merely evidentiary, representatives of the labor organizations interested in this particular legislation are not desirous at all any longer of offering this as a substitute for what appears in the code or compilation, and have authorized me to say so on their behalf on the floor of the Senate.

Mr. SHIPSTEAD. Mr. President, has the amendment on the first page of the document been agreed to?

Mr. PEPPER. No. No step has been taken this evening, except merely to send to the desk the first three amendments which appear in the document which the Senator holds in his hand.

Mr. SHIPSTEAD. If this first amendment is agreed to, is not all of this matter that has now been in controversy taken care of in subsection (a), section 2?

Mr. PEPPER. Mr. President, we are very confident that that is the case. We believe that the first of the three amendments which have been proposed will meet all of the difficulties



that have been suggested, excepting two matters which are covered by the second and third amendments, and they were mere errors of omission in two of the titles of the book which we are now ready to correct by supplying what was accidentally left out.

Mr. SHIPSTEAD. Just one more question. This amendment, if adopted, expresses as the will of Congress that it is not the intention of Congress to change any existing law, if I understand it?

Mr. PEPPER. That is correct.

Mr. SHIPSTEAD. And if a controversy should arise at any time in a court, the court would have to take cognizance of the will of Congress as expressed by this amendment?

Mr. PEPPER. So far as the law is concerned, it is absolutely unaffected by the passage of this bill, if it be passed.

Mr. SHIPSTEAD. With this amendment.

Mr. PEPPER. With this amendment. If that action is taken, the code will become evidential of the law, but only prima facie evidence, and, as has been already explained, the presumption can be overcome by producing the statutes as actually enacted by Congress.

Mr. WALSH. Mr. President, I desire to inquire of the Senator whether the matter which appears on page 2 of the later document—the amendments proposed by Mr. ERNST—has been offered, or whether only that which appears on page 1 is offered?

Mr. PEPPER. I sent to the desk all the matter contained on pages 1, 2, 3, and 4 of the document to which the Senator refers, offering all three of the amendments which appear first in the document, but suppressing the fourth amendment, for the reasons which the Senator explained in his answer to the Senator from Ohio.

Mr. WALSH. I have not been able to understand the import and significance of what appears at page 2. As I understand the Senator, that operates to excise what appears on pages 2 and 3 of the original document; that is, sections 2, 3, 4, 5, part of 6, and all of 7. But I do not understand why that so operates. It starts with the language, for instance—

In the heading "Title I—general and repeal provisions," strike out the words "and repeal."

But that is not in the document as printed.

Mr. PEPPER. No, Mr. President. The star print, from which the Senator is reading, is a perfection of the amendment as originally printed, so that it is only the star print to which the Senator need refer in considering the text of the amendment. I am going to take the liberty of laying on the Senator's desk H. R. 10000 as it came from the House, and I think with that before him it will be possible for him to see the significance of the amendment as offered.

Turning to the first page of H. R. 10000, it will be perceived that immediately after the enacting clause occurs the language, "Title 1. General and repeal provisions." We propose to strike out the words "and repeal," for the reason that the changes contemplated would eliminate all repealing matter in the bill.

In the second place, the elimination of the greater part of chapter 1 makes necessary a change in the chapter headings, which are seven in number in the original bill, but which are now reduced to three, and the third paragraph of the suggested first amendment merely strikes out the list of chapters and makes the necessary changes to conform typographically to what follows. Then, all the changes in 4, 5, 6, and 7 are merely changes in the numbering of sections and other mechanical matter, to carry into effect the changes produced by inserting after the enacting clause the matter which appears on the first page of the document.

Mr. WALSH. I ask the Senator whether it does not become necessary to strike out section 2 of title 1, section 3 of title 1, section 4 of title 1, section 5 of title 1, all of section 6 after the words "United States" where they occur the second time in that, and all of section 7.

Mr. PEPPER. I think the Senator is correct. I believe the amendment should be amplified the way he has indicated. I think that is a mere oversight in the drafting of the amendment.

Mr. WALSH. Then I move that the amendment offered by the Senator from Pennsylvania—

Mr. PEPPER. Mr. President, I am going to interrupt the Senator for one moment to ask him whether the fourth section of the amendment covers the matter which he has in mind? The language is "Strike out all after such list of chapters down to the chapter heading of Chapter II of title 1."

Mr. WALSH. I think that is too inclusive, because it seems to me that section 1 should remain, which reads:

These 50 titles are intended to embrace the laws of the United States, general and permanent in their nature, in force on the 7th day of December, 1925, compiled into a single volume as a systematic body of law under the authority of Congress and designated "The code of the laws of the United States of America."

Mr. PEPPER. May I ask the Senator whether he will not revise that opinion in view of the fact that the amendment now proposed is intended to exclude from the code all this matter setting forth the legal effect of the code, making the language of enactment immediately follow the enacting clause and precede the code, which will then consist merely of the matter beginning in Chapter II and subsequent chapters.

Mr. WALSH. I think perhaps the Senator is correct about that, but I inquire whether that portion of section 6 preceding the word "until" therein should not remain. It reads as follows:

The arrangement and classification of the several sections of this code and the insertion of section headings have been made for convenience and are no part of the law. The copies of the code of the laws of the United States printed at the Government Printing Office and bearing its imprint shall be evidence of the law as therein in all courts, tribunals, and public offices of the United States, at home and abroad, of the District of Columbia, and of each State, Territory, or insular possession of the United States.

So that it will not be necessary to go to the actual certified copy of the act in the office of the Secretary of State.

Mr. PEPPER. May I answer the Senator in this way, that the first part of what he has just read from section 6 we omitted from the amendment because it is a declaration that certain things are no part of the law, and inasmuch as we are now taking steps to set forth the code in such fashion that none of it will be law, we thought it unnecessary to provide that the section headings, and so forth, should not be a part of the law.

Mr. WALSH. That might be quite satisfactory, but still there is a succeeding section making the copy printed by the Government Printing Office, and bearing the imprint, evidence of the law.

Mr. PEPPER. That is covered by subsection (b) of the amended enacting clause.

Mr. WALSH. So it is. I find it entirely satisfactory.

The PRESIDING OFFICER. Is there objection to the adoption of the amendment offered by the Senator from Pennsylvania? Without objection, it is so ordered.

Mr. KING. Mr. President, it is very difficult to understand this bulky document, especially when we have never seen it and never had an opportunity to read it. I would like to ask the Senator from Pennsylvania if there is anything in the enacting clause which would convey the impression that it is an act and supersedes other laws and is to be accepted as a valid, subsisting, substantive act of Congress.

Mr. PEPPER. I think not. I think the language makes it clear that the effect of the code is what has been explained here this evening.

Mr. KING. The Senator thinks the amendment which he offers—and I take it that this is an amendment proposed by the Senator from Kentucky [Mr. ERNST]—in the language found on the first page of the proposed amendment clearly qualifies, if it needs any qualification, the enacting clause to indicate that it is not a permanent statute superseding existing law and riveting this upon the country as the only law of Congress?

Mr. PEPPER. That is the opinion of the committee, Mr. President. We hold to it very strongly. We believe that there is no fair possibility of misunderstanding.

Mr. KING. The reason why I am so particular about this is that when the bill came from the House a year or two ago and was referred to the Committee on the Judiciary, the work was devolved upon the able Senator from Kentucky [Mr. ERNST] to examine it. There were demands that we accept unchallenged the bill as it came from the House, and that it was to be unchallengeable. The Senator from Kentucky laboriously and with great zeal and industry went through the record and discovered so many imperfections, fatalities, and venalities that it was of course quickly determined by the Senate that it should not receive the seal of approval.

Now, notwithstanding the care which evidently has been bestowed upon the present bill, it is obvious that there will be some errors, and I wanted to be perfectly sure that this is not fastened upon us as the law of the land superseding existing statute.

Mr. PEPPER. My answer to the Senator's last observation is the answer I have made before—that we have taken the utmost care to guard against the danger to which he has just pointedly called attention.



Mr. REED of Missouri. Mr. President, before the amendment is finally disposed of, let me say that I surely do not want to cavil about the matter, but I think the language that is taken out ought to be restored, by which I mean the express declaration that if there is any difference between the text as appearing in the so-called code and the various laws and acts here intended to be codified, that the text of the law or act shall govern. The Senator from Pennsylvania has worked on this matter and is a very profound lawyer, but I am not always willing to leave the question in such shape that we must have a profound lawyer to understand it. I would like to make it so plain that it can not be misunderstood. I think the amendment ought to be so drawn that the laws or acts as printed now in the statutes of the United States should be higher evidence than that which is contained in the code. I do not want to delay the matter a moment. I am earnestly in favor of getting the bill passed.

Mr. PEPPER. The committee are entirely of the same mind as the Senator from Missouri. It was only a question as to the way in which most effectively to attain this purpose. We thought that as long as no part of the code is enacted into law, it was not necessary to provide that in case of inconsistency between that which is not law and that which is law the law should govern. But if the Senator thinks that it would clarify the situation to retain the language which was originally proposed, I call his attention to it as it appears in the document which I hand him and which reads this way:

In case of any inconsistency, arising through omission or otherwise, between the provisions of any section of this code and the corresponding portion of legislation heretofore enacted, effect shall be given for all purposes whatsoever to such enactment.

Mr. REED of Missouri. I think that will make it safe.

Mr. PEPPER. I am authorized to accept that for the committee as a part of the amendment, provided on further consideration the Senator from Missouri still thinks it is necessary to provide that in case of a conflict between what is not law and what is law, the thing that is law shall control.

Mr. REED of Missouri. I recognize the fact that it seemingly ought not to be necessary to say that, but all lawyers recognize the fact that this may appear much plainer to us who discuss the matter and know its history than it may appear to some court. It may be remedied finally on appeal and the true construction reached.

The PRESIDING OFFICER. Without objection the vote by which the amendment was agreed to will be reconsidered and the amendment as modified at the request of the Senator from Missouri and concurred in by the Senator from Pennsylvania, will be agreed to without objection. It is so ordered. Does the Senator now desire to propose his second amendment?

Mr. PEPPER. I do, Mr. President, and may I suggest that it will not be necessary to read the second amendment or third amendment because each amendment merely inserts in the body of the code some statutory matter which by inadvertence was omitted in the first printing.

Mr. KING. Mr. President, may I inquire of the Senator if he is referring to the fourth amendment found on page 2 of the document entitled "Amendments Intended to be Proposed by Mr. Ernst"?

Mr. PEPPER. I had understood that the first amendment was inclusive of all matter appearing on the first and second pages following the Roman numeral "I" and that we were now proceeding, having adopted that amendment, to the consideration of the amendment marked by the Roman numeral "II" on the third page.

Mr. KING. I had supposed from the statement made by the clerk and my own deductions that the amendment heretofore adopted terminated with the words "sealing of instruments," on page 2, but if the Senator states that it includes the paragraphs 4, 5, 6, and 7, I have no disposition to challenge it.

Mr. PEPPER. That is my understanding.

The PRESIDING OFFICER. Is there objection to the adoption of the second amendment offered by the Senator from Pennsylvania?

Mr. KING. I do not quite understand the purpose of that amendment.

Mr. PEPPER. I can explain it very briefly and, I think, satisfactorily to the Senator. It may seem to the Senator remarkable that so important a statutory provision as that creating the office of legislative counsel should have been omitted in the preparation of the code; but it was omitted by oversight, and the oversight was discovered after the measure had passed the House. The amendment now proposed is merely to correct the inadvertent omission of the legislation on the subject of legislative counsel.

Mr. KING. Then as I understand the Senator, it merely supplements the huge volume upon the clerk's desk by the addition of the provision found on page 3?

Mr. PEPPER. That is correct.

Mr. KING. At the appropriate place in the volume?

Mr. PEPPER. That is correct.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

Mr. WILLIS. Mr. President, I want to ask just there a question which is suggested by the inquiry made by the Senator from Utah. He says the amendment supplements the document of some 1,700 pages. I understood that we really were not acting upon that document at all.

Mr. KING. Perhaps that was an unfortunate expression. What I meant was that the large document upon the Secretary's desk presumably contains all existing law, but inadvertently, as I understand the Senator from Pennsylvania, the provision found in the pending amendment on page 3 was omitted and it will be inserted in the volume when it shall be printed?

Mr. PEPPER. That is correct. Answering the inquiry of the Senator from Ohio, I would say that no action which the Senate may take upon the pending amendment will have any effect one way or the other upon the ultimate action of the Senate upon the bill. This is merely a presentation of amendments in order to perfect the bill.

The PRESIDING OFFICER. Is there objection. The Chair hears none, and the amendment is agreed to.

Mr. PEPPER. I suggest, Mr. President, that the Senate proceed to the consideration of the third amendment.

Mr. KING. Is that the amendment on page 4?

Mr. PEPPER. The amendment is on page 4.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. It is proposed in title 12—banks and banking—to amend section 618 in the subdivision of chapter 6 entitled "Organization of corporations to do foreign banking" of said title by inserting after the words "ten times its paid-in capital and surplus" an additional paragraph as follows:

The capital stock of any such corporation may be increased at any time, with the approval of the Federal Reserve Board, by a vote of two-thirds of its shareholders or by unanimous consent in writing of the shareholders without a meeting and without a formal vote, but any such increase of capital shall be fully paid in within 90 days after such approval; and may be reduced in like manner, provided that in no event shall it be less than \$2,000,000. No corporation, except as herein provided, shall during the time it shall continue its operations, withdraw or permit to be withdrawn, either in the form of dividends or otherwise, any portion of its capital. Any national banking association may invest in the stock of any corporation organized under the provisions of this subdivision of chapter 6, but the aggregate amount of stock held in all corporations engaged in business of the kind described in this chapter shall not exceed 10 per cent of the subscribing bank's capital and surplus.

Mr. PEPPER. Mr. President, with respect to that amendment let me say that it is offered for a purpose precisely similar to the one that led to the offering of the amendment last preceding. In the preparation of the title "Banks and banking" half of a section was inadvertently omitted by a typographical or a clerical mistake. The effect of this amendment, if agreed to, would be merely to restore the half of the section that was omitted. I will say to the Senator from Ohio that this, like the other amendment, has no relation whatever to the final action to be taken on the bill.

Mr. KING. May I inquire of the Senator if since the printing of the document, with such care as has been bestowed upon it by those who compiled it and by the Senators who had it in charge, these are the only omissions which have been discovered?

Mr. PEPPER. These are the only omissions that we have been able to detect.

Mr. KING. I congratulate those who did the work as well as the Senators who comprise the committee.

Mr. PEPPER. We do not flatter ourselves or imagine that there will not be other serious errors discovered, but these are the only ones that we have discovered to date.

The PRESIDING OFFICER. Without objection, the amendment is agreed to. The bill is before the Senate as in Committee of the Whole and is open to further amendment. If there be no further amendment to be offered, the bill will be reported to the Senate.

Mr. WILLIS. Mr. President, at this point I desire to submit one more question to the Senator in charge of the bill.



In view of the statement just made by the Chair that the bill is before the Senate as in Committee of the Whole and open to amendment, I want to be sure that there is to be no mistake about this matter. Is it the Senator's understanding that the document of 1,700 pages is the document that is now being acted upon when it is stated by the Chair in the usual and proper form that "the bill is now before the Senate as in Committee of the Whole and open to amendment"? In other words, is it proposed to enact that document of 1,700 pages? If so, a different situation obtains.

Mr. PEPPER. Mr. President, the situation is precisely that which was developed by the colloquy between the Senator from Ohio and me at an earlier stage of the discussion. The matter contained in the 50 titles—the matter, in other words, which accounts for the bulk of the document upon the Vice President's desk—is not matter which it is now proposed to enact into law. To use the illustration which the Senator gave a while ago, it is an exhibit annexed to a statutory enactment. The only thing that we are enacting into law is the statutory declaration as to what effect is to be given to that large document. We are not enacting the document as such; I take it that it is not necessary to read the document as such, to comply with the rules of the Senate. The enacting portion of this measure is that only which is of legal effect and which declares the status of the matter contained in the large volume.

Mr. WILLIS. Then when the Chair states the usual and correct form, as he has stated it, that the bill is before the Senate as in Committee of the Whole and open to amendment, it is not in the mind of the Chair or in the mind of the Senator that we are enacting this document? If not, what is the resolution, the bill, or other paper upon which we are acting?

Mr. REED of Missouri. Will the Senator from Pennsylvania let me answer that question?

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

Mr. REED of Missouri. Mr. President, the Senator from Pennsylvania did me the compliment of asking my opinion a while ago in regard to one matter. Therefore, I venture to make a suggestion here. In my opinion, what we are doing is exactly this, and we could do it in this form: "*Be it enacted*, That the Congress of the United States hereby authorizes Document A"—if we call it that—"to be printed and distributed to the lawyers of the United States who see fit to pay for it; *And be it further enacted*, That the document shall be admitted as prima facie evidence of the law of the land; but in any case where there is a dispute between that document and the law of the land as elsewhere officially printed the official print shall govern."

All we are doing is authorizing the printing and publication of the document. That is what we get down to.

Mr. PEPPER. Mr. President, I take it, supplementing the very clear statement which has been made by the Senator from Missouri, with which I entirely concur, the thing that is open to amendment is not the matter contained in the 50 titles of the code but that portion which precedes the code and which is the legislation to which the Senator from Missouri has referred and as to which the Chair, as I understand, has made his statement.

Mr. WILLIS. And the Senator fully agrees with the interpretation now placed upon the proposed action by the Senator from Missouri?

Mr. PEPPER. Yes, Mr. President.

Mr. WILLIS. Very well; I have no objection, with that understanding.

Mr. LENROOT. Mr. President, I should like to ask a question.

Mr. PEPPER. I yield to the Senator from Wisconsin.

Mr. LENROOT. The House passed this entire document as a code, did it not?

Mr. PEPPER. The House passed the entire document and sent it to us as if it were a single bill.

Mr. LENROOT. Yes; and is not that the subject matter before the Senate at this time?

Mr. PEPPER. It would have been but for the adoption of the three amendments that have been agreed to to-night.

Mr. LENROOT. That can not change the parliamentary status.

Mr. PEPPER. It does not change the parliamentary status, but it changes the nature of the measure.

Mr. LENROOT. It changes the effect of what we do, perhaps, but the real thing before the Senate is that 1,700 page document.

Mr. PEPPER. That is correct, Mr. President. From the parliamentary point of view the situation is as stated by the Senator from Wisconsin; but the matter of substance, which, I think, is the thing to which the Senator from Ohio is ad-

ressing himself, is best set forth by the statement made by the Senator from Missouri [Mr. REED].

The PRESIDING OFFICER. The bill is still before the Senate as in Committee of the Whole and open to amendment. If there be no further amendment, the bill will be reported to the Senate.

The bill was reported to the Senate as amended, and the amendments were concurred in.

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

The bill was read the third time and passed.

Mr. PEPPER. Mr. President, I am going to ask the indulgence of the Senate for a moment or so longer. The order of business immediately preceding House bill 10000 on the calendar is a bill ancillary to House bill 10000. It merely provides for the printing of the bill in the form in which it is now set up, and it modifies some of the provisions of the law in regard to distribution with which it would be difficult to comply in the case of a document of this character. So I ask unanimous consent that the consideration of House bill 11318 be included in the business of this session, to the end that I may send to the desk an amendment to that bill necessary to conform it to the changed situation produced by the changes we have made in the bill which has just been passed.

Mr. BRATTON. What is the calendar number?

Mr. PEPPER. The calendar number is 837.

The PRESIDING OFFICER. Is there objection to the immediate consideration of House bill 11318?

Mr. WALSH. I wish to make an inquiry of the Senator. That bill provides for the publication of this document?

Mr. PEPPER. It does, Mr. President. It provides for the printing of it; it provides for the preparation in parallel columns of reference tables, of cross-references, of indices, and of matter such as the Constitution of the United States, and so on, usually appended to codifications of this kind.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. KING. Mr. President, I should like to ask a question before proceeding with the consideration of the bill. I should like to ask the Senator from Pennsylvania whether, in view of the changed status of House bill 10000 from the position it occupied in the House, an amendment is not needed to the title? Of course, not having the document before me, I can not determine that question.

Mr. PEPPER. A change is necessary in the title, and I thank the Senator for calling my attention to it. A proposed amendment to the title is printed in the amendment which has been before us, but it was not acted upon.

Mr. KING. I suggest, Mr. President, we act upon that before taking up the new bill.

Mr. PEPPER. Mr. President, the Senator from Utah has done me the favor to call attention to the fact that in the process of amending the bill which has just been passed we failed to include and act upon the amendment relating to a change in the title.

The PRESIDING OFFICER pro tempore. Without objection, the amendment relating to the title will be agreed to.

The amendment to the title makes it read as follows:

To consolidate, codify, and set forth the general and permanent laws of the United States in force December 7, 1925.

Mr. KING. Now, Mr. President, let me ask the Senator one other question. Will this document be available for examination by Senators at an early date?

Mr. PEPPER. Yes; Mr. President, the amendment proposed to the ancillary act, the act that goes along with the large statute, is intended to provide for the printing and distribution of the large volume. It contains a provision that a copy of the document in its present form shall be made available to every Member of the Sixty-ninth Congress, and also that the measure when perfected by the inclusion of the indices and other reference matter shall be made available for distribution to the extent specified in the bill.

Now, Mr. President, I renew my request for the immediate consideration of House bill 11318.

The PRESIDING OFFICER pro tempore. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 11318) to provide for the publication of the Code of the Laws of the United States with index, reference tables, appendix, and so forth.

Mr. PEPPER. I ask unanimous consent, Mr. President, for the adoption of the amendment which I now offer.

Mr. WILLIS. Let the amendment be reported.

The PRESIDING OFFICER pro tempore. The amendment will be stated.



Mr. PEPPER. Mr. President, may I ask the Senator from Ohio whether he means to call for the reading of the entire amendment? It is highly technical.

Mr. WILLIS. No. What I want to get at is this: I wish to find out what amendment the Senator is making in the title. It seems to me that is exceedingly important.

Mr. PEPPER. Mr. President, the amendment to the title as found on page 21, amendment No. 5, is as follows:

Amend the title of the bill so as to read as follows: "To consolidate, codify, and set forth the general and permanent laws of the United States in force December 7, 1925."

Mr. WILLIS. The Senator is proposing that amendment to the title of the measure already acted upon?

Mr. PEPPER. That is correct.

The PRESIDENT pro tempore. That amendment to the title has already been agreed to, the Chair will state to the Senator from Ohio.

Mr. WILLIS. Now, what is the amendment which the Senator from Pennsylvania is proposing to the bill now before the Senate?

Mr. PEPPER. Mr. President, I am merely proposing certain amendments of a purely technical nature.

Mr. WILLIS. I mean to the title?

The PRESIDENT pro tempore. There is no amendment now pending to the title. The title as amended has been agreed to.

Mr. WILLIS. Does the Chair refer to the bill now before the Senate?

The PRESIDENT pro tempore. The Chair does not understand that the amendment now pending is to the title of the bill before the Senate.

Mr. WILLIS. I wish to ask the Senator from Pennsylvania a question, House bill 11318 is now before the Senate. At the appropriate time—and I understand, of course, that the appropriate time is after the bill has been passed—he should offer an amendment to the title. That is evident if one reads the title, for, as it stands now, it reads:

To provide for the publication of the Code of Laws of the United States—

And so forth.

The Senator does not want the title to read in that fashion, does he, because the compilation is not a code of laws? We have been talking about that all evening.

Mr. PEPPER. I think the Senator from Ohio is quite right, and that the title of H. R. 11318 should be amended in such a way as to substitute for the words "code of laws" the amended title of H. R. 10000 as just adopted.

Mr. WILLIS. I think that is correct. I do not know about the form of it, but we ought to have that worked out, of course.

Mr. PEPPER. It is in the hands of the clerk. At the suggestion of the Senator from Ohio, I am glad to add to the amendment proposed to H. R. 11318 an amendment to the title.

The PRESIDENT pro tempore. May the Chair state his understanding of the parliamentary situation? Order of Business No. 838 having been passed, and the amendment to the title having been agreed to, it is now necessary to take up Order of Business 837, providing for the publication, and instead of considering it as carried on the calendar, without amendment, to provide for an amendment that shall make the title of the bill as quoted in the title of Order of Business 837 to correspond to the title as agreed to in Order of Business 838.

Mr. PEPPER. That is correct, Mr. President, as I understand it.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment to the title of Order of Business 837.

Mr. LA FOLLETTE. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. LA FOLLETTE. Has not the Senator from Pennsylvania offered an amendment to House bill 11318?

The PRESIDENT pro tempore. With reference to the title only, as the Chair understands.

Mr. PEPPER. Mr. President, I sent to the desk an amendment to H. R. 11318 which did not include an amendment to the title.

The PRESIDENT pro tempore. An amendment to the text?

Mr. PEPPER. It was an amendment to the text.

The PRESIDENT pro tempore. That amendment, then, will be stated.

Mr. PEPPER. And may I suggest that it is not necessary, unless it is called for, that that amendment be read—

Mr. WILLIS. I do not ask for it.

Mr. PEPPER. Because it merely makes those changes of a technical sort in House bill 11318 necessary to conform this an-

cillary bill to the changes that we have made in the principal bill.

The PRESIDENT pro tempore. Very well. Then, in order to have all the steps proper, the question is on agreeing to the amendment.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act to provide for the publication of the act to consolidate, codify, and set forth the general and permanent laws of the United States in force December 7, 1925, with index, reference tables, appendix, etc."

Mr. KING. Mr. President, I desire to ask one question. I have not read this long bill, consisting of three or four pages. I desire to ask the Senator—and of course I will take his word for it—whether there is anything in the bill which we have just been considering, Order of Business 837, that will vitalize Order of Business 838, which we have just passed, and transmute it from a codification to a law and a substantive act of Congress?

Mr. PEPPER. Such an effect might have followed from the enactment of Order of Business 837, but for the amendments which were offered and adopted for the purpose of safeguarding the very point to which the Senator from Utah calls attention.

Mr. KING. I am satisfied with the Senator's statement.

#### THE CALENDAR

The PRESIDENT pro tempore. Under the unanimous-consent agreement, the calendar is in order under Rule VIII.

Mr. CURTIS. Mr. President, I ask unanimous consent that we begin where we left off the other night, with Order of Business 586.

The PRESIDENT pro tempore. Is there objection?

Mr. BRUCE. Mr. President, are we not going to begin at the beginning to-night?

The PRESIDENT pro tempore. The Chair will state that unanimous consent has been asked to begin the call of the calendar under Rule VIII with Order of Business 586. Is there objection?

Mr. NORBECK. I object.

Mr. BRUCE. I object.

The PRESIDENT pro tempore. Objection is made. The Secretary will begin with Order of Business 193.

The first business on the calendar was the bill (S. 2607) for the purpose of more effectively meeting the obligations of the existing migratory-bird treaty with Great Britain by the establishment of migratory-bird refuges to furnish in perpetuity homes for migratory birds, the provision of funds for establishing such areas, and the furnishing of adequate protection of migratory birds, for the establishment of public shooting grounds to preserve the American system of free shooting, and for other purposes.

Mr. NORBECK. Mr. President, I want to say to the leader that I would have no objection to taking up the first bill on the calendar, but I do not want to spend the evening discussing that one bill, as we have spent so much time on it heretofore.

The PRESIDENT pro tempore. Senate bill 2607 is passed over.

The bill (S. 2808) to amend section 24 of the interstate commerce act, as amended, was announced as next in order.

Mr. LA FOLLETTE. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

#### AIR SERVICE OF THE ARMY

The bill (S. 3321) to increase the efficiency of the Air Service of the United States Army was announced as next in order.

Mr. WADSWORTH. I move that that bill be indefinitely postponed.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from New York.

The motion to postpone indefinitely was agreed to.

#### BILLS PASSED OVER

The bill (S. 1618) to prevent deceit and unfair prices that result from the unrevealed presence of substitutes for virgin wool in woven or knitted fabrics purporting to contain wool and in garments or articles of apparel made therefrom, manufactured in any Territory of the United States or the District of Columbia, or transported or intended to be transported in interstate or foreign commerce, and providing penalties for the violation of the provisions of this act, and for other purposes, was announced as next in order.

The PRESIDENT pro tempore. The bill will be passed over.



The bill (S. 718) authorizing an appropriation to be expended under the provisions of section 7 of the act of March 1, 1911, entitled "An act to enable any State to cooperate with any other State or States, or with the United States, for the protection of the watersheds of navigable streams, and to appoint a commission for the acquisition of lands for the purpose of conserving the navigability of navigable rivers," as amended, was announced as next in order.

Mr. KING. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 66) to provide for the establishment, operation, and maintenance of foreign-trade zones in ports of entry of the United States, to expedite and encourage foreign commerce, and for other purposes, was announced as next in order.

Mr. JONES of Washington. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2839) for the relief of Capt. James A. Merritt, United States Army, retired, was announced as next in order.

Mr. KING. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

#### ADDISON B. MCKINLEY

The bill (S. 6) for the relief of Addison B. McKinley was announced as next in order.

Mr. KING. Let that go over.

Mr. ODDIE. I move that Senate bill 6 be taken up and acted upon.

Mr. KING. It will take some time.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Nevada. [Putting the question.] By the sound, the "noes" appear to have it.

Mr. ODDIE. I call for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk called the roll.

Mr. MEANS (after having voted in the affirmative). I transfer my pair with the Senator from South Carolina [Mr. SMITH] to the Senator from Maryland [Mr. WELLER], and will let my vote stand.

Mr. STANFIELD (after having voted in the affirmative). I transfer my pair with the Senator from Tennessee [Mr. TYSON] to the Senator from Minnesota [Mr. SCHALL], and will let my vote stand.

Mr. FERNALD (after having voted in the affirmative). I transfer my pair with the Senator from New Mexico [Mr. JONES] to the Senator from Vermont [Mr. GREENE], and will let my vote stand.

Mr. JONES of Washington. I desire to announce the following general pairs:

The Senator from Massachusetts [Mr. GILLET] with the Senator from Alabama [Mr. UNDERWOOD];

The Senator from Delaware [Mr. DU PONT] with the Senator from Florida [Mr. FLETCHER];

The Senator from Wyoming [Mr. WARREN] with the Senator from North Carolina [Mr. OVERMAN];

The Senator from North Dakota [Mr. FRAZIER] with the Senator from Louisiana [Mr. RANDELL]; and

The Senator from Missouri [Mr. WILLIAMS] with the Senator from Tennessee [Mr. MCKELLAR].

The result was announced—yeas 53, nays 5, as follows:

#### YEAS—53

Ashurst	George	McMaster	Shipstead
Bingham	Glass	McNary	Shortridge
Bratton	Goff	Mayfield	Stanfield
Broussard	Gooding	Mears	Steck
Bruce	Hale	Metcalf	Swanson
Butler	Harrell	Norbeck	Trammell
Cameron	Harrison	Oddie	Wadsworth
Capper	Heflin	Pepper	Walsh
Curtis	Howell	Phelps	Watson
Edge	Jones, Wash.	Pine	Wheeler
Ernst	Kendrick	Reed, Pa.	Willis
Fernald	Keyes	Robinson, Ind.	
Ferris	La Follette	Sackett	
Fess	Lenroot	Sheppard	

#### NAYS—5

Bayard	King	Moses	Stephens
Blease			

#### NOT VOTING—38

Borah	Fletcher	McLean	Simmons
Caraway	Frazier	Neely	Smith
Copeland	Gerry	Norris	Smoot
Couzens	Gillett	Nye	Tyson
Cummins	Greene	Overman	Underwood
Dale	Harris	Pittman	Warren
Deneen	Johnson	Ransdell	Weller
Dill	Jones, N. Mex.	Reed, Mo.	Williams
du Pont	Mckellar	Robinson, Ark.	
Edwards	McKinley	Schall	

So Mr. ODDIE's motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 6) for the relief of Addison B. McKinley, which had been reported

from the Committee on Claims, with an amendment, on page 1, line 4, after the word "pay" to insert "out of any money in the Treasury not otherwise appropriated," so as to make the bill read:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Addison B. McKinley, of Reno, Nev., the sum of \$6,000, as reimbursement for loss by the destruction of his dwelling house, located on the premises known as 901 Ralston Street, Reno, Nev., and for other property destroyed or damaged in connection therewith, on August 21, 1924, by an airplane belonging to the Post Office Department of the United States, operated by a United States Government pilot, while in discharge of said pilot's official duties.

The amendment was agreed to.

Mr. ODDIE. Mr. President, a similar bill has passed the House. I move that House bill 6405, which is identical with the Senate bill, except for a reduction of the amount, be substituted for the Senate bill and acted on.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Nevada.

Mr. BAYARD. Does the Senator from Nevada say that it is exactly the same bill as the Senate bill?

Mr. ODDIE. Yes; except that the amount is reduced \$1,000.

The PRESIDENT pro tempore. Has the bill to which the Senator refers been referred to the Committee on Claims? The Chair will address his inquiry to the Senator from Colorado [Mr. MEANS].

Mr. MEANS. Mr. President, the House bill, being an identical bill, with the exception of a difference of \$1,000 in the amount, instead of referring it to the Committee on Claims, the Committee on Claims authorized the Senator from Nevada to move to substitute it, without its going to the committee. We have considered the effect of the bill, and the Senate bill is identically the same as the House bill, except for the reduction of the amount in the latter.

The PRESIDENT pro tempore. Then the first motion of the Senator from Nevada is that the Senate Committee on Claims be discharged from the further consideration of House bill 6405.

The motion was agreed to.

The PRESIDENT pro tempore. The question now is upon substituting House bill 6405 for Senate bill 6.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 6405) for the relief of Addison B. McKinley, which was read, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Addison B. McKinley, of Reno, Nev., the sum of \$5,000, as reimbursement for loss by the destruction of his dwelling house, located on the premises known as 901 Ralston Street, Reno, Nev., and for other property destroyed or damaged in connection therewith on August 21, 1924, by an airplane belonging to the Post Office Department of the United States, operated by a United States Government pilot, while in discharge of said pilot's official duties.

Mr. BAYARD. Mr. President, does the Senator from Nevada desire to explain this bill to the Senate?

Mr. ODDIE. I have already explained it on former occasions, but I shall be glad to make a brief explanation if it is desired.

The favorable report of the committee has been filed. It is on record. The matter has been carefully explained to the Senate heretofore. It involves an air-mail pilot who obtained permission from the Post Office Department authorities to fly his plane over the grave of a companion flier and friend who was being buried on that particular day. As he was dropping flowers on the grave from his plane, the plane fell and struck a house; the plane was destroyed, the flier was instantly killed, and the house and everything in it were completely destroyed by fire. The owner of the house is a very reputable, good citizen of Reno, Nev., where this happened.

He had put the savings of a lifetime in that house, which he had occupied just a few months before this accident happened. The house was not insured and its contents are a complete loss to him. With this amendment of the House of Representatives he will receive less than he actually put into the house if the bill shall pass.

Mr. HEFLIN. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Delaware yield to the Senator from Alabama?

Mr. BAYARD. I yield.

Mr. HEFLIN. If that is the case, why is the Senator moving to agree to the House amendment?

Mr. ODDIE. In order to expedite the matter. As the session is drawing to a close, I think it would be better to act on the House amendment rather than risk losing the bill.



Mr. HEFLIN. What is the amount he will get under this amendment?

Mr. ODDIE. Five thousand dollars. Under the original bill he would have received \$6,000. It reduces the amount \$1,000.

Mr. BAYARD. Mr. President, I should like to be heard before the bill is passed, and I would like to have the attention of the Senate.

The facts in this case are rather simple and they are rather sad. Here was a man who was a regular flier in the mail service, who asked permission to use a mail plane, Government property, for a purely private purpose; that is, to fly around during the funeral of another flier and drop flowers while the funeral service was going on.

At the time of this operation he was, by the permission of his superior officer, off duty, not in the Government service, yet he was using a Government plane, but not for governmental purposes. The whole thing, as far as he was concerned, and as far as the operation was concerned, was a purely private affair on his part, and continued to be so up to the time of his death and up to the time of the burning of Mr. McKinley's house.

What I want to bring to the attention of the Senate is that if we pass this bill we will establish the precedent that whenever anybody in a private capacity—and this man was acting in a private capacity—uses governmental property—and this was governmental property, though it is true he had permission to use it—the Government would stand back of anybody using governmental property for private purposes, and would make compensation for whatever damage might be done, if damage was done, in the course of the operation.

This was a very terrible accident. Mr. McKinley's house was burned up, through no fault of his own. But if we pass this bill, from now on there will be the precedent, which the Claims Committee will necessarily follow in making its reports on such matters, and which the Senate, I take it, will follow in favorable action on the bills. We will say to everybody, if we pass this bill, "If you, as a private citizen, by permission get the use of governmental property, and use it for private purposes, and you commit a tort upon any private person or upon his property, we will make recompense for any injury done." I think that is a very dangerous proposition, and I ask the Senate to pause and not to pass this bill, solely for the reasons I have given.

Mr. HEFLIN. Mr. President, before the Senator takes his seat I just want to ask him one or two questions. Was this a Government plane?

Mr. BAYARD. It was a Government plane, and the flier had the permission of his superior officer to use it for this purpose. It was a solely private purpose, and while he was using it he was not in the Government employ.

Mr. HEFLIN. Was he in the Government service?

Mr. BAYARD. He was an air-mail pilot.

Mr. HEFLIN. And it was a Government machine?

Mr. BAYARD. It was a Government machine, unquestionably.

Mr. HEFLIN. While operating a Government machine he destroyed this man's house and was killed himself by a Government machine. The Senator does not take the position that this poor citizen should have his house destroyed by a Government machine—it does not make any difference under whose permission it was taken out—and not be recompensed?

Mr. BAYARD. Let me make this suggestion to the Senator, and I think it is a perfectly fair simile. Suppose the Senator were in a governmental position where he had the use in his own right of an automobile, and some one came along and said, "Senator, I want to use your automobile to-night. May I do it?" The Senator is a Government officer, the automobile is a Government machine, the chauffeur who operates the machine is a Government chauffeur, paid by the Government. The Senator says, "Yes. Go ahead and use it to-night for your private purpose." The man goes out, and in the prosecution of his purpose he runs into somebody and kills him or hurts him. Does the Senator maintain that under those circumstances the Government would be responsible?

Mr. HEFLIN. Yes.

Mr. BAYARD. When that man was acting in a wholly private capacity?

Mr. HEFLIN. It does not make any difference; if he is using the Government machine, and somebody who has authority over it turned it over to him to use, the Government would be responsible. It ought to be held responsible in order that these machines shall not be taken out in this way.

Mr. McKELLAR. Mr. President, suppose the Senator owns a machine, and lets his chauffeur drive it at night, and the chauffeur runs into somebody. Does the Senator mean that he would not be held liable if some person were injured? The

only difference between the Government and the Senator would be that under the law the Government may not be sued without its consent, but the Senator could be sued.

Mr. BAYARD. The Senator has not made a statement in consonance with the facts in this case.

Mr. STEPHENS. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Delaware yield to the Senator from Mississippi?

Mr. BAYARD. I yield.

Mr. STEPHENS. I am addressing myself to the Senator from Nevada [Mr. ODDIE], if I may, with the permission of the Senator from Delaware.

Mr. BAYARD. I yield to the Senator from Mississippi.

Mr. STEPHENS. I find in this report two messages from Mr. Nelson, who was the commanding officer of the driver of this plane. He gave this man authority to use the plane, but later on he countermanded that authority, as I gather from a reading of the report. If so, what the Senator from Tennessee and the Senator from Alabama have said about the matter would have no application. I gather from what is said here that this man was later instructed not to operate this plane. I may be in error. That is why I am asking the question of the Senator from Nevada.

Mr. ODDIE. Mr. President, I think if the Senator from Mississippi will look over the report, he will see that the permission for this flight was granted, and that it was not revoked before the accident.

Mr. BAYARD. That is quite true; it was not revoked before the accident, but it was revoked by reason of the fact that the officer superior to the one who granted the permission revoked the permission, because the officer immediately superior to the flier had no right to give the permission in the first instance. The record shows that very plainly.

Mr. STEPHENS. He gave the flier an order not to use the plane.

Mr. ODDIE. In my opinion, in this case the Government was negligent. Negligence will be presumed on the part of those who were supposed to put the plane in proper order before it was flown, or on the part of the flier, who was a Government employee.

Mr. REED of Missouri. Mr. President, where does the Senator get the law that negligence will be presumed if a man falls in a plane and gets killed?

Mr. BAYARD. In addition to what the Senator has just said, the evidence in this case, as disclosed in the report, was as follows:

From information obtained, it appears to be a certainty that the plane was in perfect condition in every respect and so operating, and that the accident in itself was not due to any fault in the mechanism or lack of proper attention given the plane prior to the flight. It might be said to be due to the pilot losing control of the plane, but considering his previous experiences and his wonderful record as a flier, it may well be considered as an unavoidable accident.

That does away absolutely with the theory presented by the Senator.

Mr. REED of Pennsylvania. Mr. President, will the Senator yield for a question?

Mr. BAYARD. I yield.

Mr. REED of Pennsylvania. I see the force of the Senator's statement that the unauthorized use of Government property would not render the Government, or the owner of the property other than the Government, liable for misuse of that property. But does not the Senator think that this case is taken out of that class by the telegram of permission which was sent to this pilot to make the flight? As I read it on page 2 of the report it is—

Permission granted for test flight as requested.

Mr. BAYARD. I think the flight was made in perfect good faith on the part of the flier.

Mr. REED of Pennsylvania. If his superior officer gave permission for a test flight, that was clearly an authorized use of the plane. Were the owner of the plane a private individual, who granted permission for a test, even although the test meant flying over a cemetery and dropping flowers, it would be held that the pilot was acting within the scope of his agency, would it not?

Mr. BAYARD. If we are to go by the exact language of those telegrams, perhaps the Senator is right. But it was distinctly understood that this whole operation, while it was called a test flight, as a matter of fact, was not a test flight. The testimony discloses that the pilot did not need to make any test at that time. The testimony further discloses the perfect condition of the machine. Everything was perfect as far as the Government operation was concerned, and it was

apparent that he was going out on this purely private undertaking to show his respect for the dead.

Mr. REED of Pennsylvania. I concede that that was his motive, but if his superior officer chose to make it a test flight, and to call it that, is not that in a sense bringing it within the scope of his authority?

Mr. BAYARD. He sent the telegram, I suppose, for the sole purpose of justifying his action. If the Senator chooses to read the whole report, he will find that the officer superior to the officer who gave the permission canceled it as soon as he found it out. But in the meantime the flight had taken place.

Mr. REED of Pennsylvania. I have discovered on page 3 of the report that he apparently tried to save his face after the accident happened and canceled the permission, and said:

Disregard my note; too plain.

Mr. BAYARD. My sole objection to the bill is that we would be setting up a very dangerous precedent, that is all. I have the greatest sympathy with Mr. McKinley, who lost his house, but I say that if we inaugurate such a procedure in cases of this kind, where Government property is used manifestly for purely private purposes, by a man acting in a purely private capacity, as this man was acting, we are going to be in trouble.

Mr. KING. Mr. President, may I ask the Senator from Pennsylvania whether, in a case of this character, he thinks there would be any liability? For instance, the Government employs individuals here who use automobiles to convey books, and so forth, which we have here, to the post office, and at night they place their automobiles in the garages furnished by the Government. Mr. A, who discharges that duty, places one of the automobiles in the garage and retires to his home. Some friend of his telephones him, "I would like to attend a funeral. May I use the Government automobile which is now in the garage, not in use? You are out. You are not connected with it." Mr. A says, "Yes; you may use it."

Mr. REED of Pennsylvania. That is not what happened.

Mr. KING. Would there be any liability on the part of the Government?

Mr. REED of Pennsylvania. Clearly not in that case. But that is not what happened. What happened in this case, to carry on the parallel, is that the chauffeur of the automobile called up his superior officer and asked permission to take the car out to go to a funeral, so to speak. The answer came back, "It is all right for you to take the car out for a test run." I think that if there were a civil owner of the property the case would go to the jury to say whether that did not constitute the chauffeur an agent for the employer in making the run.

Mr. REED of Missouri. Mr. President, that argument might technically be made. Technically the owner of the automobile had "put his foot into it," but not morally, not justly. That is to say, by saying to him, "You can take it out for a test," when as a matter of fact he knew he was going to take it out to go to a funeral, there might be created a condition where a jury might find against the defendant. But if as a matter of fact the automobile was to go to the funeral, the mere form of the privilege granted would not impose a moral obligation. We ought to deal with this question, it seems to me, if the Senator will pardon me just this word, not according to some technicality, because technically the Government is not liable at all.

Mr. REED of Pennsylvania. Really that is so. It is not liable unless we pass this bill.

Mr. REED of Missouri. But upon the ground either that the Government, in justice and in right, ought to pay this claim, or it should not.

Mr. REED of Pennsylvania. Let me put it to the Senator in this form: Here is an extremely dangerous machine being flown over a thickly populated community with the permission of the Government officials who have charge of it. I say that to authorize such a thing was just as clearly negligence on Nelson's part as it was negligence on the pilot's part to fly at a low altitude over a thickly built-up district. It is just as dangerous to do that as it would be to roll a lot of high-explosive shells around through the street. If the Government permits it, in all good conscience it ought to pay the damages.

Mr. REED of Missouri. Mr. President, I have not made up my mind which way I ought to vote on the question, but let me make a suggestion to the Senator. Suppose that one of the officers over at Fort Myer who has a Government automobile allows one of the soldiers to take that automobile to drive over to Washington and that soldier runs over a citizen and injures him. Is the Government to pay that bill, although the officer who allowed the machine to be used for that purpose in the first instance was really going beyond his authority? The officer

who permitted this flying machine to be taken out for a private purpose was clearly going beyond his authority. If this case stood by itself I would say to pay the man the amount, but if it applies to flying machines, why not to automobiles?

Mr. REED of Pennsylvania. Simply because there is a different degree of danger involved in so doing. An airplane is dangerous in the hands of anyone, and in the hands of some people an automobile is likewise dangerous, and so we come on down to the wheelbarrow class which is not dangerous in the hands of anybody but a fool. But certainly with the extremely dangerous instrumentalities the Government has it owes a duty to its citizens to keep them in a safe place.

Mr. HEFLIN. Mr. President, this citizen who had his property destroyed was not at all at fault. He was not guilty of contributory negligence. His house was burned. The Senator from Nevada [Mr. Oddie] has told us that he put into this home all the money he had in the world. Now, if the Government allows a plane to fall upon it and destroy it and then undertakes to deny this citizen the amount he has lost in the destruction of his home by virtue of a Government instrumentality, it seems to me it would be an awful mistake. The Government was erected for the welfare of the citizens. A citizen engaged in the peaceful pursuits of life has builded a house, providing himself and loved ones with a home, and has that home destroyed by a Government airplane. While being flown by a Government agent over a cemetery, dropping flowers on the grave of his dead comrade, the flier lost control of the machine and fell upon the house and paid for his own folly, if it was a folly in taking the machine out, with his life. He was killed.

The citizen, who was not disturbing anybody, who was there with his family in the home he had paid for, looked around in a few minutes and saw it dissolved in flame, all that he had had gone up in smoke and flame, not a cent left to his name, and his home destroyed.

To stand here and discuss technicalities about refusing to pay \$5,000 in such circumstances when we have voted to give \$500,000,000 to other people in refunds on account of their taxes is not right. Here is a good citizen who, without any fault upon his part, has had his home destroyed by the Government, and we quibble here for half an hour over the matter of paying him \$5,000. I do not care if we do set a precedent by it. When Senators reach the point when they are not moved by common sympathy and sentiment for a citizen in a situation like this, it will be a poor day for this Republic.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

The PRESIDENT pro tempore. Without objection, the bill (S. 6) for the relief of Addison B. McKinley will be indefinitely postponed.

#### RETIREMENT OF CERTAIN WORLD WAR OFFICERS

The bill (S. 3027) making eligible for retirement, under certain conditions, officers and former officers of the Army of the United States, other than officers of the Regular Army, who incurred physical disability in line of duty while in the service of the United States during the World War, was announced as next in order.

Mr. WADSWORTH and Mr. KING. Let the bill go over.

Mr. McKELLAR. Mr. President, I move that the Senate proceed to the consideration of the bill, notwithstanding the objection.

Mr. ASHURST. I demand the yeas and nays on that motion.

Mr. KING. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The absence of a quorum being suggested, the Clerk will call the roll.

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

Ashurst	Fess	McKellar	Robinson, Ind.
Bayard	George	McMaster	Sackett
Bingham	Goff	McNary	Sheppard
Blease	Gooding	Mayfield	Shipstead
Bratton	Hale	Means	Shortridge
Broussard	Harrell	Metcalf	Stanfield
Bruce	Harrison	Moses	Steck
Butler	Heflin	Norbeck	Stephens
Cameron	Howell	Oddie	Swanson
Capper	Jones, Wash.	Pepper	Trammell
Curtis	Kendrick	Phipps	Wadsworth
Edge	Keyes	Pine	Walsh
Ernst	King	Reed, Mo.	Watson
Ferris	La Follette	Reed, Pa.	Willis

The PRESIDENT pro tempore. Fifty-six Senators having answered to their names, a quorum is present. The question is upon agreeing to the motion of the Senator from Tennessee



[Mr. McKellar] that the Senate proceed to the consideration of Calendar No. 486, Senate bill 3027.

Mr. WALSH. Mr. President, I desire to submit a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. WALSH. I inquire of the Chair if the bill had been reached in its regular order on the call of the calendar?

The PRESIDENT pro tempore. It had. The question is not debatable. The question is on agreeing to the motion proposed by the Senator from Tennessee that the Senate proceed to the consideration of Senate bill 3027.

Mr. ASHURST. On that question I demand the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. STANFIELD (when his name was called). I have a general pair with the junior Senator from Tennessee [Mr. TYSON]. If he were present he would vote as I intend to vote, so I am at liberty to vote. I vote "yea."

The roll call was concluded.

Mr. McKELLAR. I desire to announce the unavoidable absence of my colleague, the junior Senator from Tennessee [Mr. TYSON]. If he were present he would vote "yea," as it is his bill.

Mr. MEANS (after having voted in the affirmative). I transfer my pair with the Senator from South Carolina [Mr. SMITH] to the Senator from Maryland [Mr. WELLER] and let my vote stand.

Mr. JONES of Washington. I desire to announce the following general pairs:

The Senator from Delaware [Mr. DU PONT] with the Senator from Florida [Mr. FLETCHER];

The Senator from Maine [Mr. FERNALD] with the Senator from New Mexico [Mr. JONES];

The Senator from Massachusetts [Mr. GILLET] with the Senator from Alabama [Mr. UNDERWOOD];

The Senator from Connecticut [Mr. McLEAN] with the Senator from Virginia [Mr. GLASS];

The Senator from Wyoming [Mr. WARREN] with the Senator from North Carolina [Mr. OVERMAN]; and

The Senator from North Dakota [Mr. FRAZIER] with the Senator from Louisiana [Mr. RANDELL].

The result was announced—yeas 50, nays 6, as follows:

## YEAS—50

Ashurst	Goff	McNary	Sheppard
Bratton	Gooding	Mayfield	Shipstead
Broussard	Hale	Means	Shortridge
Bruce	Harrell	Metcalf	Stanfield
Butler	Harrison	Moses	Steck
Cameron	Hefflin	Norbeck	Stephens
Capper	Howell	Oddie	Swanson
Curtis	Jones, Wash.	Pepper	Trammell
Edge	Kendrick	Phipps	Walsh
Ernst	Keyes	Pine	Watson
Ferris	La Follette	Reed, Pa.	Willis
Fess	McKellar	Robinson, Ind.	
George	McMaster	Sackett	

## NAYS—6

Bayard	Blease	Reed, Mo.	Wadsworth
Bingham	King		

## NOT VOTING—40

Borah	Fernald	Lenroot	Schall
Caraway	Fletcher	McKinley	Simmons
Copeland	Frazier	McLean	Smith
Couzens	Gerry	Neely	Smoot
Cummins	Gillett	Norris	Tyson
Dale	Glass	Nye	Underwood
Deneen	Greene	Overman	Warren
Dill	Harris	Pittman	Weller
du Pont	Johnson	Ransdell	Wheeler
Edwards	Jones, N. Mex.	Robinson, Ark.	Williams

So, the motion was agreed to, and the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 3027) making eligible for retirement, under certain conditions, officers and former officers of the Army of the United States, other than officers of the Regular Army, who incurred physical disability in line of duty while in the service of the United States during the World War.

The PRESIDENT pro tempore. The bill is before the Senate as in Committee of the Whole and is open to amendment.

Mr. McKELLAR. Mr. President—

The PRESIDENT pro tempore. The Chair recognizes the Senator from Tennessee.

Mr. McKELLAR. I ask for the yeas and nays on the passage of the bill, Mr. President.

Mr. WADSWORTH. Mr. President—

Mr. HEFLIN. Have the yeas and nays been ordered?

Mr. KING. No; it is desired to talk about the bill.

Mr. WADSWORTH. I have no objection to the yeas and nays being ordered.

Mr. HEFLIN. Let us have the yeas and nays ordered, Mr. President.

Mr. McKELLAR. I have called for the yeas and nays.

The PRESIDENT pro tempore. We have not reached that stage in the proceedings.

Mr. HEFLIN. The Senator from New York said he had no objection to the yeas and nays being ordered.

The PRESIDENT pro tempore. Even in that case, there are certain steps to be taken before the yeas and nays are ordered.

Mr. HALE. Mr. President—

The PRESIDENT pro tempore. The Senator from Maine.

Mr. HALE. I should like to say before the bill is finally acted upon that I wish to propose an amendment which will include the Navy with the Army in the operation of the bill.

The PRESIDENT pro tempore. The bill is before the Senate as in Committee of the Whole and open to amendment. The Senator from Maine is recognized.

Mr. WADSWORTH. I thought I was recognized.

The PRESIDENT pro tempore. The Chair thought the Senator from New York gave way to the Senator from Maine.

Mr. WADSWORTH. Mr. President, this measure, I think, or one exactly like it, was presented to the Senate in the last Congress, having been reported from the Committee on Military Affairs, and it passed the Senate. So in that sense the question involved in the measure is not new before the Senate. I opposed it in the Committee on Military Affairs in the last Congress; I opposed it upon the floor of the Senate in the last Congress; I opposed it in the Committee on Military Affairs at this Congress, and I shall oppose it here and now.

Mr. President, this bill proposes to do two things, to one of which I have no objection whatsoever. The provision to which I have no objection is recited in general on page 3 of the bill, and provides, in effect, that those men who served as officers in the emergency forces during the World War and who received injuries rated less than 30 per cent and more than 10 per cent permanent disability shall be placed upon the honorary retired list in the War Department as a measure of honor and recognition of their services. To that, so far as I can see, there can be no objection.

The provision of the bill, however, which has aroused discussion and to which I object is the one under which any emergency Army officer of the recent war who has been injured to the extent of 30 per cent disability, instead of drawing compensation under the World War veterans' act, in accordance with the severity of his injury, shall be placed in a position to draw an amount of money from the Veterans' Bureau, to be sure, equal to 75 per cent of the pay of the grade which he occupied in the Army at the time he incurred the disability. It will be seen, therefore, that this proposal will place the injured officers in a separate class from the injured enlisted men, and treat them upon an entirely different basis. Instead of being compensated in accordance with the severity of their injuries they are to be compensated in accordance with the rank held by them.

A colonel will get more money from the Government in the way of compensation for his injury than will a lieutenant colonel with the same injury; a lieutenant colonel will get more than will a captain with the same injury; a captain will get more than will a first lieutenant with the same injury; a first lieutenant will get more than will a second lieutenant with the same injury; and a second lieutenant will get more than will an enlisted man with the same injury.

Mr. ROBINSON of Indiana. Mr. President, will the Senator from New York yield for a question?

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from Indiana?

Mr. WADSWORTH. I yield.

Mr. ROBINSON of Indiana. Is not that perfectly true relative to officers and enlisted men of the Regular Army as it is organized at present?

Mr. WADSWORTH. I shall come to that.

Mr. McKELLAR. And whether they are injured or not?

Mr. WADSWORTH. I shall come to that. I claim that there is no analogy between the two cases.

Mr. ROBINSON of Indiana. If the Senator from New York will yield for just another question, is it not true if the enlisted men were placed on exactly the same basis as it is proposed to place the officers that 75 per cent of their pay would not really compensate them to the degree they are already provided for under the law?

Mr. WADSWORTH. That is perfectly true. That is why it is not proposed that they shall be placed upon the basis of rank and 75 per cent of the pay of their rank because they would get less. The purpose of this bill is to pay more money

to officers, and the retired pay schedule is being used as a device to double and treble the compensation of emergency officers for the injuries they have received.

Mr. ROBINSON of Indiana. Mr. President, will the Senator from New York yield to me for just one other question?

The PRESIDENT pro tempore. Does the Senator from New York yield further to the Senator from Indiana?

Mr. WADSWORTH. I yield.

Mr. ROBINSON of Indiana. Is it not just as fair for the emergency officer who was injured in the line of duty to be compensated at a rate of 75 per cent of his pay, as is provided in this bill, as it is for an officer of the same grade in the regular establishment to be so compensated?

Mr. WADSWORTH. I am coming to that point. I think there is no analogy between the two, though I know that many people do not agree with my contention.

Mr. President, this bill involves a question of profound importance, for it is here proposed to establish for the first time, as I understand, upon a broad scale the principle that the volunteers and the drafted men of all grades of the emergency army of the United States shall be paid, so far as enlisted men are concerned, in accordance with the degree of disability, but that officers of the emergency army of the United States shall with respect to the last war—and I assume, if this bill shall finally pass, with respect to all wars that are yet to come—be paid in accordance with their rank. So for the first time it is proposed to establish as between officers and enlisted men of the emergency or volunteer forces the distinction of rank, and I contend that in all our great wars, and certainly the last two or three generations, such a principle has never yet been accepted.

Mr. President, the fault I find with this kind of legislation is just this: Instead of disability being compensated by the Government in accordance with its severity it is to be compensated in accordance with rank. If a first sergeant loses his right arm, he receives from the Government something like \$70 or \$80 a month under the World War veterans' act.

If the emergency officers' retirement bill shall be enacted, a captain who has lost his right arm will receive from the Government, under this bill, three-fourths of his active duty pay, an amount something like twice as much as that received by the sergeant for exactly the same injury. If this proposed law shall be passed, a major will get about twice as much compensation for his injury as will a second lieutenant suffering from exactly the same injury, acquired in the same way, and perhaps in the same half hour on the field of battle. In other words by using the retirement pay schedules, as this bill proposes, as a basis for compensating for injuries, we are injecting into our pension system a series of class distinctions. Many men who served in the ranks, well educated young men, with good prospects, made just as great a sacrifice proportionately when they went into the service as did a number of those who were commissioned as officers. I do not see how we are going to defend a system which extends to the injured officer such tremendously greater compensation than is extended to the enlisted man.

I venture to say, Mr. President, if this bill shall ever become a law its provisions will come back to plague Congress in the future, for it will not stop with the emergency officers in the Army in the last war. It must inevitably extend to all the emergency officers who served in the Navy during the last war, not all of whom as yet, by any means, have been taken care of upon this principle; and it must embrace and take care of the volunteer officers of the Spanish-American War on the same principle. If we do it for one we must do it for all, and eventually, Mr. President, you will hear from the enlisted men themselves.

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

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

Mr. WADSWORTH. I yield for a question.

Mr. KING. I desire to interrupt the Senator for a little more than a question, so I will not trespass upon his time.

Mr. WADSWORTH. I should like to continue, because I intend to take no more time than is sufficient to describe my own position.

Mr. REED of Pennsylvania. Mr. President, will the Senator yield to a question?

Mr. WADSWORTH. Yes.

Mr. REED of Pennsylvania. Has not the Senator already heard from the enlisted men in protest against this measure? I have heard from them.

Mr. WADSWORTH. I have heard not from the organized enlisted men but from many individuals. It is beginning to percolate. It is all very well to say that the enlisted men have no objection to it at this time, but the day is bound to

come when they will protest against it before some future Congress and demand that they receive as much compensation as the officers for similar injuries. For many years our compensation or pension policy as applied to our emergency armies has operated to treat all men alike regardless of rank or grade. This bill may pass; it has passed the Senate upon two former occasions; but I venture the prophecy that should it become a law it will come back to plague the Congresses of the future.

One other feature of the situation should be noted. The World War veterans' act carries very wise provisions for financial aid for the widow and minor children of a disabled man after his death. I refer to the insurance feature in the World War veterans' act, with which Senators are all familiar. If the provisions of the World War veterans' act relating to compensation and financial aid to widows and children are no longer to be applied to disabled emergency officers, and if those officers are to get their compensation in the future in the form of retired pay, then their widows and children will have no protection. It must be remembered that, according to the retired-pay provisions of the law, the family of a retired officer get nothing after his death. I doubt if many of the emergency disabled officers thought of that. I fear that the prospect of doubling or trebling or quadrupling the compensation which they now receive has blinded their eyes to the inevitable, which is that when they get that compensation they get it only for their lifetime and their children and their widows will get nothing. They will have surrendered the insurance privilege.

One more observation; and I come now to the question presented to me by the Senator from Indiana [Mr. ROBINSON].

A good deal of confusion exists in the minds of many people in relation to the retirement system in the Regular Army and the Regular Navy; and, as a result of this confusion, a contention is made that the disabled emergency officers should have the same retirement privilege. There is really no analogy between the two. The retirement system in the Regular Army and Navy has been in existence for a good many years. Its primary purpose is to increase and maintain the efficiency of the active Army and Navy. It is to enable the Commander in Chief to relieve the Army and the Navy of the superannuated, and give a chance for the younger officers to come up, and guarantee, so far as possible, that the active Army and the active Navy shall be commanded by men fit to serve in the field, or fit to serve at sea. Primarily, it is in the interest of the efficiency of those forces; and it was found wise to establish such a system in order to persuade young men to give up their prospects of making money and go into the regular military service as a life career. The pay of regular officers is notoriously low. The law provides that they may be retired in their old age or in the event they are injured to such an extent that they can not perform active field duty.

Remember that distinction, Senators. A Regular Army or naval officer is put on the retired list, often much against his will, because a board of medical officers has found that he is no longer fit for active field service.

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

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from Tennessee?

Mr. WADSWORTH. I yield.

Mr. McKELLAR. Is that done when they are 30 per cent disabled? Is it not often done when they are not 30 per cent disabled?

Mr. WADSWORTH. The matter of percentages does not come into it at all; it is a question of the character of the injury.

Mr. McKELLAR. But I am talking about the practice. Where officers are anything like 30 per cent disabled, they are usually retired; are they not?

Mr. WADSWORTH. No, Mr. President; very often not. An officer may lose his hand and still be kept on the active list of the Regular Army or regular Navy, whereas if he has lost a hand and is subject to the World War veterans' act he will be rated at least 30 per cent disabled.

Mr. McKELLAR. Under the rule, I do not believe the loss of a hand is 30 per cent. I am not sure about that, but I think not.

Mr. WADSWORTH. If it is the more useful hand, I think it is. The Senator from Connecticut [Mr. BINGHAM] can prompt me on that. I am quite certain that it is 30 per cent. That, in turn, depends upon the character of the occupation in which the emergency soldier was engaged before he went into the war.

Mr. BINGHAM. Mr. President, will the Senator permit me to interrupt him?

Mr. WADSWORTH. I yield.



Mr. BINGHAM. Where all the fingers on the right hand are lost, no matter what the occupation, the disability is more than 30 per cent. Where all the fingers on the left hand are lost, in nearly every profession or occupation it is over 30 per cent, and in some it is 60 per cent.

Mr. WADSWORTH. Yes.

Mr. President, the law provides that regular officers may be retired in their old age, or in the event they are injured to such an extent that they can not perform active field duty. This assurance of protection for them in their old age or in the event they are incapacitated is in a very true sense a deferred payment. It is part of the contract which the Government makes with a young man when he goes into one of the regular services and agrees, presumably, to give up all opportunity to become a rich man in private life.

It should not be regarded purely as a pension. It is not a pension; it is deferred payment, and the final carrying out of a contract the primary purpose of which is the efficiency of the Army and the Navy. Rather, it is an element of their contract with the Government, in which they agree to serve for a certain amount of pay, present and deferred, and, logically, that pay must be computed in accordance with a combination of two elements, rank and length of service; and those two elements combined govern the pay, both active and retired, of Regular Army officers and regular naval officers.

Sometimes it happens that a young officer in the Regular Army is seriously incapacitated very shortly after his entrance into the service; and cases of that kind—there are only a few—are cited as arguments to persuade us that young emergency officers who have served in the emergency Army should receive exactly the same treatment. This argument is appealing until we realize the significance and intent of the retirement system for the regular services. These cases are exceptions which, in my judgment, go to prove the soundness of the rule.

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

Mr. WADSWORTH. I yield.

Mr. McKELLAR. The Senator said a while ago, as I understood him, that this bill would set a precedent in our pension legislation or retirement legislation.

Mr. WADSWORTH. In anything like our recent legislation.

Mr. McKELLAR. I find from a report of the Commissioner of Pensions that in our Revolutionary War a commissioned officer was given—

one-half of the monthly pay legally allowed at time of incurring said disability.

Mr. WADSWORTH. That is perfectly true.

Mr. McKELLAR (reading)—

But no pension shall be calculated at a higher rate than one-half pay of a lieutenant colonel.

Enlisted men were given \$5 a month. In the War of 1812 a first lieutenant received \$17, a second lieutenant \$15, a third lieutenant \$14, an ensign \$13, noncommissioned officers, musicians, and privates \$8; and so on in our Civil War, until recent years. At first—

Mr. WADSWORTH. At first, yes; and we have gotten well over it.

Mr. McKELLAR. When the number decreased very greatly we finally put them all upon the same basis.

Mr. WADSWORTH. I do not know at what time the number decreased.

Mr. McKELLAR. But for a long time lieutenant colonels and officers of higher rank got \$30 a month, a major \$25 a month, a captain \$20 a month, a first lieutenant \$17 a month, a second lieutenant \$15 a month, and all enlisted men \$8 a month. In other words, instead of this bill being a precedent the provisions of this bill are in exact accordance with legislation through our entire history, beginning with the Revolutionary War and coming on down to date.

Mr. WADSWORTH. Mr. President, this bill is in accordance with a policy abandoned by this country. I may say, in the interest of a democratic treatment of volunteer soldiers of the United States. The Senator from Tennessee knows that it is many a long year since officers of the Civil War got more money than enlisted men for the same injury.

Mr. McKELLAR. I will give the date in just a moment. I think perhaps it was since the Senator and I came to Congress, and while that seems like a long time I do not believe it has been, in the usual measurement of time. About 15 years ago, I think, the distinction was obliterated—in 1913, as I recall—but I will get the exact date and give it to the Senator.

Mr. BLEASE. Mr. President, will the Senator permit an interruption?

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from South Carolina?

Mr. WADSWORTH. I yield for a question.

Mr. BLEASE. The Senator used the word "democratic" just now. Did he use it in the general sense, or was he referring to a party?

Mr. WADSWORTH. I was using the word "democratic" with a small "d."

Mr. President, this is a matter of profound importance as a question of national policy. I am well aware that the American Legion has indorsed this bill.

Mr. REED of Pennsylvania. Mr. President, will the Senator yield for a question?

Mr. WADSWORTH. I yield.

Mr. REED of Pennsylvania. The Senator realizes that there was much dissent in the American Legion against it?

Mr. WADSWORTH. Yes; I do.

Mr. REED of Pennsylvania. It was approved only after a bitter contest.

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

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from Colorado?

Mr. WADSWORTH. I do.

Mr. MEANS. I should like to correct the Senator. There have been many statements made, with due deference to the Senator from New York, in which I apprehend he is mistaken as to the facts; but as to this particular matter there was very little dissension. I think out of a convention representing the entire United States and all the Territories not quite half of one State delegation only was opposed to it. That was the only dissension in the last convention, and five prior conventions indorsed this measure unanimously. There was an attempt to raise some dissension at the last convention, and not one-half of one State delegation alone protested. It was fought out, and the vote was almost unanimous again in favor of this legislation.

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

Mr. ROBINSON of Indiana. Mr. President—

The PRESIDENT pro tempore. To whom does the Senator yield?

Mr. WADSWORTH. I yield to the Senator from Tennessee for a question. I had not expected to use all the time, but if Senators ask me to I shall.

Mr. McKELLAR. I just want to call the Senator's attention to the date. I was mistaken. This was the policy of the Government down to June 5, 1920. In other words, the distinction was made even in the Spanish-American War, down to June 5, 1920. For a period from 1789 to 1920 the provisions of this bill have been in accordance with the policy of the Government.

Mr. WADSWORTH. Is the Senator sure of that? Were the pensions paid to the Spanish War officers on the retired-pay status?

Mr. McKELLAR. I will read to the Senator what it says:

The disabled emergency officers of the Spanish-American War continued to receive more than the disabled emergency enlisted men of this war until the act of June 5, 1920, when the enlisted men were granted the service pension with maximum payments of \$30 a month.

Mr. WADSWORTH. And that is just what will happen about 20 years from now with the enlisted men if this bill goes through.

Mr. McKELLAR. If it is right, it ought to happen. I see no objection to it.

Mr. WADSWORTH. All right.

Mr. BLEASE. Mr. President, will the Senator from New York permit me to ask the Senator from Colorado a question?

Mr. WADSWORTH. Yes.

Mr. BLEASE. Was anybody besides officers in the convention the Senator has been talking about?

Mr. MEANS. Yes.

Mr. BLEASE. Were there any privates there?

Mr. MEANS. Oh, many, many, many of them! The American Legion is made up mostly of enlisted men. This matter has been fought out. I will say further, referring to the Disabled Veterans' League, which is in session now, of which the Senator from Pennsylvania [Mr. REED] spoke so eloquently, and of their desire that the legislation in regard to the Veterans' Bureau be taken up, that organization, composed mostly of enlisted men, time after time indorsed this bill, and have indorsed it at every session since the Disabled Veterans' League

was organized. I will go further. The Veterans of Foreign Wars, made up also of enlisted men, have indorsed it.

Mr. ROBINSON of Indiana. Mr. President—

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from Indiana?

Mr. WADSWORTH. I yield.

Mr. ROBINSON of Indiana. I was just going to suggest to the Senator from Tennessee that that policy has been continued by the Senate right up to the last session, because the Senate on February 20, 1925, passed this identical bill. It was also passed by the session of 1922.

Mr. WADSWORTH. I have stated that it passed twice before.

Mr. ROBINSON of Indiana. Even right up to the last session it continued to be the policy of the Senate.

Mr. WADSWORTH. For one, I have been in the minority here on this question in two other sessions. It is no news to me, nor to the Senator from Tennessee.

Mr. ROBINSON of Indiana. One other observation, Mr. President. The Legion considers this a part of its national policy at this moment, and is very much interested in having this particular bill enacted.

Mr. WADSWORTH. Mr. President, I concur in the Senator's last statement. This bill is a part of the program of the American Legion, and also of the Veterans of Foreign Wars, of which, incidentally, I am a member, as a former enlisted man, I may say.

But, Mr. President, my candid judgment is that a great number of the members of these organizations have not thought this thing out to its logical conclusion; and, for one, I can not agree with them. I respect their motives; I certainly respect their ideals, and I wish them every measure of success as patriotic organizations; but, frankly, I think that their action is based upon a mistaken conception of the proper policy for the United States to follow in the matter of pensions or compensation for injuries.

Some rather significant things were brought out in the hearing before the Military Affairs Committee. I have been hearing for three or four years that reserve officers of the Army and National Guard officers might very well request legislation at the hands of the Congress providing compensation for injuries incurred by them when on active duty in time of peace at training camps, for example, which are attended by reserve officers and National Guard units. In the discussion before the Military Affairs Committee that point was alluded to, and a question was asked of a very prominent and incidentally very efficient National Guard officer—who, incidentally, is now on duty with the General Staff of the Army, indicating his efficiency—as to whether he did not believe that the passage of this legislation would and should logically lead to the payment of retired pay to a reserve officer or a National Guard officer who was injured in time of peace when on active duty in a training camp, his injury being in excess of 30 per cent.

The answer instantly was "Yes"; and it is inevitable that that will follow, and we will have established in that event a distinction in time of peace in the training camps between officers and enlisted men injured in exactly the same fashion and in the same kind of way.

The enlisted ranks during the World War contained thousands and thousands of young men of fine education and the highest prospects. Thousands of them went into the ranks, without endeavoring to secure commissions. Many thousands of them were recommended for commissions just before the armistice for splendid service in France, but it was too late, and they did not get commissions. But in the last few days of the war they may have suffered injury on the field of battle in excess of 30 per cent.

One of the arguments back of this bill is that the officer is presumed to have sacrificed more than the enlisted man, and that therefore he should get twice or three times or four times as much compensation.

That is a dangerous rule to apply to an American Army. Consider two young men from a small town. They may be clerks in the little local country bank, side by side. One may be 22 years old at the outbreak of the war, and the other only 20. They both go in, but the boy who is 20 is not eligible for a commission. He goes into the ranks, and has his right arm blown off by a high explosive shell. The other boy, with exactly the same civilian prospects, making no more or no less sacrifice, goes to a training camp, and, being over 21, he gets a commission, and he has his right arm blown off by a high explosive shell. On what theory of democracy and fair and

equal treatment will you give the second man twice as much compensation as the first?

We can not draw the line in the great emergency armies of the United States in time of war the way we draw it in the regular professional army in time of peace. There is a distinction between officers and enlisted men of the Regular Army in time of peace, and everybody knows it.

The officers of the regular Navy and the Regular Army presumably are graduates of Annapolis and West Point, and with respect to authority and the responsibilities they are to carry, they are, it may be said, worth more money—if we may use that reprehensible expression—than a poor enlisted man in the ranks of the Regular Army or aboard a battleship.

But you can not apply that rule to the armies of the United States in time of war, composed of millions of boys drawn from every walk of life, the farmer's son serving alongside the banker's son, the lawyer's son serving alongside the minister's son, the college graduate serving alongside the high-school graduate, and alongside the poor youngster who has not had any better advantages than a common-school education, and get Congress to say that those men shall be treated differently and in accordance with rank. I claim that would be destructive of sound policy, and that if we enact such a bill as this it will open a Pandora's box, sending forth evils and precedents which will come back to plague us here for all the days that Congresses may sit in the future.

I have made my protest against this measure on former occasions; I make it on this occasion; and if it should come up in the Senate on another occasion I shall repeat it.

Mr. McKELLAR. Mr. President, I desire to make just this statement with reference to the pending bill: It is a bill which my colleague [Mr. TYSON] has reported out; he is intensely interested in it, and, as everyone knows, has tried to get it up a number of times. He is unavoidably absent to-night, and as the bill will go over to a subsequent meeting of the Senate, he will be present when it is again taken up and will argue the matter himself.

#### DEATH OF REPRESENTATIVE FULLER, OF ILLINOIS

The PRESIDENT pro tempore. The Chair lays before the Senate resolutions of the House of Representatives, which will be read.

The legislative clerk read the resolutions (H. Res. 306), as follows:

#### IN THE HOUSE OF REPRESENTATIVES,

June 25, 1926.

*Resolved*, That the House has heard with profound sorrow of the death of Hon. CHARLES E. FULLER, a Representative from the State of Illinois.

*Resolved*, That a committee of 15 Members of the House, with such Members of the Senate as may be joined, be appointed to attend the funeral.

*Resolved*, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provisions of these resolutions, and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

*Resolved*, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

*Resolved*, That, as a further mark of respect, this House do now adjourn.

Mr. CURTIS. Mr. President, for the junior Senator from Illinois [Mr. DENEEN] I submit the following resolutions and ask for their adoption.

The resolutions (S. Res. 263) were read, considered by unanimous consent, and unanimously agreed to, as follows:

*Resolved*, That the Senate has heard with profound sorrow the announcement of the death of Hon. CHARLES E. FULLER, late a Representative from the State of Illinois.

*Resolved*, That a committee of six Senators be appointed by the President of the Senate to joint the committee appointed on the part of the House of Representatives to attend the funeral of the deceased Representative.

*Resolved*, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Mr. CURTIS. Mr. President, as a further mark of respect to the memory of the deceased Representative, I move that the Senate take a recess until 12 o'clock noon to-morrow.

The motion was unanimously agreed to; and (at 10 o'clock and 53 minutes p. m.) the Senate took a recess until to-morrow, Saturday, June 26, 1926, at 12 o'clock meridian.



## HOUSE OF REPRESENTATIVES

FRIDAY, June 25, 1926

The House met at 12 o'clock noon.

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

Almighty God, our heavenly Father, Thy testimonies are wonderful and Thy mercy endureth forever. Thy infinite abundance transcends all human thought and human need. We thank Thee for such bountiful provisions which are bestowed upon us with all tenderness and love. Graciously help us to understand all problems which are uppermost in the minds of the people. In all our service may nothing be omitted that shall build up the great and traditional institutions of the Republic. To the frail, magnify Thy strength; to the erring, turn the eye of pity and compassion; and with us all, let weakness go and strength come. We are reminded of the slender thread of mortality. Again the silver cord is broken. O God, we tarry with bowed heads and tender hearts in memory of a colleague whose years were characterized with simplicity, sincerity, and honorable service to his country. At the close of the day, when we sit alone with our thoughts, grant us great peace. Amen.

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

## IRRIGATION DAM, WALKER RIVER, NEV.

Mr. LEAVITT. Mr. Speaker, I present a conference report for printing under the rule.

The SPEAKER. The Clerk will report the bill by title.

The Clerk read as follows:

An act (S. 2826) for the construction of an irrigation dam on the Walker River, Nev.

The SPEAKER. Ordered printed.

## PENSIONS

Mr. ELLIOTT. Mr. Speaker, by direction of the Committee on Invalid Pensions, I desire to present a privileged report on the bill S. 4059.

The SPEAKER. The Clerk will report the bill by title.

The Clerk read as follows:

An act (S. 4059) granting pensions and increase of pensions to certain soldiers, sailors, and marines of the Civil and Mexican Wars, and to certain widows of said soldiers, sailors, and marines, and to widows of the War of 1812, and Army nurses, and for other purposes.

The SPEAKER. Referred to the Union Calendar and ordered printed.

## TWO YEARS OF IMMIGRATION RESTRICTION

Mr. JOHNSON of Washington. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

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

Mr. JOHNSON of Washington. Mr. Speaker, I should like to address myself to-day to the thought that the greatest service the United States of America can render to the rest of the world is the preservation of our Government; the maintenance in full vigor of our American institutions.

Not long ago it was very fashionable for speakers and writers to dwell upon the idea that America is under an obligation to assist in solving the problems of Europe. I want to present to this House and to the country the view that America has rendered a notable service to the Old World, and to the whole world, by faithfully providing for the welfare of the people of the United States.

It seems to me that benefits unnumbered, not only to ourselves, but to Europe and the world at large, have sprung from the efforts of American citizens to support and defend the citadel of American political and financial integrity during the eight years and more since the signing of the armistice.

## IMMIGRATION LAWS PRESERVE AMERICA

In the preservation of America, in the effort to keep our country strong enough to render the world service marked out for her by destiny, not the least important measures have been the immigration restriction acts passed by Congress and approved by President Harding in 1921 and President Coolidge in 1924.

Consider the state of the world when the first of these laws was enacted! Then the armistice of 1918 was a little more than two years past. The decisions of the Versailles conference were creating wildest turmoil. The orgy of inflation and speculation, world-wide in 1919 and 1920, had ended with a

dull and depressing thud. Those who could see faint rays of hope for future prosperity in Europe were few and far between. All others, or all who could obtain the price of steamship transportation, were storming American consulates, seeking permission to leave their war-torn homelands, bent on migrating to the one great land of opportunity, the United States of America.

## POSTWAR IMMIGRANT TIDE

It is reasonable for us to believe that the movement of European peoples to the United States would have begun in full force before the years 1920-21 but for the single fact that facilities were not available. The war had cost the merchant marines of the world heavily. Ships had been destroyed or converted to martial uses. The movement of American soldiers and material from France alone required employment of a tremendous tonnage throughout 1919. But late that year, and early in 1920, the tide of migration to our shores set in.

During the fiscal year ended June 30, 1919, we admitted only 141,132 immigrants.

During the following fiscal year (1920) admissions leaped to 430,001.

In the year which ended June 30, 1921, despite the collapse of our postwar period of inflation, and even before it became apparent that we could or would recover from the woes of depression, we admitted immigrants to the staggering total of 805,228.

## FIVEFOLD INCREASE IN TWO YEARS

The flood of foreigners, pouring into the country, as in the fiscal year 1920-21, is almost beyond our comprehension. Four-fifths of a million! A fivefold increase in two years! Small wonder, indeed, that the American people should take alarm, or that the American Congress should take prompt action.

During the winter of 1920-21 the House of Representatives responded to the situation by passing an immigration bill designed to exclude large numbers of immigrants. The Senate amended this bill so as to make it a numerical restriction. That is to say, by the Senate amendment the bill was changed from an exclusion measure to a percentage limitation. A barrier was raised, temporarily at least, to check the inundating flood.

## TEMPORARY QUOTA LAW OF 1921

In its first year the temporary immigration act of 1921 reduced the influx of arriving aliens to 309,556, a falling off of 52 per cent from the previous twelvemonth. But the law was imperfect. Loopholes were discovered. Smart men began to find ways by which evasions could be practiced. The tide began to rise again, so that in the fiscal year 1923 the flow mounted to 522,919, and in the next year, 1924, it rose to 706,896.

## PROSPEROUS AMERICA THE GOAL

Meantime conditions in Europe were improving but very slowly. America was growing more prosperous. The effects of the industrial depression of 1920-21 in the United States had practically disappeared, while in Europe they were still present. It became apparent that the temporary numerical limitation enacted in 1921 would have to be extended, and that its defects would have to be corrected. More and more the American public appreciated the importance of barring the gateways. It was clear that we could absorb a certain number of those who clamored for admission, but that the accommodation of all or even a major fraction of them, was out of the question.

Further, it became apparent that even with the barrier raised by the limitation act of 1921 the aliens who were coming to our shores were not our own kind of people. Thousands of them were women, children, and aged coming to be a burden, not a help, to those already here. Most of them were unsettled to the point of distraction by their war experiences.

## DISCRIMINATION AGAINST OLDER STOCKS

There was a predominance of what we had come to recognize as the "new immigration." Swarthy peoples from the Mediterranean were outnumbering the Anglo-Saxon, Teutonic, Celtic, and Scandinavian elements. It was clear that a mistake had been made in the basis upon which the act of 1921 established its numerical limitation. There was a discrimination against peoples of the "old immigration" stocks, and in favor of the "new immigration."

The immigration act to which President Harding affixed his signature in May, 1921, authorized the admission of quotas of immigrants from the various countries of Europe. Quotas were allocated upon the basis of alien representation among the residents of the United States. Using the returns of the census of 1910, it was provided that in a single year there should be admitted 3 per cent as many English, Greek, Spanish, and other aliens as there were English, Greek, Spanish and other

foreign-born persons in the United States when the 1910 census was taken. Every nationality had its quota.

#### DIFFICULTIES UNDER TEMPORARY LAW

But inadequate provision was made for enforcement. No machinery was available by which to count the newcomers until they arrived at American ports of entry. The inevitable consequence, which soon became almost a scandal, was a scramble and rush on the part of those who sought admission while a particular quota remained unexhausted. Steamships raced across the lanes of the Atlantic. Confusion reigned. Ellis Island and other immigration stations were overwhelmed by conflicting claims of those who insisted on the "right" to enter.

Relief measures by administrative officials of the Government, later confirmed by Congress, became necessary. And in the meantime there were discovered so many ways and means by which the limitation could be avoided that the purpose of the act was practically defeated.

#### PERMANENT LAW ENACTED

The task of curing this intolerable situation fell upon Congress during the session which began in December, 1923. Everyone recognized the necessity for continuance of restrictive measures, but few students of the problem agreed as to what form corrective legislation should take. The Committee on Immigration and Naturalization of the House of Representatives, charged with responsibility in the matter, considered a dozen or more drafts of bills, modifying or discarding scores of legislative suggestions. At length, late in March, 1924, a perfected bill was reported, and on May 26, 1924, after amendment and passage in both House and Senate, the measure was approved by President Coolidge.

The new law became effective July 1, 1924. Instead of limiting admission of aliens to a number equal to 3 per cent of the foreign-born population of the United States, as of 1910, it fixed the limitation at a number equal to 2 per cent of the foreign-born population as of 1890. Thus the aggregate quota was reduced from 367,000 to 164,000.

#### RACING STEAMSHIPS MADE UNNECESSARY

The exempt status afforded to persons of European birth who had sojourned five years in a country of the Western Hemisphere was wiped out. The racing of steamships across the seas was made unnecessary by provision for issuance of "immigration visas" by American consuls abroad. The numerical restriction, instead of applying to persons on their arrival at our gates, was made applicable to the visa documents which they had to obtain at consulates before embarking.

#### PROPER EXEMPTIONS PROVIDED

Certain aliens, such as Government officials, visitors, seamen, and international traders, were removed from the status of immigrants and fixed in "nonimmigrant" status. Certain others, such as natives of countries of the Western Hemisphere, ministers, professors, students, and wives and minor unmarried children of citizens, were afforded "nonquota" status or exemption. Preferences were provided for citizens' parents, husbands, wives, and children, also to aliens skilled in agriculture.

#### BURDEN OF PROOF ON APPLICANT

At the same time exemptions loosely stated and difficult of interpretation in the act of 1921 were withdrawn. And, perhaps as important as any other single thing, there was written into the law a provision placing the burden of proof in all immigration cases on the alien seeking admission rather than on the Government.

#### NO EXCLUSION OF OCCIDENTALS

It should be understood that the immigration act of 1924 is not an exclusion statute except in so far as it applies to persons of oriental race. In its treatment of occidentals, it rears no absolute barrier. It merely defers the privilege of admission. By determining the number of persons of a particular nationality who may enter in a given period, it delays the entrance of all others of that nationality. It does not say that a certain German or Italian or Scandinavian may not enter the United States. Instead, it says he may enter in his turn after prior applicants shall have been accommodated.

#### EMIGRATION PRESSURE IN EUROPE

Every would-be immigrant of occidental race could be admitted next month under the terms of the act if there were fewer of them. It is the pressure of emigration in Europe even more than the immigration barrier erected by America that detains them.

#### ALL ORIENTALS BARRED

The one exclusion phase of the law applies equally to all orientals as "persons ineligible to citizenship." To be sure, only one oriental country was deemed to be vitally affected when the law was under consideration. But that country,

Japan, had long enjoyed a species of favoritism in the matter. It occupied a preferred position, in that it was privileged, under the terms of a so-called "gentlemen's agreement," to send certain of its nationals to the United States, while all other orientals were excluded.

#### PREFERENCE TO JAPANESE ELIMINATED

The immigration act of 1924 merely wiped out the privilege accorded by the "gentlemen's agreement." It created no discrimination against the Japanese. On the other hand, it did away with the discrimination theretofore existing against orientals other than Japanese. In brief, it put the Japanese on a plane of equality with their fellows of the Far East. We now exclude with equal fairness all the yellow races, Japanese as well as Koreans, Chinese, Malaysians, Hindus, Afghans, Siamese, Javanese. That this is just and equitable and consonant with sound national policy can not be disputed by any who fully appreciate the problems of the United States.

#### NEW LAW A SUCCESS

Mr. Speaker and gentlemen of the House, two years have passed since the immigration act of 1924 became operative. Its effects upon migration the world over have been positive. Its benefits to the United States have been so marked as to confound those who opposed its enactment. Its administration has been accomplished with ease and smoothness unparalleled and unexpected. It deserves no important criticism from any who think in terms of America's welfare.

#### INFLUX REDUCED BY HALF

It is a noteworthy fact that the immigration act of 1924 has reduced the total influx of aliens approximately 50 per cent. But more important—aye, of transcendent importance—is the fact that the successful operation of the new law has put to an end, once and for all time, the idea that America was destined by Providence to be the asylum to which the distressed of all lands might repair. The asylum idea (some have called it the insane asylum idea) has been wiped entirely from the minds of thinking Americans.

#### MELTING POT MYTH EXPLODED

The myth of the "melting pot" has been exploded. Face to face with the inescapable fact that the United States can not find room, or houses, or food, for the surplus populations of the rest of the world, Americans have not hesitated to abandon the twin fallacies which seemed to mean so much a generation or two ago. We realize now, as we never realized before, that people who are unwanted in the lands of their birth have no "right" to an asylum here. We have come to appreciate at last the fact that our vaunted "melting pot" is choked with dross and incapable of pouring forth an undiluted Americanism.

#### A BALANCING OF RACIAL STOCKS

The intent of the framers of the immigration act of 1924 was that it should, in a measure, restore the racial balance of the people of the United States. Having regard for the fact that our country was founded by immigrants from the countries of Europe which for centuries struggled toward the light of liberty, which, indeed, had established the most liberal institutions then known, it was frankly intended that immigration of like kind should be least discouraged. Contrary to the belief of some, this intention was not put forward with the idea of discriminating against other racial stocks. Rather it was forced by recognition of the fact that American institutions are best appreciated by, hence safest in control of, those people who for generations have been practiced in the duties and obligations of free citizenship.

Freemen are not made in the twinkling of an eye. Striking the shackles from a slave does not at once invest him in the habiliments of the citizen born. A serf released from his serfdom still is a serf in mind, if not in body.

#### AMERICA A LAND OF FREEMEN

America was founded and preserved by men whose progenitors for centuries had been freemen. They knew the privileges of their state, but, more important, they appreciated their duties and responsibilities. Generations of struggle for liberty, generations of practice in the management of free institutions had bred in them those qualities of heart and mind which alone conceived and brought forth government of the people, by the people, for the people.

#### HOMOGENEOUS POPULATION OUR NEED

In the framing of our immigration law it was deemed essential that people of a kind like unto those founding fathers whom we delight to honor should be favored over others whose advantages in the world have been fewer or less. This is not to say that the more backward peoples are undesirable. We have not excluded them, and we shall not. But, frankly and fairly, we decline to be outnumbered or overbalanced by them.



We intend that as soon as possible America shall cease to be a polyglot boarding house; that eventually we shall become an homogeneous people.

#### KEEPING AMERICA AMERICAN

This is the essence of our immigration policy. It is the vital element in the immigration act of 1924. We are determined to keep America American by admitting fewer and better of what the Old World has to offer. We are determined to make America stronger; to preserve, in so far as we can, the institutions of liberty and equality that were created and held for us at such great cost of effort, toil, and struggle.

#### THE WAY WE SERVE THE WORLD

What could be more important to the world at large? How better can we serve the world than by providing thus for our own house? Certainly an America overrun by strange peoples from near and far, speaking many tongues, threatened hourly by diverse conceptions of liberty, tending toward no definite goal, crowded and harrassed by the jangling and clanging of a hundred ethnic, racial, and political animosities imported from abroad, would be an object of pity and of scorn throughout the universe. It would not, because it could not, render any substantial service to the people of other lands.

#### A UNITED COUNTRY

But an America united and strong, daily growing more closely knit together, guarding its gates well against the malcontents and the misfits of other nations, speaking one language, and intent on the preservation of liberty and prosperity within its borders, can and will become the pride of the world. Such an America will not neglect her obligations. Her service to the motherlands and fatherlands, and indeed to all the countries of the earth, will be the brightest glory of all recorded time.

#### TO INCREASE THE EFFICIENCY OF THE AIR CORPS

Mr. JAMES. Mr. Speaker, I call up the conference report on the bill H. R. 10827, and ask that the statement be read in lieu of the report.

Mr. BLACK of Texas. Mr. Speaker, I reserve all points of order on the conference report.

The SPEAKER. The gentleman from Michigan asks unanimous consent that the statement be read in lieu of the report. Is there objection? [After a pause.] The Chair hears none.

[For conference report and statement see p. 12298.]

Mr. COX. Mr. Speaker, I make a point of order.

The SPEAKER. The gentleman will state it.

Mr. COX. I make a point of order on amendment No. 30 of the report of the committee of conference upon the ground that the amendment is legislation, and particularly to that part of subsection (t) of amendment 30, which reads as follows:

And the decision of the Secretary of the department concerned as to the award of such contract, the interpretation of the provision of the contract, and the application and administration of the contract shall not be reviewable, otherwise than as may be therein provided for, by any officer or tribunal of the United States except the President and the Federal courts.

The committee of conference in offering this amendment to the bill exceeds its authority, the matter referred to in subsection (t) not being in disagreement as between the two Houses of Congress.

Mr. JAMES. Will the gentleman yield?

Mr. COX. In just a second. And not being germane to the differences committed to the committee, and not being related or germane to the issues submitted to the committee, there being nothing in the original bill or any amendment thereto adopted by the Senate relating to the subject matter dealt with in the section of the report of the committee of conference to which this point of order is made.

Mr. JAMES. Has the gentleman read section 9 of the Senate bill?

Mr. COX. Section 9, I have not that before me. What part of section 9?

Mr. JAMES. All of section 9. That was in disagreement between the House and Senate, because the House disagreed to the Senate amendments, and what we have in amendment No. 30 is a compromise agreement to take the place of section 9.

Mr. COX. Can the gentleman point out anything in section 9 which is at all relating or akin to subsection (t) of section 10 of amendment No. 30 in the report of the committee?

Mr. JAMES. Yes. In all cases the decision of the Secretary of War shall be final and conclusive in the absence of fraud or collusion.

Mr. COX. That is my point of order, Mr. Speaker.

Mr. BLACK of Texas. Mr. Speaker, I make the further point of order that the conferees have not only legislated in this bill for the procurement of Army aircraft but have also legis-

lated for the procurement of naval aircraft and have no jurisdiction whatever over that subject. There was nothing in the bill as it passed the Senate and nothing in the bill as it passed the House with reference to procurement of naval aircraft.

Mr. VINSON of Georgia. Mr. Speaker, will the gentleman yield?

Mr. BLACK of Texas. Yes.

Mr. VINSON of Georgia. I assume that the gentleman from Texas is not opposed to any provision of the conference report except the one which the gentleman from Georgia [Mr. Cox] raised objection to?

Mr. BLACK of Texas. Well, I simply raise this objection, that amendment No. 30, as rewritten, involves very extensive provisions—30 paragraphs—a whole bill involved in that amendment, and I protest against the conferees undertaking to pass legislation in that sort of way. If all these provisions are to be enacted, they ought to have come before the House in a legislative way.

Mr. VINSON of Georgia. The gentleman from Texas will have ample opportunity to discuss each one of these amendments.

But let me call the attention of the gentleman and of the Chair to this, that under the rules of the House the Committee on Military Affairs is given jurisdiction relative to national defense, and it would be clearly in order for the Committee on Military Affairs to bring in a bill dealing with the national defense, which includes both the Army and the Navy.

Mr. BLACK of Texas. Does the gentleman contend that it is within the jurisdiction of the Committee on Military Affairs to bring in legislation as to the procurement of battleships—

Mr. VINSON of Georgia. Not at all—

Mr. BLACK of Texas. Submarines and naval aircraft?

Mr. VINSON of Georgia. The Committee on Military Affairs, I will state, Mr. Speaker, under the broad language of the rule, could bring in any legislation that deals with the national defense because of the very language of the rule establishing the Committee on Military Affairs, which gives it that jurisdiction. Of course, Congress in another rule delegates a certain amount of jurisdiction to the Committee on Naval Affairs, but the gentleman would not deny the proposition that the Committee on Military Affairs could bring in a bill providing for a secretary of national defense, which would take over both the Army and the Navy jurisdictions.

Mr. FROTHINGHAM. It was for that reason that the Speaker of the House referred that bill to the Committee on Military Affairs?

Mr. VINSON of Georgia. Exactly.

Mr. WOODRUFF. Mr. Speaker, will the gentleman yield to me?

Mr. VINSON of Georgia. I have not the floor. The gentleman from Texas [Mr. BLACK] has the floor.

Mr. BLACK of Texas. I yield to the gentleman if I have the floor.

Mr. WOODRUFF. I will say, Mr. Speaker, for the Committee on Naval Affairs that that committee has had under consideration the amendment introduced into this bill; that it held hearings on it in conjunction with the subcommittee of the Committee on Military Affairs, and it had hearings on this bill for days and weeks, and the two subcommittees and the two committees, the Committee on Naval Affairs and the Committee on Military Affairs, both agreed unanimously upon the exact language contained in this bill.

Mr. BLACK of Texas. Mr. Speaker, let me call attention to the fact that we do not legislate by committees in the House, and we have rules of the House which prescribe that the conferees shall not exceed their authority.

Now, neither the bill that passed the House nor the bill that passed the Senate has anything about the procurement of aircraft by the Navy, but this amendment No. 30 writes provisions that are very lengthy and deal with Army aircraft and naval aircraft. I submit that they are clearly subject to points of order.

Mr. CONNALLY of Texas. Mr. Speaker, the question before the Chair is not whether these committees have jurisdiction of this subject matter, and it is not whether the subcommittees have been deliberating over it, but the question is whether the matter against which the point of order is made was in disagreement between the two Houses; whether or not the bill as it passed the House or the Senate contained this provision or one substantially the same as that contained in the conference report. I simply want to make that suggestion in answer to the suggestions of some of these gentlemen that because the committees might have jurisdiction of the subject generally or had agreed upon it, it would be in order now for the conference committee to bring it in.

Mr. LA GUARDIA. Mr. Speaker, on the point of order made by the gentleman from Georgia [Mr. Cox] he states that amendment No. 30 is clearly legislation. Of course, it is legislation. This is a legislative bill. All that amendment No. 30 does is to effect a compromise on section 9, which was written in the bill by the Senate. Section 9 condenses the power and authority and provides only generally as to the method of procuring aviation equipment. Amendment No. 30 amplifies the provisions of section 9 of the Senate bill and goes into detail as to the method of procuring, the method of advertising, and gives certain discretionary powers to the Secretary in procuring aviation equipment.

As to the point raised, that it authorizes or legislates as to the purchase of aviation equipment for the Navy, it does not exactly or directly. It simply provides for a joint board, consisting of the Secretary of the Navy and the Secretary of War, to sit together and to acquire or purchase designs or equipment in the manner specified in amendment No. 30. It is no new legislation written by the conferees. It is absolutely germane to the bill, and it is nothing but a compromise of section 9 written into the bill by the Senate and amplifying and specifying in detail the provisions of section 9 in the various sections enumerated in amendment No. 30. It is clearly germane to the bill, and the conferees have not exceeded their power.

Mr. McSWAIN. Mr. Speaker, addressing myself first to the point of order raised by the gentleman from Georgia [Mr. Cox], I call the Speaker's attention to the fact that section 9 of the bill H. R. 10827, the bill that passed the House, when it reached the Senate had a provision inserted by way of an amendment of the Senate providing for the manner of purchasing aircraft, and the last sentence in that amendment of the Senate is to the effect that "in all cases in the purchase of such aircraft"—no doubt the Speaker has section 9 before him—"the decisions of the Secretary of War shall be final and conclusive in the absence of fraud or collusion."

Now, when the general subject of the purchase of aircraft comes into conference, in the matter of difference between the two Houses, there comes out of conference amplified language, more specific language, it may be, but still dealing with the subject of the purchase of aircraft and the finality and conclusiveness of the decision of the Secretary of the department concerned relating to the contract. So instead of using the mere language that the decision of the Secretary shall be final, it goes on to say in what particulars, to wit—I am reading from page 9 of the conference report, the latter part of paragraph (t), to which particular exception is taken by the point of order—

And the decision of the Secretary of the department concerned as to the award of such contract, the interpretation of the provisions of the contract, and the application and administration of the contract shall not be reviewable.

The original language was:

Shall be final and conclusive.

Whereas this paragraph provides that it—

shall not be reviewable, otherwise than as may be therein provided for, by any officer or tribunal of the United States except the President and the Federal courts.

So that the broad and general language of the brief statement in the original bill is, in a sense, limited by particular reference to the features that would be subject to the final and conclusive decision of the Secretary of the department concerned in the bill as it comes out of conference. And let me say it is a phrase that is repeated in a number of places in the original bill.

Now, then, as to the jurisdiction of the committees, if the Speaker please, which was referred to by the gentleman from Georgia [Mr. Vinson], I call the Speaker's particular attention to the rule with regard to the committees and their respective jurisdictions. The rule provides that to the Committee on Military Affairs shall be committed not only the matter of the Army and the officers and enlisted men of the Army as well as the militia but also "all matters relating to the public defense." That is found on page 298 of the Manual, section 682. But when it comes to the jurisdiction of the Naval Affairs Committee its jurisdiction is not broad and its jurisdiction does not relate to national defense generally, but subdivision 13 of that same section relates to the increase or reduction of commissioned officers and enlisted men and their pay and allowances and "the increase of ships or vessels of all classes of the Navy." Of course, an airplane is not a ship or a vessel in the sense in which that language was used when that rule was framed, so that since aircraft is a weapon of defense and this

Congress proposes to build or to buy aircraft in the interest of the national defense, the Military Affairs Committee will have jurisdiction of that question just as fully as the Naval Affairs Committee and, perhaps, more so.

Mr. LA GUARDIA. Will the gentleman yield?

Mr. McSWAIN. Yes.

Mr. LA GUARDIA. The title of the bill is—

To provide more effectively for the national defense by increasing the efficiency of the Air Corps.

Is not that correct?

Mr. McSWAIN. Yes.

Mr. LA GUARDIA. Now, amendment 30 provides for a new board, whereby the Secretary of War would sit in and consult with the Secretary of the Navy as to the type of patents and equipment purchased, and that is in order to avoid duplication, in order to have coordination and cooperation, which carries out the very purpose of this bill.

Mr. HILL of Maryland. Will the gentleman yield?

Mr. McSWAIN. Yes.

Mr. HILL of Maryland. And is it not true, as the gentleman has pointed out, that under section 682 and under the words "the public defense," wherever there is a bill which is a joint thing and it applies to the public defense, but takes in the Navy, that that comes under the jurisdiction of the Military Affairs Committee.

Mr. McSWAIN. That is necessarily so; that whatever is of so broad a scope that it passes beyond the bounds of any one department engaged in conducting the national defense it must go to the Committee on Military Affairs.

Mr. COX. Mr. Speaker, answering the point made by the gentleman from South Carolina, which he has just discussed—namely, that subsection (t) is a mere amplification of section 9 of H. R. 10827—I would direct the Speaker's attention to the language of section 9, which is as follows:

In all cases the decision of the Secretary of War shall be final and conclusive in the absence of fraud or collusion.

The iniquitous part of the report to which my point of order is more particularly directed is that part of section (t) which reads as follows:

And the decision of the Secretary of the department concerned as to the award of such contract, the interpretation of the provisions of the contract, and the application and administration of the contract shall not be reviewable, otherwise than as may be therein provided for, by any officer or tribunal of the United States except the President and the Federal courts.

Section 9 of the bill, which the gentleman from South Carolina quoted, provides that the decision of the Secretary of War shall be final and shall not be reviewable at all; that is, the award shall not be reviewable at all. Amendment 30 of the report of the committee of conference, to which reference has been made, provides that the award shall be reviewable by the President and by the Federal courts.

I submit that is not an amplification of that part of section 9 under which the committee claims authority to make this report. It is not an amplification; it can not, in reason, be contended to be an amplification, because the bill provides that there shall be no review, and by the terms of the report of the committee there may be a review, to wit, by the President and by the Federal courts.

Mr. VINSON of Georgia. Will the gentleman yield?

Mr. COX. Yes.

Mr. VINSON of Georgia. Does the gentleman contend that if a bill says the affirmative, it is not in order to say the negative in conference?

Mr. COX. I contend—

Mr. VINSON of Georgia. The gentleman is arguing to the Speaker in support of his point of order that the Senate said it should not be reviewable and the conferees say it shall be reviewable—

Mr. COX. And that is legislation.

Mr. VINSON of Georgia. They have the right to legislate.

Mr. COX. Not at all.

Mr. GARRETT of Tennessee. Will the gentleman from Georgia permit me to interrupt?

Mr. VINSON of Georgia. Yes; with pleasure.

Mr. GARRETT of Tennessee. Does the gentleman from Georgia seriously insist that where the Senate and the House have agreed upon language, that it is then in order for the conferees, by dropping or inserting a word, to change completely the legislation upon which they have agreed?

Mr. VINSON of Georgia. No. The trouble about the statement of the gentleman from Tennessee is that the House had not agreed to it. The Senate asserted an affirmative proposi-



tion, and the conferees in conference have asserted a negative proposition; and I submit it is clearly germane to do that.

Mr. COX. Oh, no; not a negative.

Mr. VINSON of Georgia. That is exactly the contention of the gentleman.

Mr. COX. It is negated by a positive declaration made in the report, to wit, that the award may be reviewed.

Mr. GARRETT of Tennessee. Let me say to the gentleman from Georgia, in order to keep the record straight, if I may, I was laboring under a misapprehension, and I did not want the gentleman's statement, under the understanding I had of it, to go unchallenged.

Mr. VINSON of Georgia. Yes. I may state to the gentleman from Tennessee that when the bill passed the Senate it said that the decision of the Secretary should not be reviewable except in a case of fraud. Now, the conferees come in, in disagreement, and they amend that by saying it shall be reviewable by the President and by the courts. I submit, with all deference to the argument of my colleague from Georgia [Mr. Cox], it is clearly within the rights of the conferees to do that.

Mr. COX. The gentleman does not contend that is a mere negative of the declaration in the bill?

Mr. LA GUARDIA. That is an amplification.

Mr. COX. It can not be an amplification. It is an amendment of it, and a material amendment, because the one says there shall be no review, whereas the other says a review is permissible and names the tribunals by which the review may be made.

Mr. LA GUARDIA. It says there shall be no review in the absence of fraud and collusion.

Mr. COX. Yes.

Mr. LA GUARDIA. It does not provide there is absolutely no review, but makes one exception, and that exception is where there is fraud and collusion.

Mr. COX. In your report you do not merely negative the assertion made in the bill that there can be no review, but you say there may be review and you name the tribunals by which the review shall be had.

Mr. LA GUARDIA. Taking care of the matter of fraud and collusion originally inserted in section 9.

Mr. COX. Not at all.

Mr. LA GUARDIA. That was the intention.

Mr. COX. It constitutes a material amendment which is outside of any question that was in disagreement between the two Houses of the Congress. There was no disagreement whatsoever in that respect.

Mr. LA GUARDIA. It carries out to a fuller extent the intention of section 9.

Mr. COX. Yes; but it is an effort on the part of the committee to legislate for Congress, purely and simply.

Mr. LA GUARDIA. No; I think it is simply an amplification.

Mr. VINSON of Kentucky. Will the gentleman yield?

Mr. COX. Yes.

Mr. VINSON of Kentucky. I want to say to the gentleman from Georgia that section 9, to which the gentleman refers and quotes, was not in the House bill.

Mr. COX. That is true.

Mr. VINSON of Kentucky. That language was placed in the bill before the bill passed the Senate.

Mr. COX. But was not in disagreement as between the two Houses.

Mr. VINSON of Kentucky. Oh, yes; the reason it was in disagreement was because that language was not in the House bill.

The SPEAKER. The Chair is prepared to rule. The Chair does not think it necessary to consider the point made by the gentleman from Georgia, which is somewhat technical in its nature, but to take up the point of order made by the gentleman from Texas, which strikes broadly at the powers of conferees.

It may be true, as the gentleman from South Carolina argued, that if this were merely a question of jurisdiction, the Committee on Military Affairs might have power in the original instance, possibly, to report a bill such as this; but the question that arises is not one of committee jurisdiction but a question purely of the power of the conferees, and whether or not they have exceeded their power in this instance.

The rule is very well settled, passed on by a number of Speakers, as to the powers of conferees. It is well described in paragraph 539 of the Manual:

The managers of a conference must confine themselves to the differences committed to them, and may not include subjects not within the disagreements, even though germane to a question in issue.

Therefore the question of whether or not this amendment is germane has nothing to do with the point of order as raised by the gentleman from Texas. The question is solely, Did the conferees go beyond the differences between the two Houses?

This bill is entitled "To provide more effectively for the national defense by increasing the efficiency of the Air Corps of the Army of the United States, and for other purposes." There is nothing said in the bill, either as it passed the House or as it passed the Senate, with relation to aviation for the Navy. The conferees, therefore, in including in it matter relating to the Navy must have exceeded their powers, because they have departed from the exact differences that were before them in conference.

The Chair therefore sustains the point of order made by the gentleman from Texas.

#### EXPUNGING UNPARLIAMENTARY LANGUAGE FROM RECORD

Mr. McFADDEN. Mr. Speaker, I ask unanimous consent to strike from the RECORD remarks that I made yesterday which were unparliamentary.

The SPEAKER. Is there objection?

Mr. GARRETT of Tennessee. Reserving the right to object, is the gentleman from Pennsylvania content to let the matter rest with the request to take that from the RECORD?

Mr. McFADDEN. I understand that under the rules of the House it is unparliamentary language. I would say in reply to the gentleman from Tennessee that the gentleman from Arkansas used unparliamentary language in reference to the gentleman from Pennsylvania. If the gentleman from Arkansas is inclined to withdraw those remarks, I certainly think that would be in order.

Mr. GARRETT of Tennessee. Will the gentleman indicate what remarks he refers to in the remarks of the gentleman from Arkansas?

Mr. McFADDEN. On page 11924, in the remarks by the gentleman from Arkansas, he says, in addressing me, "You refused to live up to your agreement." And further on, referring to the gentleman from Pennsylvania, he addresses me directly as "he," and further down he says, "Do you understand that? You do if you understand the lines that have been written for you and which you read to the House." Then, again, on page 11925 he refers in a challenge to me, the words being "I challenge him."

These words are clearly unparliamentary.

Mr. GARRETT of Tennessee. I think technically that is correct, but all that is a mere technicality. The gentleman from Arkansas referred to him in the second person instead of "the gentleman from Pennsylvania." That, of course, is a mere technicality which carries no sort of reflection on the gentleman from Pennsylvania.

Mr. McFADDEN. I will say that there was clearly a reflection in the statement that I had not carried out the agreement with the gentleman from Arkansas.

Mr. GARRETT of Tennessee. I was referring to what the gentleman just quoted.

Mr. McFADDEN. I have always tried to keep within the rules of the House and tried to be respectful to the Members of the House. The gentleman from Arkansas was very pointed. I have no feeling over the matter. I am simply trying to correct what apparently should be corrected as unparliamentary language.

Mr. WINGO. Mr. Speaker, reserving the right to object, the only thing the gentleman complains of that anyone would treat seriously is that I accused him of breaking his pledge. He did not deny it at the time. I did not say "the gentleman from Pennsylvania," and that technically was a violation of the rules of this House. The only thing the gentleman takes exception to is that I charged him with not keeping his pledge. The truth is—and the reason he did not deny it is—that the agreement was in this language:

I want either to make a supplementary or amendatory motion, either myself or the gentleman from Illinois [Mr. HULL], whichever one I may decide. In other words, I want a run for my white alley.

That is the pledge that I referred to. On yesterday just before the time was reached where I thought he would keep that pledge—the day before I had indicated what my amendment would be—he came over and I reminded him of the pledge and the gentleman said he could not do that without losing control of the floor. I directed his attention to the fact that the reason I asked him that in his committee room last week was that I warned him that under the rule I could not do that except by his permission, and the only reason the gentleman gave to me that he could not keep that pledge was because he

would lose the floor. Those are the facts. Does the gentleman deny that?

Mr. McFADDEN. The gentleman just made the statement that I could not accede to his proposition because of that fact. I did not agree that the gentleman should make the motion.

Mr. WINGO. Does the gentleman think it is a reflection upon him to tell the truth? Was it not up to him, if he wanted to justify himself, to get up and explain to the House that he had to break his pledge or lose the floor? What right has the gentleman, after the House has adjourned, to take his remarks and deliberately insert something he would not have said in my presence on the floor, which is a violation of the privileges of the House, and which he confesses is unparliamentary? Gentlemen, that is the situation, and that is what I have to deal with in the Committee on Banking and Currency. I withdraw my objection, if the gentleman is satisfied. He knows my position. If he is satisfied with that action, if that is as far as he wants to go, that is for him to say.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. McFADDEN. Mr. Speaker, I desire to make one further remark in connection with the assertion that there was a definite agreement here. I did not agree to any such motion as the gentleman has referred to.

Mr. WINGO. The gentleman agreed that I should offer an amendatory motion, did he not?

Mr. McFADDEN. The gentleman asked to make that motion.

Mr. SNELL. Mr. Speaker, I demand the regular order.

The SPEAKER. The Chair hears no objection.

Mr. WINGO. So far as the House is concerned, I am willing to let it rest at that, but not so far as the gentleman is concerned.

#### CREDIT TO CERTAIN CONTRACTORS

Mr. CHRISTOPHERSON. Mr. Speaker, I call up the conference report upon Senate Joint Resolution 47, authorizing the Comptroller General of the United States to allow credit to contractors for payments received from either Army or Navy disbursing officers in settlement of contracts entered into with the United States during the period from April 6, 1917, to November 11, 1918.

The SPEAKER. The gentleman from South Dakota calls up a conference report, which the Clerk will report.

The Clerk read the conference report.

The conference report and statement are as follows:

#### CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to Senate Joint Resolution 47, entitled "Authorizing the Comptroller General of the United States to allow credit to contractors for payments received from either Army or Navy disbursing officers in settlement of contracts entered into with the United States during the period from April 6, 1917, to November 11, 1918," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendment numbered 1.

That the Senate recede from its disagreement to the amendment of the House numbered 2.

C. A. CHRISTOPHERSON,  
A. J. HICKEY,  
FRED H. DOMINICK,

*Managers on the part of the House.*

ARTHUR CAPPER,  
ROBT. N. STANFIELD,  
PARK TRAMMELL,

*Managers on the part of the Senate.*

#### STATEMENT

Some of the contracts were entered into prior to September, 1917; others of them were not. The effect of the House amendment would be to destroy the intention and value of the resolution.

There is not involved the question of payment out of Government funds, but merely whether the Government shall proceed to collect amounts already paid to the various contractors.

The wage-adjustment agreement dated September 26, 1917, was subsequent to the date of some and prior to the date of other contracts of the United States with certain of the signatory manufacturers, and only a very few of the subsequent contracts referred to or incorporated the substance of such wage agreement. As to the few contracts incorporating the substance of the wage agreement, the General Accounting Office will allow credit for the payments in reimbursement of the increase of wages paid to the contractors as a part of the consideration for

the leather products. The payments covered by the resolution were made to contractors whose contracts did not contain such stipulations and represent sums in addition to the contract price for the leather products.

It was assumed by the parties that the agreements would be applicable without reference thereto in the contracts, and it was upon this assumption that the payments were made.

The Comptroller General of the United States, Hon. J. R. McCarl, reports as follows: "It would appear, therefore, that the contracts, containing no reference to the agreement, which were entered into subsequent to the wage agreement, should be regarded, for the purpose of the resolution, as similarly situated with those entered into prior to the agreement."

C. A. CHRISTOPHERSON,

A. J. HICKEY,

FRED H. DOMINICK,

*Managers on the part of the House.*

The SPEAKER. The question is on agreeing to the conference report.

Mr. LAGUARDIA. Mr. Speaker, I desire to ask the gentleman a question. How can the gentleman justify striking out the House amendment which specifically limited the adjustment of these contracts to those which were entered into before the labor agreement of September, 1917? The gentleman will recall that it was my amendment.

Mr. CHRISTOPHERSON. Mr. Speaker, the reason for that is this: There were certain contracts entered into prior to the wage agreement of September and certain contracts afterwards. This resolution relates only to the contracts that are on the same basis as those entered into before the wage agreement. Certain contracts after the September wage agreement were made upon the same basis as those prior, and did not take into consideration the wage agreement. Mr. McCarl made the statement that the payments involved relate only to contracts which are on the same basis as those made prior to the wage agreement; that those made after the September agreement which took into consideration the wage agreement are not involved; that the settlements made on those contracts were made according to the contracts, and not in accordance with the prior contract.

Mr. LAGUARDIA. Then there is no danger that a contract entered into subsequent to the labor agreement that increased the prices will receive a double benefit?

Mr. CHRISTOPHERSON. No; not according to Mr. McCarl's statement.

Mr. LAGUARDIA. The gentleman is sure of that?

Mr. CHRISTOPHERSON. Yes.

Mr. NEWTON of Minnesota. That only takes care of those where the contracts are identical, regardless of the date.

Mr. CHRISTOPHERSON. Regardless of the date.

Mr. LAGUARDIA. That is satisfactory to me.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. RUTHERFORD, for several days, on account of sickness in family.

To Mr. ALLGOOD, at the request of Mr. HILL of Alabama, on account of important business.

To Mr. McLAUGHLIN of Nebraska, for two days, on account of important business.

#### SPEECH OF HON. S. O. BLAND, OF VIRGINIA

Mr. CONNALLY of Texas. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing therein an address delivered by my colleague, Mr. BLAND of Virginia, upon the occasion of the presentation by the Philippine people of a monument to the late Hon. W. A. Jones, long a member of this body, erected at Warsaw, Va.

The SPEAKER. The gentleman from Texas asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. CONNALLY of Texas. Mr. Speaker, under leave to extend my remarks in the RECORD, which has been granted me, I submit an address by the gentleman from Virginia, Hon. S. O. BLAND, delivered on June 20, 1926, at Warsaw, Va., on the occasion of the presentation by the Philippine people of a mausoleum in memory of the services of Hon. William A. Jones, who until his death in 1918 was a Representative in the Congress of the United States from Virginia.

The address is as follows:



## MONUMENT TO THE LATE W. A. JONES

For more than a quarter of a century, he, at whose tomb to-day we stand, served this district and this people. From 1890, when he was called to serve in the Congress of the United States, to the day of his death, this capable Representative wrought zealously, loyally, and well for the people who had chosen him to be their servant. He was at all times a faithful servant of his people. How well he served is best attested by the length of his service, the excellent record of his achievements, and the complete devotion of his constituents. Mr. Jones had a hold upon their affections that nothing could shake. They knew him; they loved him; they trusted him. They knew that at all times and under all circumstances he could be relied upon to do the right thing, that a superior intelligence would unite with sound judgment, and that his conscience would always be his guide. They knew that right, and not expediency, would be his rule of conduct, and that he would never trim his political sails to catch the passing breeze. They knew that in his political life his course would be determined always by the highest ideals and by the loftiest patriotism. With his constituents no concern ever existed that he would fail to bring righteousness and justice to bear upon the solution of all legislative problems. They gladly heard him and accepted his counsel. Where he went they knew that honor and wisdom pointed the way. Where he led they were glad to follow.

No part of America has produced more eminent men instinct with love of freedom than this narrow neck between the Rappahannock and the Potomac. Here men have thought great thoughts and done great deeds. Here the past is an inspiration and an example. Here devotion to duty, love of country, and heroic service and sacrifice have found their finest expression. Here names high on honor's rolls are household words. Here tradition and fact charm and lure with compelling force and yet with winsome grace. Wherever else political time-servers may exist, here public men must strive to become statesmen in the highest sense of that term, or be recreant to the high ideals and noble sentiments that have made this section immortal. Here, Wakefield and Stratford, the Washingtons and the Lees, are constant reminders that—

"Freedom's battle once begun,  
Bequeathed by bleeding sire to son,  
Though baffled oft, is ever won."

Here had been born the Father of his Country. Here had been reared he who, 150 years ago, in obedience to his native State, boldly submitted, in convention assembled, that these Colonies were, and of right ought to be, free and independent. Here had been nurtured the brilliant diplomat who in 1778 negotiated the treaty with France which assured our independence. Not far away there had been born and lived another great Virginian who, 150 years ago, had first collected in a great charter the fundamentals of a free people. Here had been born the greatest soldier of the English-speaking race who, by heroic service, splendid sacrifice, and glorious life added new luster to the name of Lee, of Virginia, and of your own Northern Neck.

The very air is vibrant with the memory of great events and great names. In such an environment, it is not strange that genius should grow to greatness. Mr. Jones was a true son of patriotic sires. He imbibed from earliest youth the ennobling traditions, the inspiring sentiments, and the lofty idealism of these people of the past. Descended from a line that had helped to mold and make a Nation, he devoted all of his splendid talents and great strength to the cause of freedom. He believed with all his soul that governments are instituted among men deriving their just powers from the consent of the governed. He sought to extend the frontiers of human liberty. He sought to carry to others that freedom which his illustrious ancestors had bequeathed to him. He became the champion of a deserving people in a distant land, and sought to give to them that freedom which worthy sires had given to him. To these distant people he rendered inestimable service. Tired, worn, harassed with pain, whenever opportunity offered he rose superior to physical ailments, and finally his indomitable will and courage won a great victory. It is appropriate that he should be revered by the Philippine people, and they have never omitted an opportunity to show for him their great affection.

Often it is said that peoples soon forget—that republics are ungrateful. Too often in the complexities of modern life, with its engrossing cares, its pressing demands, its present duties, its absorbing responsibilities and its tasks, this is true, but now and then the undying gratitude of an appreciative people finds lasting expression in some definite and tangible form. A great writer has said: "Gratitude is a fruit of great cultivation; you do not find it among a gross people."

It is indeed fitting that in this one hundred and fiftieth year of American independence, when this Nation remembers its Washington, its Jefferson, its Adams, its Hancock, its Marshall, its Henry, its Mason, and its Lees, that the Philippine people, in an enduring way, should remember with love and affection their great benefactor, champion, and friend who carried to them hopes and high resolves similar to those which as a Nation we this year celebrate.

The Philippine people venerate Mr. Jones, and we share in their veneration. The people of this district realize that Mr. Jones added new lustre to their renown, and they regard no tribute too great for him. They will ever feel an abiding love for these far-away people who have bestowed so much love and affection upon their son, and they will watch with pride and sincere affection that people's progress to a high destiny.

Senator Osmena, this handsome memorial will prove a tie that shall ever bind my people close to you and to your people, and as you honor him we loved and were proud to follow, so shall we ever honor you. Our hearts will ever beat in unison with yours.

Too great honor can not be done him at whose tomb to-day we stand. We love you for this, that you love him. We honor you for this, that you honor him. We are not unmindful that could his lips, now closed, speak once again your welfare and your prosperity would be among his first expressions. Carry back to your people the gratitude, the esteem, the good will, the love, and the unwavering confidence of these people who for nearly 28 years gave your benefactor, your champion, and your friend their support, and among whom his memory will ever live, as a statesman of equal rank with the greatest of this Nation, a public servant pure and undefiled, and a man uncorrupted and incorruptible. We are proud to have his name linked with that of your immortal patriot and martyr, Rizal. With you, as with us, the lustre of Mr. Jones's service will grow brighter with the passing years. May I, for this people and for my departed friend, express the hope that health, happiness, prosperity, and the blessings of liberty may rest upon you and your people through all the years that are to come.

## THE LIQUOR PROBLEM AND LAW ENFORCEMENT

Mr. TILLMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. TILLMAN. Mr. Speaker, I want to offer a bit of advice on the liquor problem and on law enforcement with the best of intentions.

The first thing an honest man must do before he aligns himself either for or against any cause is to be posted on that question. In a democracy this is the most fundamental of all duties. Nothing else approaches it. The citizens rule. Uninformed citizens can not rightly decide anything. Misinformed citizens will decide unjustly. We must know the truth if the truth is to make us free. It may seem difficult for each one of us to have a reasonable working knowledge on every important question that affects our national life. It would be easier to just read the sporting page and the comic strips. But this is part of the price we pay for self-government. We do not belong to that group of whom it may be said:

Theirs not to reason why,  
Theirs but to do and die.

We must reason. We can not reason unless we know the facts.

Against prohibition there has been one of the most carefully organized systems of propaganda that has been discovered. In the press, in magazines, in the conversation of many careless speakers one may hear of the failure of prohibition. You have all heard that "we are drinking more than ever." Let us take that for an illustration. How much did "we" drink under the license system? How much did it cost? Do you know that the transportation of the raw materials to breweries and distilleries and the distribution of the beer and whisky to the consumer was one of our most serious traffic problems in the license era? Do you believe such a traffic could be handled clandestinely by bootleggers' autos even if half the police officers were bribed to close their eyes to that close-packed procession of booze-laden machines necessary? Where is the drunkard, once a common sight on your street? Much of the false statements spread by the wets to break down dry morale can be exploded by asking a few simple questions like that.

But the law is being violated. You ought to know how serious those violations are, who is responsible for them, and how to stop them. You are a citizen ruler and your public servants should serve you. Do not live in a fool's paradise. Even the Bible condemns those who "cry peace, peace, when there is no peace." A corrupt and murderous group of outlaws are deliberately assailing our laws. We must know just what they are accomplishing and fight them.

Know your officials. Know the good ones as well as the bad ones. Give praise to the good and prison to the bad. Support the efficient and have the ineffective ones removed. Booze will corrupt government anywhere if allowed free hand. Bind your officials to honest service. Watch your officers and tell the truth about them; but tell the good as well as the bad. Do not



think that unwarranted gossip or second-hand suspicion is telling the truth.

Know the secondary results of prohibition. These are the indicators of its success or failure. Your savings banks, insurance companies, retail trade, home building, all tell a story about prohibition. Just as the butcher knows that John Smith is keeping his pledge because John Smith buys better meat and pays his bills, so our economists know that America is keeping her pledge of the eighteenth amendment because every business indicator tells the story.

Know the full facts thus, not as a silly Pollyanna or as a melancholy crepehanger, but as a citizen who intends that this shall be the land of the free, governed by its citizens, and not by the alien bootlegger.

But do not be satisfied by knowing. Act! You may think you are only one man, but have you ever read that "One man shall chase a thousand and two shall put ten thousand to flight"? One man in earnest can upset the world. It has been done. Even if you are only one man, be one man. But you need not be only one. Others will feel as you do. Unite your efforts with those who are working for the same end. Multiply yourself by union. You will count more as part of a regiment than as one of a mob. Organization means victory. It eliminates wasted effort. It focuses the full expended power on achievement. Join up. Neither be content with negative action. Be as active in telling the good news about prohibition as the wets are in spreading the bad. Fight as hard to get good laws as the wets fight to oppose them. Work for the appointment of dry officials as energetically as do the wets to get catspaws named.

Prohibition is the popular policy of government. It touches you intimately in every department of your life. Your health, your purse, your very life and liberty are involved in the issues bound up in this fight. No one can draft you for this war, but if you do not gladly enlist for God and country, then your desertion from the field will cancel one effective fighter and will aid the enemy just that much.

#### LEAKS IN PROHIBITION DAM

The dam of prohibition keeps out a whole Atlantic of liquor, but it does not keep it all out. No restrictive laws in license days ever won unanimous observance. Prohibition is not the exception to the rule that liquor is essentially lawless. The difference between conditions now and those before the adoption of the eighteenth amendment might be expressed thus: Violations of laws concerning liquor to-day are viewed as a scandal and the guilty are punished. Formerly they were viewed as common phenomena of our national life and were generally ignored.

Some of these leaks have reached large proportions. The Nation early realized that no King Canute could keep back the floods of illicit liquor merely by saying, "Thus far and no farther." The first dike was erected in the Volstead Act. It was not booze proof. No one expected it would be. Behind it were a lot of little pools of whisky and lakes of beer inside the dike. A whole army of busy rats gnawed at the dam and let a trickle through here and a little runnel there. Added together, these puddles and trickles amounted to a fair-sized total, enough to alarm those who realized that both morality and commercial prosperity were threatened by any collapse of prohibition.

Among the sensationally interesting leaks was that known as Rum Row. Always a romantic figure in literature, the smuggler aroused a larger attention than his actual achievements merited. Those achievements, however, were not petty. No one knows how much liquor he landed on our coast. Even admitting that only a small fraction of the stuff sold as "genuine smuggled goods—just off the boat" was really the product of some moonshine still, the Rum Row contribution was one of the serious elements in liquor's lawless activities.

A Coast Guard estimate of the volume of smuggled liquor was given at the hearing on the Coast Guard bill when Rum Row was at its height, when it was stated that direct shipments from Europe amounted to not less than 80,000 cases per month. While a mere bagatelle compared with shipments in license days, this quantity was a challenge to prohibition enforcement. St. Pierre, Miquelon, and the Bahamas made their additional contributions. With such a rift the prohibition dam could not keep the Nation dry. As a result of that exposed the Coast Guard was equipped with modern vessels and Rum Row became a thing of the past.

The moonshiner has been one of the stock characters of our southern novels for a century. The first laws imposing tax on liquor saw the birth of the moonshiner. He provided fire-water for those who desired cheapness and "influence" in their drink, even in license States. No statistics ever tabulated his production, but it was sufficiently serious to annoy taxpaying

distillers with whom he competed. Practically all the arguments used by the enemies of prohibition—especially those based on "personal liberty"—were invented by the old-time moonshiner. Sporadic raids in the mountain moonshine territory merely kept him alert. They hardly seriously touched the situation. No State in the Union was without its illicit stills. The broadest and most liberal liquor laws did not prevent the untaxed manufacture of intoxicants. Practically every penitentiary had inmates who had broken the liquor laws. Frequently they were serving a sentence because of murders committed in resisting the infrequent raids made by officers. Bloody and murderous as the liquor outlaws are to-day, they have been equally bloody and murderous through our history.

The criminal element provided outlet channels for these smuggled and moonshine liquors. Reckless, already at war with law and organized society, they did not newly take up a career of crime but simply transferred their activities from one branch of lawlessness to another. To those might be added those bartenders who found their acquaintance with a drinking public possessed a negotiable value. Many of them had conducted "blind-tigers" or "speakeasies" in the past. These formed the distribution department of illicit liquor.

The leakage from the liquors stored in bonded warehouses added to the bootleg supply in the earlier years of prohibition. Immense quantities were released on permits before enforcement machinery was properly organized. Thefts of confiscated liquor returned some of this to the underground traffic. "Split," with the usual adulterants, thus formed one of the earlier factors in law violations before a careful control of warehoused liquor closed that leak in the dam.

The breweries ran true to form. The lawless activities of the trade exposed in the investigations made by the Senate Judiciary Committee before prohibition, did not cease, but continued under the eighteenth amendment. The permission to make cereal beverages was abused by many. Instead of de-alcoholizing their product, they sold it in many places at full strength and nearly as openly as in license days. Until the revocation of their permits, the imposition of almost confiscatory fines and penalties, and the padlocking of their premises brought this group of rebels to terms, full-strength beer was purchasable in most of the larger centers of the former wet States. In Pennsylvania, New Jersey, and New York City, the bribery and corruption accompanying the brewery lawlessness under prohibition was a public scandal.

The leak in the prohibition dam, caused by the diversion of alcohol, is probably the greatest and the most significant to-day. Treaties with other nations and the reequipment of the Coast Guard have reduced rum row to a small fraction of its former size. Smuggled liquor is becoming comparatively rare in the bootleg markets. The ease of detection of large moonshine still has kept the illicit distillery from producing any very large output. Small and cheap stills in slums and swamps provide trickling rills where once booze flowed in rivers. Both these sources are insignificant when compared with the quantities of alcohol which have been the principal source of the recent supply of illicit intoxicants.

At the hearing on the Cramton bill to centralize the prohibition enforcement activities, it was testified that 6,000,000 gallons of alcohol, supposedly released for legitimate medicinal or industrial purposes had been diverted to bootleg purposes. "Split" with the usual adulterants, this would provide 200,000,000 half-pint flasks of "hooch." Industrial alcohol has an advantage over both smuggled liquor and moonshine. It is cheaper than smuggled goods. It can be delivered openly in the neighborhood of the bootlegger, without the costly clandestine carriage of smuggled liquor.

It leaves less of a trail behind it in clues for the law officers. It is more potable than moonshine. Even when the denaturant has been imperfectly removed it is likely to contain less poisonous elements, or at least less immediately poisonous elements, than moonshine liquor. The redistillation needed to remove the denaturant does not leave waste products like the moonshine mash, whose disposal may arouse suspicion. These, with other factors, have made the diversion of alcohol the critical element in prohibition violations.

Fake medicine manufacturers, conscienceless producers of various commodities into whose manufacture alcohol enters, and brokers who pose as buyers of such products, thus covering the diversion of industrial alcohol which was never used in legitimate manufacture, are three of the significant figures in this diversion. To them might be added the venal physician who sells prescriptions for medicinal liquor and the retail druggist who has become a bartender in all but name. The old-time drug trade had a lofty, ethical standard. It early went on record against the alcoholizing of their profession. New men, many of them formerly connected with the liquor trade in



some States, have entered the drug business and find in alcohol permits sources of easy money. Such men, with the unscrupulous manufacturer who holds an industrial alcohol permit, are the present mainstays of the bootlegger. This breach in the dam of prohibition is the greatest to-day. Unless closed by effective regulation of the alcohol trade, it will cause more scandals than any other single situation in our national public life.

#### WHO IS TO BLAME FOR NONENFORCEMENT?

If prohibition is not enforced, then some one is to blame. Who is responsible? A majority of the American people caused the adoption of this new national policy; a still larger majority has approved the enactment of enforcement laws by both State and Nation. Public enemies of prohibition have been retired to private life by popular vote in the three primaries and three national elections since prohibition went into effect. The attitude of the Nation on the whole question is unmistakably clear and in favor of enforcement. Yet enforcement is not as successful as it either should be or could be. Who is blocking the wheels?

A whole group of men form the chain down which the buck is passed whenever it is sought to fix this responsibility. Each has some part in the blame as a link in the chain of criminality. Nearly every one of the types concerned is an important element in such liquor lawlessness as exists. But just one class are ultimately and essentially to blame. Without that class the others would be as Othello, their "occupation gone."

In the very forefront of the violators stands the man who makes the illicit liquor. If none was made, none would be consumed, naturally. The moonshiner, the redistiller of denatured alcohol, the compounder of strange and potent drinks, bears the burden of public condemnation. He seems to be the source from which spring our prohibition ills. From this unwholesome root grows the tree whose fruit is poisonous. But the guilt of the maker of "hooch," whether he be the moonshiner or the criminal industrial-alcohol user, is not the ultimate criminal who is the "primum mobile" of prohibition's violation.

The smuggler, whether he slips over the Canadian border with his truck load or anchors off the now vanishing rum row with his schooner full of cases, has been one of the stars in the antiprohibition tragedy. His wares were more desirable than those of the moonshiner. Except for the belief that they were smuggled goods, the products of the moonshine still would be generally unsalable. The publicity value and advertising given by rum row has meant much to the liquor outlaws of the country; but not even the smuggler, with all the romantic appeal with which fictionists have falsely vested him, is the indispensable element in lawbreaking.

The rum runner or go-between for the smuggler and bootlegger plays his important part in getting the hooch to the market. Facing peril of arrest, menaced by hijackers, he races through the night at breakneck speed. He is a comparatively minor cog, however, in the bootleg machine.

The bootlegger is generally pictured as the center of this lawless trade. He markets the goods. No matter how much was smuggled, manufactured, or transported, the trade would die if the bootlegger did not act as retailer. Against his illegal sale more laws, probably, have been adopted under various phases of liquor control or of prohibition, than against any other single type. And yet, not even the bootlegger is the "sine qua non" of the traffic in hooch.

Official corruption is not the large factor it was earlier in the enforcement of prohibition. Many officers who were blind when this would suit the liquor forces' convenience have been retired. The careless, inefficient, or indifferent officer is being speeded up or faces the peril of dismissal. The officer with the itching palm is too rare to-day to be seriously considered among the important forces in liquor lawbreaking.

Chimical manufacturers who divert industrial alcohol to beverage use are probably among the chief sources of supply for the illicit trade. Their contribution amounts to millions of gallons of hooch yearly. Manufacturers of extracts who use formulas which do not make their product unsuitable for beverage use have thus provided themselves with a lawless clientele. The fake medicine compounder, who introduces into the violation of national prohibition the alcoholic preparations with which he once flooded the dry States from some wet center is adding his portion to the country's wetness. Each of these plays his own part, more or less significant, but their guilt is only relative. Another type of man is ultimately more responsible than these.

The cynic, who sneers at every moral movement; the skeptic who doubts the value of all reform; the shallow jester who would mock at the most sacred things to raise a laugh; the vaudevillian who seeks the easy laughter from a gibe at pro-

hibition; these encourage lawlessness, weaken the morale of many, and aid in creation of an atmosphere favorable to the liquor criminal. They are not stars but only supers in the play, however.

The wet press, with its distortion of truth, its suppression of the news about prohibition, its emphasis on the weaknesses rather than the strength of enforcement, and its sensational exploitation of antiprohibition propaganda, has linked itself in the same chain with the other abettors of liquor lawlessness. The influence of the wet press is far less than many feared. Its endorsement has defeated more than one candidate. In spite of its opposition, prohibition has steadily gained ground. It neither leads nor represents public opinion, generally. It is not one of the primary factors in lawlessness but it is one of the minor ones.

The scowlaw, for whom a special term was fashioned, belongs to the larger class from which the special type is drawn upon whom falls the ultimate responsibility for the failures of prohibition. Whether he drinks liquors stored before prohibition or buys bootleg booze, the man who puts his personal prejudices, his habits, his class customs, or his appetites above the law is fomenting anarchy. The idle rich and the I. W. W. are at one in their contempt for law which prevents them from getting what they want. All scowlaws are to blame for disrespect for law and contempt of orderly government.

The man who drinks the liquor is the one scowlaw who can not shift any part of his responsibility for violation of the law. The moonshiner, smuggler, rum runner, bootlegger, and all the rest of the lawless horde who enter into the manufacture or distribution of liquor are the servants of the man who drinks. He dissolves the pearl of freedom in a bottle of hooch. He treats the Constitution of the United States as a scrap of paper. The voice of the majority means nothing when his thirst opposes. Because of the market he creates and the profit he makes possible, industry faces handicaps, mercantile business feels the current of diverted capital, death rates mount, charity funds are impoverished, jails, asylums, and poorhouses filled.

The man who drinks is the direct cause of the piracy, murder, political corruption, and the scores of other crimes committed by those who purvey his liquor.

Judas Iscariot got 30 pieces of silver for his betrayal. The man who drinks gets nothing but the drink.

#### WHAT ABOUT THE OLD SOAK?

The Old Soak is the skeleton in the liquor closet. The finished product of the liquor traffic, he was never advertised by the friends of the business. The result of years of careful cultivation by brewers and bartenders, he was bitterly rejected by those to whom he might say, "You made me what I am to-day."

The Old Soak came from every class and condition of American life. Generally he came from the most social, friendly, and good-tempered element in our society. Because he was "hail fellow, well met," he found the booze trail was a primrose path of dalliance. Don Marquis in his play, "The Old Soak," has drawn the character with photographic accuracy. Kindly, cordial, witty, and gifted more than the average, the Clem Hawleys of actual life are fitted to become leaders of men. But they had the defects of their qualities. Booze got them, and they became "Old Soaks," suspected and distrusted even by their own families, too weak to resist temptation, too shallow to respond to life's challenges—mere ashes of what might have been.

The bums who thronged the old-time missions, the tramps who once dwelt in the jungle across the railroad tracks, the gay-cat and yegg, the utterly submerged groups who made up the "gaugers" who rolled the emptied beer barrels at freight stations in the hope of getting something with a kick in it—these are Clem Hawleys a stage lower in their descent.

No man ever started out with the ambition of being an Old Soak. He merely wanted a little excitement, a drink now and then. He wanted to see life. Too late he found himself seeing death instead. He wanted happiness and laughter and social joys. Instead, booze gave him sorrow and tears and condemned him to the society of outcasts.

It is hard to save the Old Soak. Booze has eaten out his backbone. When prohibition arrived there were 275 so-called "cures" which were trying to extract the alcohol from the Old Soak's system. Many of their patrons were recidivists. They were "repeaters." Some of them had been "cured" many times. There are only 27 of those institutions left to-day, and most of these keep their doors open only because they now major in some other treatments and conduct their "drink-cure" operations as a side issue.



The preprohibition hospitals had delirium-tremens wards for the Old Soak. Some of these were famous, as the psychopathic wards of Bellevue. They were crowded in the old days. To-day a case of true delirium tremens is comparatively infrequent.

The insane asylums knew the Old Soak. He complicated their problems. Some States tried to solve the puzzle presented by the alcoholic insane by establishing separate institutions for their care. Noteworthy among these States was Connecticut, with its fine institution at Norwich. The arrival of prohibition about the time the Norwich institution opened for what promised to be a big business put the new hospital practically out of business. There was such a decrease in alcoholic insanity that the State turned the institution into a hospital for mental disease, and only a rare alcoholic is treated there.

The decrease in alcoholic psychoses since prohibition is about two-thirds, with the foreign born or their children furnishing five times the ratio of native-born patients. The taint of alcohol from a beer-drinking or wine-drinking ancestry has its part in this ratio.

The Old Soak was the mainstay of the old bread line, which vanished with prohibition. He kept the Salvation Army busy caring for him and his family. He figured unseen in the tax lists to support the army of criminals, wastrels, insane, unemployed, and other flotsam on the sea of human life.

Prohibition can not save many of the Old Soaks. The licensed sale of liquor marred them too deeply. Like slaves who dread freedom, many of them hug their bonds and cherish their own degradation. Prohibition is halting the manufacture of more Old Soaks. Instead of providing an army of novice drinkers yearly, to-day we are training an army of abstainers.

Youth takes its occasional drink to-day in the spirit of adventure. It is theatrical about it. It wants to seem sophisticated. But it does not enjoy the taste nor the cost of the bootlegger's product. Besides, modern youth has so many interesting things to do that drinking is dull and stupid work. The radio, the auto, speed boat, airplane, athletics, and a host of really thrilling things are the playthings of modern youth. It has laid aside the bottle from which it has been weaned.

The Old Soak is often one of the strongest supporters of the prohibition cause. He is perfectly willing to be the last of his line. He knows the terrible cost of the liquor habit. He wishes the future generations to be free men and women. The brewer, distiller, and saloonist, and the owner of stocks in these enterprises may want to see beer and booze return. It would mean billions of dollars profit to them. But the Old Soak's face is set against this. His vote and his influence back the dry cause again and again. He can not break his own bonds but he wants to save others. Reverently one remembers a phrase from an ancient Book:

He saves others; himself He can not save.

The causes of liquor lawlessness are deep-seated and hard to eradicate. They are the fruit of the liquor traffic which we encouraged through 30 years of license. In that time we developed a host of liquor addicts, who were enslaved to drink. These toiled and died that the liquor barons might be rich. Multitudes of these are still in the chains of this habit. Many of them are trying to break their chains. When the eighteenth amendment was proposed, these victims of the drink traffic threw their strength to the movement which promised them release from a degrading bondage. Prohibition was not won by total abstainers alone but by the aid, as well, of men who found the temptation of the swinging door of the saloon more than they could resist. The terrible strength of the abnormal appetite for drink can not be shaken off in a day or in a year. Even as some of these fight to dethrone the tyrant alcohol, they fall a victim to its power. Let us cheer and not sneer as these men gallantly seek to save the coming generations from the power that has dishonored them. They may fall seventy times seven times but they arise, their faces to the foe, still fighting. They are living illustrations of the menace of the liquor traffic and its power to conquer men.

Too easily we forget the dangers of the days when drink was dominant. We need more widespread education on the dangers of alcohol. We must resume the teaching which we interrupted when the eighteenth amendment was adopted. Too many assumed that the fight was over. We must continue moral suasion. By pledge signing we must enlist a continued army of new recruits for this fight. In this work the Sunday school, with its religious and moral message to youth in the formative years of life, must lead.

We can trace the sordid trail of liquor not alone in the wrecked lives of individuals but in its effect upon the health of our political body. Public officials, schooled in the corrupt

ways of liquor politics, are to-day hamstringing enforcement. When we read the tale of political corruption that has marked the liquor traffic we may well wonder at the success we have achieved in overthrowing this evil. From the city of New York we took the testimony that proved the boycotting, subsidizing, and corrupt activities of the brewers. The system which plotted these things is not yet dead. Like the proverbial snake, we have scotched, not killed it. Its head has been crushed, but its tail still wags; and oftentimes the tail and not the head controls a party's action. Four years are too short a time to cleanse the Augean stables of our public life of the slime accumulated through a century.

As citizens we must act through our primaries to secure the choice of men loyal to the Constitution. On election days we must vote; not after party lines but after principles. In every Sunday school and church we must display an honor roll, where a silver star tells of a citizen who has registered and a gold star tells of a citizen who voted. So long as half of those entitled to vote are stay at homes the church is slacking in its duty.

We must learn to vote intelligently and effectively. We can not blindly cast a party ticket with a partisan loyalty which gives our ballot to a crook. That is crooked politics. The higher patriotism means a vote for the right man with the right ideals, regardless of the party label. When the decent citizens of the Nation do that, then civic rottenness will be a memory only.

So long as prohibition was a moot question, unwritten in the law, many law abiding opposed it. It was debatable then. But when this social policy was written in the law, it was not open to debate. Then such men saw that the Nation faced one single problem: Can we enforce the law?

If once we admit that the law can not be enforced, any law, then we have admitted our bankruptcy. The law is the Nation's will. If we can not enforce that will, we are paralytic. The President of the United States, in his address to the governors' conference, October, 1923, said:

A government which does not enforce its laws is unworthy of the name of a government and can not hold either the support of its own citizens or the respect of the informed opinion of the world.

If the American people do not want a law, repeal is easy. There are legal methods of expressing opposition to any statute and of amending or repealing it. Laws are neither made nor repealed by minorities. Only a majority can write its will on the statute books. Those who assert that prohibition or any other law was "put over" by a minority are ignorant of our governmental system or else try to dupe their hearers. Behind the ratification of the eighteenth amendment was the overwhelming majority of the American people. Behind the enforcement of that amendment to-day there is a still greater body of sentiment. Opposed is a small but very vocal minority, moved by appetite in part; in greed for profit, in part; and by sentimentalism, in part.

The criminal liquor element, which has broken every law that ever tried to restrain it, has found it easy and profitable to break this law in many portions of the Nation. The weak and the vicious have been their customers. They have organized their criminal activities as no other criminal group has ever done. They reveal to us the volcanic underworld on which civilization is seated. Prohibition no more caused this criminality than any other law. But the national attention given to prohibition revealed the peril of the lawless element in our social life.

Against this lawless element the Nation is called upon to act, not that prohibition may continue, but that democracy and the right of the majority to rule may continue. The challenge has been thrown down. It can not be ignored. We must choose between allowing a constitutional measure to become a dead letter, repealing it, or enforcing it. The first two alternatives are ignominious confessions of defeat. To adopt either would admit that the criminals are our rulers. Either of these courses would pour oil on the flames of lawlessness. If one law must be repealed or ignored because outlaws organize against it, then no laws are safe. Civilization is the reign of law. Without laws, enforced impartially and earnestly, we have anarchy. Every human right for which this country has stood through her three centuries of magnificent history is at stake to-day in this contest between crime and law.

A mouse can scare an elephant. But no mouse can lick an elephant. The American Republic will not be terrified by the rodent tribe of parasites who threaten it to-day. Once public sentiment is really aroused, it will sweep onto the rubbish heap these enemies of organized Government. The problem, however, is to arouse that public sentiment. Honest, law-abiding men



and women do not willingly believe that they have in their neighborhood these social menaces nor can they credit the depravity of the liquor interests.

#### EFFICIENCY OF OUR AIR SERVICE

Mr. HILL of Alabama. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record.

The SPEAKER. Is there objection?

There was no objection.

Mr. HILL of Alabama. Mr. Speaker, it is evident that the pending conference report will be adopted by this House with practical unanimity. The reasons for its adoption have been so fully and ably presented to the House by the distinguished gentlemen who have preceded me that I shall not detain the House with a reiteration of those reasons. I do wish to bring to the attention of the House the fact that when the bill passed the Senate it had been so mutilated and was so weakened by that mutilation that it could be scarcely recognized, and yet our conferees bring it to us to-day just as good and to all intents and purposes the same as when it passed this House. Our conferees won every point in conference, and I feel that they merit the congratulations of the House. Particularly do I believe that credit is due to the able, the energetic, the tireless, the courageous chairman of the House conferees, the gentleman from Michigan [Mr. JAMES], who is also acting chairman of the Military Affairs Committee. Nothing in this bill will do so much to encourage aviation in this country as will the provisions of what is known as amendment No. 30.

This amendment deals with the procurement of aircraft and aircraft material and has been ably explained by the gentleman from South Carolina [Mr. McSWAIN]. It should be known as the McSwain amendment. It is practically word for word the same as the McSwain bill. This bill, bearing the name of the gentleman from South Carolina, was favorably reported several weeks ago by the Military Affairs Committee. Some months ago the distinguished gentleman from South Carolina began an exhaustive study of the subject matter of the bill. With that patient toil, unremitting labor, and vigilant research which ever characterizes his work, he set himself to the task of bringing forth such a bill. It was largely due to his efforts that a joint committee, composed of members from the Military Affairs Committee and the Naval Affairs Committee, was created and in the face of powerful opposition agreed upon the bill. As a tribute to him and in appreciation of his magnificent work the Military Affairs Committee reported the bill to the House bearing his name. Seldom it is that a bill of its significance and importance bearing the name of a member of the minority party is reported to this House by a committee, no matter which party may be the majority or which party may be the minority. The Military Affairs Committee has given this special recognition to the fine patriotism and devoted service of the gentleman from South Carolina and in honoring him it has honored the worthy Representative of a great Commonwealth and a great people.

#### STATEMENT OF MR. LEHLBACH WITH RESPECT TO CONFERENCE ON RETIREMENT BILL

Mr. LEHLBACH. Mr. Speaker, I ask unanimous consent to extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. LEHLBACH. Mr. Speaker, on April 5, 1926, the Committee on the Civil Service reported H. R. 7, to amend the retirement act. On April 16, 1926, the Committee on the Civil Service of the Senate reported S. 786, substantially the identical bill. The report of the House committee was adopted by the Senate committee as its own.

The Bureau of the Budget made an examination of these bills, and it developed that their provisions would increase the cost of the retirement system to the Government about \$17,000,000 annually, assuming the Government liability to be met in 30 equal annual payments. This method of amortization has been uniformly used in all the estimates.

The Director of the Budget reported to the President that such amendment of the retirement system at the present time would be contrary to the budgetary requirements of the Government. He subsequently submitted to the President a modified draft of the bills on the Senate and House calendar which limited the annuities to a maximum of \$1,000, and reduced the percentage of contributions by the employees from 4 per cent, carried in the reported bills, to 3½ per cent. This bill did not increase the cost of the retirement system to the Government, and hence was within Budget limits. It was known that the President had no objection to the passage of such a bill.

The leadership of the House, set up by the majority and reflecting the purposes of the majority, have consistently cooperated with the administration in keeping legislation requiring substantial expenditures within Budget limits. With this policy I am in hearty accord.

For some time there has been an undercurrent of criticism and disapproval of the retirement system as it exists at present. There is apparently no way of ascertaining definitely what it is costing the Government and what it will cost the Government in the future. There is great apprehension that the present policy of paying annuitants with the contributions of the active employees will pyramid liabilities, which inevitably must be met by the Government, to stupendous proportions. No suggestions have been considered as to when and in what manner the Government should amortize this accrued and accruing liability. Complaints have been heard that the system resulted in inequities as between classes of employees. It became more apparent that an exhaustive study of the retirement problem should be made and a thorough revision undertaken. This view is held by substantially everyone who is in contact with the retirement system. A resolution to that effect has been introduced.

In view of this fact and in view of Budget requirements, those in control of legislation in the House deemed it inadvisable to give by special rule a privileged status to the bill on the calendar. Without such action it was apparent that the bill could not be reached in the ordinary course of business during this session of Congress.

The Committee on the Civil Service of the House deemed it extremely desirable that some legislation increasing the annuities of those retired or about to retire be enacted at this session instead of waiting for the survey and revision that was planned. Accordingly, the bill was recommitted to the committee and reported out in the form the Director of the Budget had recommended it to the President. After extensive consultations it was agreed that the Speaker recognize me to suspend the rules and pass the bill in return for my unqualified assurance that I would use every parliamentary means so to control any situation in which the bill might find itself that the Budget limitations would not be exceeded. Without this arrangement there was no possibility of legislation this session. The arrangement was known and approved by the majority membership of the House generally, and was known and approved by all who purported to be spokesmen for the various groups of employees. In order that there might be no misunderstanding or want of complete information as to the attitude of the House, I outlined it clearly and emphatically in my remarks on the floor when the bill passed.

The Senate substituted for the House bill the provisions of the bills earlier reported. The managers of the Senate have insisted on some modification of the House bill that would substantially enhance the cost of the retirement system to the Government. To this, in view of the attitude of the House and of the assurances I had given, the House conferees could not agree.

#### WHAT THE REPUBLICAN PARTY HAS DONE FOR THE WEST

Mr. COLTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record by printing therein an address which I delivered over the radio a few days ago.

The SPEAKER. Is there objection?

There was no objection.

Mr. COLTON. Mr. Speaker, under leave granted me to extend my remarks I submit some remarks broadcast by me over the radio here in Washington on June 2, 1926, as follows:

Keeping in mind the doctrine of the greatest good to the greatest number, that government is best which governs least. A wise man once said: "Teach the people correct principles and they will govern themselves." By the same logic, that political party which embodies in its philosophy the principles of greatest individual freedom will naturally bring to the government it leads the greatest amount of liberty with all its accompanying blessings.

The Republican Party early in its history recognized that home building is the basic unit of all true civilization. Good homes produce a great nation. Soon after the birth of that great party a law was passed, signed by the immortal Lincoln, which has probably done more toward the building of the great West than any other one measure. I refer to the "homestead law," which has made it possible for a pioneer settler who pushed out beyond the frontier civilization to claim as his reward a piece of land which he could call home. The National Government at one time or another has owned more than 1,400,000,000 acres of land. The Government had always been liberal in passing title to its public lands, but it was not until 1862 and after bitter opposition that a definite policy of homesteading and consequently home building was adopted.



Ever since the day of the signing of the law the great country lying in the arid and semiarid sections of the United States has been engaged in fulfilling its manifest destiny of building good homes. And as good homes produce great people, so the West is now producing and will continue to produce great men and women. A contented home owner with his family around him is the Nation's best asset.

As the late Henry Grady eloquently said, "A citizen standing in the doorway of his home, contented on his own threshold, his family gathered about him, while the evening of a well-spent day closes in scenes that are dearest—he shall save the Republic when the drum tap is futile and the barracks are deserted."

If the party of which I speak to-night had given to this country no other law than the measure which made it possible for men to secure title to a tract of land on which they could earn a livelihood for their wives and families, it has justified its organization. Manhood in the West, with all that word means in its broadest sense, is inseparably connected with the result achieved in the passage of the homestead law. Hon. G. A. Grow, who did so much for its passage, speaking in the House of Representatives in 1852, said, "In a new country the first and most important labor, as it is the most difficult to be performed, is to subdue the forest and convert the lair of the wild beast into a home for civilized man. This is the labor of the pioneer settler. His achievements, if not equally brilliant with those of the plumed warrior, are equally if not more lasting. His life, if not at times exposed to so great a hazard, is still one of equal danger and death. It is a life of toil and adventure, spent upon one continued battle field, unlike that, however, on which martial hosts contend—for there the struggle is short and expected, and the victim strikes not alone while the highest meed of ambition crowns the victor. Not so with your hardy pioneer.

"He is oft called upon to meet death in a struggle with fearful odds, while no herald will tell the world of the unequal combat. Startled at the midnight hour by the war hoop, he wakes from his dreams to behold his cottage in flames; the sharer of joys and sorrows, with perhaps a tender infant, hurled with rude hands to the distant council fire. Still he presses on into the wilderness, snatching new areas from the wild beast, and bequeathing them, as a legacy, to civilized man."

History reveals that civilization had its birth in the cultivation of the soil. The home was established and became and has remained, the basic unit of our civilization. The foundations of progress and happiness were laid in the home.

Unfortunately history has dealt almost entirely with kings and rulers. Wars and difficulties between men and races have claimed the attention of the writers of the past. The plain people have been left in obscurity. And yet from that class have come most of our great characters. The story of the struggle of the race for better homes and true progress can only be imagined from the experiences that have come to us in our own pioneer struggles.

It was granted to the American people to lay the foundations of our national life in a new continent. Our life has been one of vigor and effort without which the manlier and better virtues can not be developed. The civilization we have developed is at once the marvel and, I may say, envy of the world. The success we have had in the past and which we confidently believe will be ours in the future should awaken within us a realization of the responsibility which is ours; and a fixed determination that under a free government a mighty people can thrive best when proper regard is given for the things of the body and the things of the soul. Only home-loving people can be depended upon to do this.

We talk much of our foreign problems, of our tax, and other financial problems, but the greatest problem for this or any other nation is that of the home. Our relations among ourselves is more important than our relations with other powers. We face perils which threaten the very existence of our national life. If our institutions are to endure, we must preserve our ideals of home.

The men and women who own their own homes, and therefore, to a large extent the people who till the soil, have hitherto made the foundation of lasting national life in every State of the Union. If the foundation becomes weak the whole superstructure is in danger of falling. Above any question of industrial life is the question of how our family life is being conducted. No wealth or splendor of material growth will make a people great unless their home life is healthy. Only those who appreciate home can realize what the homestead law has meant to the West.

When the hardy pioneers of the great arid country planted their first crops they found fertile lands, but insufficient rainfall to mature their crops. With the ingenuity characteristic of the Anglo-Saxon race they set about to give to the growing crops the needed moisture. I have the honor to come from a State which is the birthplace of irrigation among the Anglo-Saxon people. The pioneers of my State and of others of the West, however, soon found the late flow of the streams insufficient to provide and sustain the rapidly growing communities of that great section. Exhausting their own resources in supplying water they turned to the Government for help.

In 1902 the Government of the United States, under that great leader, Theodore Roosevelt, undertook to solve the problem of bringing, in a large measure, our two greatest natural resources together, namely, land and water. Roosevelt preached the doctrine that the reclamation and settlement of the arid lands would enrich every portion of our country. His was not a narrow vision. Instead of believing that the reclamation of arid lands would overstimulate production he saw that it would stimulate industrial production. His philosophy has proven to be correct. The products of irrigated lands are consumed chiefly in upbuilding local centers of mining and other industries and insures a variety of production, instead of an overproduction.

Since the organization of the Bureau of Reclamation in 1902 and the passage of the first reclamation act 24 projects, covering 3,000,000 acres, are under construction or operation, and the major works are aiding in serving an additional 1,100,000 acres under private canals that generally get stored water from the Government reservoirs. The money for this work has come chiefly from the sale of and royalties from the public lands in the very States wherein it is being used. More than 480,000 persons are living on farms irrigated as a result of the work of the Bureau of Reclamation. Towns and cities which furnish a market for the industrial centers of the East have sprung up as if by magic. Almost untold wealth has been added to the United States by reason of the great movement to reclaim the arid lands.

President Harding said, "The Federal Government has expended approximately \$1,130,610,000 on river and harbor improvement. For the sums spent on harbors we have most beneficent results. The millions expended on inland waterways, on rivers, and canals have brought small returns because we have put them to no practical use." Not so with the \$126,000,000 of public land moneys spent in reclamation. In addition to the millions of dollars of property added to the tax rolls the total crop value alone last year amounted to \$77,608,880.

The great policy of conservation is inseparably linked with reclamation. Both of these policies were fostered and became grand realities under the matchless leadership of President Roosevelt. The guarding and protecting of our mountain forest lands, the preventing of overgrazing, and the consequent destructive erosion have not only protected the water supply but also have prevented the silting of our reservoirs.

Just as the Eastern States have their lakes, so the great dams; the Roosevelt, the Elephant Butte, the Pathfinder, the Arrow Rock, and now the Coolidge and others have created, and will create, a system of great lakes in the midst of the deserts of the West. With the erection of these dams has come the development of great power to be used in other industries.

We of the West are now looking forward with fond anticipation to the Government aiding us in the control and development of the Colorado River. It will enable us to reclaim our lands and at the same time give us the power for one of the greatest industrial centers of the world. This work will be but a continuation of the policy of conservation and reclamation.

By reason of the limited market for the people of the West and because of the limited transportation facilities it became necessary to get some means of linking the East and West together. Under the wise policies of the Republican Party it was made possible to build great transcontinental railways across the United States. And during the last few years we have been engaged in building great highway systems in all parts of the country. These roads now make it possible for all of the people to enjoy the wonderful scenic beauties of these United States.

The people who pushed out into the sections remote from water transportation early recognized and followed the doctrine of encouraging home industry. The money must be kept at home if the people are to prosper. That country with its boundless natural resources, unmeasured as it was in the diversity of its opportunities, found itself unable to engage in industries that were not protected from the cheap markets of the world. We could produce our wool only when we were not compelled to compete with the cheap labor of Australia and South America. These industries were vital to our existence. The Government has created the artificial stimulus which has enabled us to live. Without protection these great industries would have perished.

Great bodies of ore lie deep in our mountains, but we can only produce our lead when there is a tariff levied on foreign-produced lead equaling the difference between the cost of production at home and abroad. In Utah alone the production of lead annually is valued at approximately \$75,000,000. The Republican Party gave the West this needed protection.

Potash, so vital to the great industry of agriculture, lies in untold quantities within the borders of my own State. We can not develop it while Germany is permitted to stifle the industry in its infancy. We are hopeful that the principle of protection will be extended to this mineral, and another achievement will thereby be added to the long list of the party of progress.

Beet-sugar factories have sprung into existence in nearly every Western State. Thousands of home builders have been made pros-



perous and happy through the raising of sugar beets. Do you think we could raise over a million tons of sugar beets in this country without a protective tariff? Surely, no one believes that.

It is estimated that the total investment for the production of beet sugar reaches nearly one-half billion dollars. Practically one-half of this amount would be wiped out of existence if the industry failed. It can not live without a protective tariff.

Beet-sugar production is essentially an agricultural industry. Eighty per cent of the people employed and 50 per cent of the capital invested are in agricultural processes. "Sugar beets are now almost universally purchased upon a sliding price scale based upon the market price of refined sugar." It will, therefore, be seen that the price of sugar is reflected in the price paid to the farmer for sugar beets.

There are beet-sugar factories in 17 States of the Union. The farm value of the sugar-beet crop was \$53,000,000, or over \$63 per acre, a high production compared with other farm crops. Over \$10,000,000 was paid in wages to the employees of beet-sugar factories. The average annual value of imports of sugar beets was only about \$100,000 during the five-year period 1920-1924, while the average annual value of imports of sugar was about \$411,000,000.

The fortunes of hundreds of thousands of American citizens and taxpayers are dependent upon the beet-sugar industry in this country. In 1925 there were approximately 50,000 farmers growing sugar beets in the United States. Assuming an average family of 5 persons, this makes 250,000 persons directly dependent to a greater or less extent on the sugar-beet industry. The contract beet laborers and other hired farm beet laborers may amount to probably 150,000 more persons whose food, clothing, and shelter are dependent upon the maintenance of the beet-sugar industry. There were between 23,000 and 24,000 persons engaged in the beet-sugar factories. Counting 5 persons to the family, this amounts to 117,500 persons.

There are approximately 500,000 persons directly involved in this great industry, not counting the many thousands of other persons in towns and cities and other industries that are more or less dependent upon the beet-sugar industry.

In 1925 the quantity of sugar imported into the United States amounted to 8,865,190,000 pounds, of which 1,006,641,359 pounds were free and 7,859,147,841 pounds were dutiable. The value of the imported sugar was \$244,247,932 of which amount \$201,236,175 was for dutiable imports. The amount of duty paid on sugar was \$138,810,830, which is the equivalent of an ad valorem rate on sugar of 68.58 per cent. The total duty collected on all imports of all merchandise in 1925 amounted to \$551,852,989. The amount of the duties collected on imported sugar is therefore 25.008 per cent of the total amount of duty collected on all imports. The sugar duty is the most important source of income to the United States Treasury from customs duties. It is apparent that this importation of sugar being almost entirely from Cuba greatly affects the sugar markets of the United States, and thereby the profits of the beet farmers and the beet-sugar manufacturers.

It has been estimated that a group of American financiers connected with Wall Street, New York City, own and otherwise control from 60 to 80 per cent of the total production of sugar in Cuba, and therefore, through regulation of supply and prices, exercise an unusual control of prices. They in reality are in such a strong position as to almost make the price of sugar. With such monopolistic tendencies in the control of imported sugar it is very doubtful whether in the long run American consumers of sugar would get sugar as cheap if the tariff were removed and the domestic industry put out of business as they do at the present time with the domestic industry acting as a check to the monopolistic control of the sugar market by the Cuban sugar interests. This control has been manifest by the Cuban sugar interests in 1920 and to a less extent in 1923, and may be expected to be made manifest at any time in the future when opportunity arises.

We hear much said these days about the high tariff. Reports of the United States Department of Commerce, Foreign Commerce and Navigation, 1924-25, show that the average ad valorem rates on dutiable imports were higher in the five-year period, 1910-1914, than were the average ad valorem rates on dutiable imports in any year since the passage of the Fordney-McCumber Act of 1922. The average ad valorem rate on dutiable imports for consumption for the five years, 1910-1914, was 40.15 per cent, while the average rates on dutiable imports for consumption, 1922, were 38.07 per cent; in 1923, 36.17 per cent; in 1924, 36.54 per cent; in 1925, 36.22 per cent.

The average ad valorem rates on total imports for consumption, whether the products were dutiable or free, was for the five-year average, 1910-1914, 18.33 per cent, while the average for 1922 was 14.68 per cent; in 1923, 19.18 per cent; in 1924, 14.89 per cent; in 1925, 13.70 per cent.

These percentages may be compared with the following percentages of ad valorem maintaining in the five years 1915-1919 and in the two calendar years 1920-21. The average ad valorem rates on dutiable imports for consumption, whether on the dutiable or free list, was for the five-year period, 1915-1919, 8.08 per cent; for the calendar year 1920, 6.38 per cent; and for 1921, 11.44 per cent.

Attention is called to the fact also that in 1925 there was a higher percentage of free imports than any other single year given, being only exceeded by the 1915-1919 average. This is a period in which the Underwood Tariff Act was in operation and the World War period. In 1925, 62.7 per cent entered free of duty and 30.69 per cent were dutiable. It must be remembered that although some of the specific rates in the Fordney-McCumber Act appeared at the time to be high because they exceeded the actual amounts the specific rates levied in previous tariff acts, the relatively high prices that have prevailed throughout the world since the war have made the duties in actual operation under the Fordney-McCumber Act relatively low even in comparison with the rates in the tariff act of 1909. The charge, therefore, that the rates of duty in the Fordney-McCumber Act are in general excessive or unusually high is not true, as shown by the facts here presented.

In the year 1925 the total domestic imports of merchandise amounted to \$4,228,000,000, while the total value of merchandise exported amounted to \$4,818,000,000. The excess of exports over imports, therefore, is \$590,000,000. Both the imports and exports of the United States have steadily increased under the Fordney-McCumber Tariff Act. This shows that not only have the American industries prospered at home but our international trade has increased greatly, and we have taken a constantly increasing volume of imported merchandise. The United States is very liberal with foreign countries in questions of tariff, for it has taken two-thirds of all imports into the country free of duty and has also taken them in continually increasing volume.

The homesteaders, both on the public domain and the reclamation projects, are there because of the Republican Party. The stock raiser has been able to increase his flocks and herds and thereby add to his wealth because meats and wool have received protection. Great mining centers have sprung up, beet-sugar factories flourish in 17 States that would perish and decay were it not for the great protective tariff. I might mention every agricultural product. We have received from 12 to 25 cents more per bushel for our wheat than Canada because of our tariff.

I have had time to-night only to mention a few of the great industries which flourish because of the wise policies of the great party of progress, but these will be sufficient to show what that party means to the West.

Happy, contented homes are the bulwark of any nation. Under the beneficent policies of the Republican Party it has been possible to build in the West the best homes in the world. We will continue to aid in establishing good homes and in bringing prosperity, happiness, and, above all, in producing in our beloved country an enriched and splendid manhood well fitted for the leadership of the world.

#### THE MERCHANT MARINE

Mr. CHRISTOPHERSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing therein an address delivered by William S. Hill, commissioner of the Shipping Board, in the city of Minneapolis, which deals with shipping, rates, and agricultural conditions.

The SPEAKER. The gentleman from South Dakota asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. CHRISTOPHERSON. Mr. Speaker, under leave granted I extend my remarks by printing a speech of Hon. William S. Hill, commissioner of the United States Shipping Board, delivered before the Traffic Club of Minneapolis, Minn., on the subject of the American Merchant Marine and its important relation to agriculture.

SPEECH OF WILLIAM S. HILL, COMMISSIONER UNITED STATES SHIPPING BOARD BEFORE THE MINNEAPOLIS TRAFFIC CLUB, MINNEAPOLIS, MINN., JANUARY 15, 1926

#### THE MERCHANT MARINE

It is with pleasure that I appear before this body of men to talk to you about the American merchant marine. This is an age of specialization. No more can individuals live unto themselves and be prosperous and happy. A man creates some one thing needed by people at large or renders some peculiar service, either of which absorbs his time and energy, and is to him a business and a livelihood. The life of communities and of nations is the composite of the life of individuals and works out along similar plans.

To-day no nation can be independent of every other nation. Nations are becoming specialists. We will not argue which is the cause and which is the effect, but along with this specialization has gone a development and extension of transportation facilities all over the world.

No people have shown greater activity in this direction than have the people of this mid-western continent. Our great railroad systems form a network throughout this inland valley. We are connected up with the railroads that reach the seaboard ports of our country. And then we are done. Here our interest ceases. We lapse into an attitude of mind that tends to isolate us much to our own detriment.

This great inland valley is the largest food-producing section in the world. During our own Civil War, and during the generation that fought this war, agricultural development spread throughout this valley as if by the wave of a magic wand. This development is superficial; nevertheless we have always produced more foodstuff than we ourselves could consume. Our surplus we have sold in the central markets of our region, taken without question prices fixed in the world markets, and then promptly ceased to have any interest in the matter.

We are ten to fifteen hundred miles from the Atlantic seaboard. Up to the time of the Great War it was almost exclusively at the ports of this seaboard that our surplus was carried by our railroads. Here we ceased to be a self-sustaining Nation and were dependent on the shipping of foreign countries to transport our surplus into the world markets. But we people refused to have any interest in a transportation problem which was fifteen hundred miles away from us.

We have been keenly interested in railroad freight rates, but we have known nothing and cared nothing about ocean freight rates. This ignorance and indifference have cost the mid-western people many dollars. In this immediate region we are more interested in wheat perhaps than in any other one surplus product. And on no other product have we lost so much in ocean freight rates. In general, these rates are fixed by conferences, but grain rates are not thus fixed.

When we sell our wheat in a mid-west market center we are supposed to receive the world-market price minus the arbitrarily assumed freight charges from that center to Liverpool. This is all right from the market center to the seaboard. But in ocean shipping grain is good ballast. Very often a ship operator will cut his freight charges on wheat to a merely nominal value in order to obtain necessary ballast. But none of this cut comes back to us people of the interior. It has made fortunes for wheat speculators who have known about and understood ocean freight rates.

With the passing of the wooden clipper ships in the third quarter of the nineteenth century, the United States lost her prestige on the seas. Before the twentieth century was ushered in, we had practically ceased to have any merchant marine engaged in the foreign trade. Foreign ships were carrying more than 90 per cent of our export and import trade. As a nation, we were indifferent to this condition, and no section was more so than we people of the Middle West. That we paid excessive freight rates did not disturb us, for as a people we did not know it.

The jolt that partially awakened us from this indifference was the Great War. Foreign ships were taken off the trade routes and suddenly we found ourselves with facilities very much curtailed for carrying our surplus products into the world markets. Neutral nations, like Sweden and Denmark, put every ship they could spare, and that was at all seaworthy, into this trade. But they were a mere drop in the bucket. Ocean freight rates went up by leaps and bounds. Wheat rates rose from 7.7 cents per bushel in 1914 to 27.8 cents in 1915. Wheat rates continued to rise until in 1918 the rate was 136.7 cents per bushel. And yet terminal elevators were bursting with our surplus products, and wharves and docks were groaning under their stagnated load.

In 1916, the Shipping Board was created by act of Congress. The purpose of this board was to create a merchant marine to do our carrying trade, and to act as a naval reserve.

In 1917 we ourselves became involved in the war. The Shipping Board, under authority of Congress, created the Emergency Fleet Corporation whose immediate special business was the construction of ships. This construction was speeded up and the United States built ships with a celerity and efficiency never before equaled by any nation. And yet, when the armistice came only a small percentage of these ships were completed and in actual service.

Throughout our participation in the war, we had had to depend mainly on our allies to transport our armies and our supplies to the battle fields of France.

When the Great War closed the Government of the United States owned, completed and uncompleted, about 3,400 ships. Two thousand four hundred of these were fine steel ships, up to date in construction and equipment. About 1,000 of them were wooden ships that have proved not very practical.

This was America's opportunity. We had been given a lesson at an immense financial loss. Our ships alone built at high pressure speed, and with material at war-time prices had cost us in excess of \$3,000,000,000. Should this money, now in the form of ships, become a total loss, or should we be equal to our opportunity and create out of this great fleet of modern vessels a real and efficient merchant marine. Congress was still feeling the jolt that war shipping conditions had given our country, and voted for a merchant marine. The result was the merchant marine act of 1920 giving to the Shipping Board members a regional character, and empowering the board to develop a merchant marine.

Nations everywhere had built ships, and ships were a drug in the market. The world's trade was demoralized, and shipping masters did not know where to take hold. So the Shipping Board began to organize lines of ships and to lay out routes of trade under the direct management of the Government. The regional representation of the board has

made it possible for the ports on all coasts to receive consideration in the determination of these routes. The Gulf ports and the South Atlantic ports have at present better shipping facilities to foreign markets than they have had before for a half century. The very first ship load of cotton sent to foreign markets by the cooperatives of the South was carried in a Shipping Board vessel. These southern cooperatives have been quite successful in selling their cotton directly to foreign markets. Seventy-five per cent of their carrying trade is being done by Government ships.

When the Shipping Board began to study trade routes, we had no direct trade connection with South Africa. It was found that foreign shipping was charging an average of \$23 a ton for American goods carried to these African ports, considerably more than was charged on similar European goods. The Shipping Board established a regular line to these ports, and now the average freight rate is \$18 per ton.

This is only one instance of the practical influence of the Shipping Board in obtaining and maintaining reasonable ocean freights, the result being an increased market for American products, both manufactured and agricultural. If we count the average percentage of freight rates from American Atlantic ports to European ports in 1920 as 100, it is interesting to see how they have been reduced.

In 1921 the average rate to Great Britain was 60.7 per cent; in 1922 it was 31.7 per cent; in 1923 it was 25.3 per cent. In 1924 there was a slight rise to 27.5 per cent, and in 1925 to 29.8 per cent. Great Britain, the master shipper of the world before the war, is recovering, and is fighting hard to regain her pre-war supremacy. If we do not get behind our merchant marine and actively boost in every way we can, in another decade foreign ships will again be doing our carrying trade, for they are fighting hard for it.

Counting the average freight rate of all our export European trade as 100 in 1920, we find this average reduced to 24.3 per cent in 1925. The paramount influence that has brought about this reduction in rates is the existence of America's great fleet of vessels and the activities of the United States Shipping Lines. Ocean rates are at present as low as they were prior to the World War, which is more than can be said of any other form of transportation.

At present ocean freight rates are determined by conferences among shipping interests. The Shipping Board has a part in these conferences through its operating agents. Thus the merchants and shippers of the United States have a powerful factor present in the fixing of rates. Moreover, the Shipping Board has the power to veto a rate agreed upon if it is not to the interest of the public, and the ships of the United States are not bound by it. If shippers are dissatisfied with rates after they are fixed, they may lay their claims before the Shipping Board for determination. If these rates are found unreasonable, the shippers will receive relief through the Shipping Board.

If our merchant marine is again swept from the seas and again foreigners do more than 90 per cent of our carrying trade, again shall we pay rates fixed in conferences where we have no voice and from the injustice of which we shall have no appeal.

As an illustration, reference is made to a recent action of the Shipping Board in abrogating a tripartite conference in which the south Atlantic and Gulf ports felt they were being discriminated against by the third party to the conference, which was dominated by foreign interests.

Another activity of the Shipping Board which means much to us people of this great inland food-producing valley is the increase and development of ports.

The area of the United States is almost as great as that of Europe. But if you will compare the maps of the two countries you will see that Europe has many more major ports than we have. Our population is about 80 per cent less than that of Europe, but our ocean-borne commerce is only about 10 per cent less. Observation will show you well-established seaports near all the producing centers of Europe. We have to compete in the world markets not only with the cheaper labor of Europe, but this great interior has always had to compete with Europe's shorter and cheaper haul to the seaboard. This is an insidious handicap not fully sensed by the Middle West. A few days' time, more or less, a few cents per hundred difference in freight rates on a staple product may mean gain or loss to the American producer. It is recognized that the domestic price of foodstuffs is largely determined by the price obtained for our exportable surplus. If the farmer's return from his exported products were increased by reductions in ocean freight rates, as just mentioned, a corresponding increase would be reflected in the price received for such products in the domestic market. Such a saving would mean millions of dollars annually to the Middle West.

It is strikes and labor troubles in England that has turned to the United States some of her coal trade with the South American countries. She kept this trade as long as she could furnish the coal, because her haul from the mines to the seagoing vessel is short. The shorter and cheaper we can make this land haul for the products of this vast, interior region, the more prosperous we can be. One thing necessary to do this is a merchant-marine policy that will develop the ports most nearly contiguous to this region. A cursory study of the map of Europe will convince any fair-minded person that there is no



danger at present of an overdevelopment of our port system. For there are almost four times as many well-established ports in Europe as there are in the United States.

The completion of the St. Lawrence-Great Lakes waterway will greatly overcome our present disadvantage by bringing this great Middle West closer to the ocean and world markets. It will make three of our largest American cities and numerous smaller cities ocean ports.

I want to show you in another way why we people of this vast agricultural region are very much interested in a merchant marine.

In 1924 the value of agricultural products in round numbers was \$12,000,000,000. Of this, \$2,000,000,000 were realized from exports of these products. Then, upon the ocean-carrying trade depends 16 per cent of our income. Counted in bulk, or tonnage, the farmers of the country furnished 33 per cent of our export trade in 1924. But in monetary value of the total export trade, we bulked even larger yet. Of all this trade, agricultural products accounted for 46.6 per cent of the value—almost half in exchange value in the markets of the world.

Any industry that does as large a business as this in the foreign markets of the world must become actively interested in the transportation means for carrying on this business.

If we as a Nation are going to prosper and develop as we should we must continue to produce surpluses, not only in agricultural products but in manufactured products also. This means that world markets must be found, which means ocean transportation under the most favorable conditions must exist.

Most agricultural products are seasonal, and have their rush season for marketing. We farmers have learned to demand of the railroads a much larger number of cars for our transportation needs at some times of the year than at other times. We must learn, too, that ocean shipping must also be elastic in the same way to meet our seasonal demands. Congestion of grain products in railroad terminal elevators at the seaboard means stagnation along the railroads to the interior and consequent depression of prices at our inland marketing centers. This has occurred time and again, but we have insisted that we can not be interested in something that is happening 1,500 miles away from us, and we think we are helping ourselves by abusing the market man nearer to us.

An adequate American merchant marine will largely do away with this cause for the depression of prices of agricultural products. With the development and equipment of more good ports along our coasts there will be a distribution of products so they may not collect in huge quantities at a few places.

With the regulatory power of the board over rates it is not likely there will be a very big, sudden jump of ocean freight rates at these seasons of heavier cargoes. This elasticity of shipping facilities is also necessary to the successful development of cooperative marketing systems. Cooperatives must be able to get ships when the markets are favorable, and get them without delay, or the opportunity may pass. Sometimes foreign ships will give us all we can ask for in this respect. But they are not bound to do it and will not do it when their own nationals need their services or when it will bring us into strong competition with these same nationals.

With an adequate American merchant marine this elastic demand can be met. Until we get it fully established Government aid will be required.

The question before America to-day is whether we are going to develop our own ocean-carrying trade or lapse back to pre-war conditions and depend on foreign countries to market our products.

If we do not want to go back to this condition of dependence in the competition to gain and hold our rightful place in the markets of the world, we must appreciate the necessity of actively supporting an American merchant marine. We are in competition with nations with long sea-faring experience. These nations have no vast interior region which contributes vast quantities to their export trade. In the main their people live near the seacoast and come in contact with the sea and its commerce if they are not actively engaged in it. It is said that in England there are scarcely any influential men, either in business or in politics, who are not directly interested in the shipping business of the country. A large number of the people are actively interested and all of the people know and love the fleets of England's ships, whether on the highways of commerce or guarding her supremacy round the world on which the sun never sets.

In all the countries of western European our competitors in this game of ocean commerce, the people are ship-minded. Ocean commerce enters into the thoughts of their economic life. It is only a continuation of their trade on land and is known and understood by them.

In any country the active support of all the people of all the country is necessary to the existence and prosperity of a merchant marine. It is not a sectional matter; it is a national matter. This is especially true of a great exporting country like ours. No one would be aroused more quickly and effectively than we mid-west people would be if England or France or Sweden, or even Canada, got possession and control of our railroads. Then let us think of our steamship routes as continuations of these same railroads, just as necessary to our economic

welfare, and let us be just as zealous to develop them into a strong American merchant marine, worthy of the greatest exporting country in the world.

#### DEATH OF HON. CHARLES E. FULLER, OF ILLINOIS

Mr. MADDEN. Mr. Speaker, it becomes my very painful duty to announce to the House the death of my colleague, the Hon. CHARLES E. FULLER, of Illinois, a Member of the House for 24 years, one of the most distinguished citizens of the Nation. I shall content myself by saying nothing more at this time, but I offer the resolution which is now in the hands of the Clerk and will ask at a later day that a day and hour be fixed for memorial services, to afford an opportunity for Members of the House to tell the story of the life and work of our late distinguished colleague.

The SPEAKER. The gentleman from Illinois offers a resolution, which the Clerk will report.

The Clerk read as follows:

#### House Resolution 306

*Resolved*, That the House has heard with profound sorrow of the death of Hon. CHARLES E. FULLER, a Representative from the State of Illinois.

*Resolved*, That a committee of 15 Members of the House, with such Members of the Senate as may be joined, be appointed to attend the funeral.

*Resolved*, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provisions of these resolutions, and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

*Resolved*, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

The question was taken, and the resolution was unanimously agreed to.

The SPEAKER. The Chair appoints the following committee.

The Clerk read as follows:

Mr. MADDEN, Mr. BRITTON, Mr. KING, Mr. REID of Illinois, Mr. SPROUL of Illinois, Mr. JOHNSON of Illinois, Mr. RAINY, Mr. IRWIN, Mr. CHINDELOM, Mr. ELLIOTT, Mr. SOMERS of New York, Mr. SHALLENBERGER, Mr. WILLIAMS of Illinois, Mr. BEERS, and Mr. WHITEHEAD.

The Clerk read the additional resolution, as follows:

*Resolved*, That, as a further mark of respect, this House do now adjourn.

#### ADJOURNMENT

The motion was agreed to; accordingly (at 12 o'clock and 58 minutes p. m.) the House adjourned until to-morrow, Saturday, June 26, 1926, at 12 o'clock noon.

#### COMMITTEE HEARINGS

Mr. TILSON submitted the following tentative list of committee hearings scheduled for June 26, 1926, as reported to the floor leader by clerks of the several committees:

#### SPECIAL JOINT COMMITTEE

(10.30 a. m.)

To investigate Northern Pacific land grants.

#### COMMITTEE ON THE DISTRICT OF COLUMBIA

(10.30 a. m.)

To provide for the purchase or condemnation of property in the Reno subdivision, and adjacent thereto, for the purpose of improvement of street plan (H. R. 5015).

To provide for the acquisition of certain property in the District of Columbia for the park system of the District (H. R. 9343).

To provide for the acquisition of certain property in the District of Columbia for the park system of the District (H. R. 10506).

Authorizing the transportation of all miscellaneous refuse collected in the District of Columbia to the workhouse or reformatory tract near Occoquan, Va., and its disposition at that place (H. R. 10893).

Authorizing the extension of the park system of the District of Columbia (H. R. 11804).

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

606. A communication from the President of the United States, transmitting a proposed draft of legislation for the Department of State, to be substituted for the draft of proposed legislation transmitted on May 19, 1926 (H. Doc. No. 387), making the appropriation "Conference on pollution of navigable waters," of \$42,000, contained in the second deficiency act,

fiscal year 1925, approved March 4, 1925, available until June 30, 1927 (H. Doc. No. 461); to the Committee on Appropriations and ordered to be printed.

607. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year ending June 30, 1927, for the purchase of the Oldroyd collection of Lincoln relics pursuant to legislation approved May 11, 1926 (Public, No. 215, 69th Cong.), for that purpose, \$50,000 (H. Doc. No. 462); to the Committee on Appropriations and ordered to be printed.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. ELLIOTT: Committee on Invalid Pensions. S. 4059. An act granting pensions and increase of pensions to certain soldiers, sailors, and marines of the Civil and Mexican Wars, and to certain widows of said soldiers, sailors, and marines, and to widows of the War of 1812, and Army nurses, and for other purposes; without amendment (Rept. No. 1544). Referred to the Committee of the Whole House on the state of the Union.

#### REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. GLYNN: Committee on Military Affairs. H. R. 1133. A bill for the relief of John G. Pauley; with amendment (Rept. No. 1545). Referred to the Committee of the Whole House.

Mr. GLYNN: Committee on Military Affairs. H. R. 5548. A bill to correct the military record of Clarence G. Stone-street; with amendment (Rept. No. 1546). Referred to the Committee of the Whole House.

Mr. GLYNN: Committee on Military Affairs. H. R. 6872. A bill to amend the military record of William F. Wheeler; without amendment (Rept. No. 1547). Referred to the Committee of the Whole House.

Mr. GLYNN: Committee on Military Affairs. H. R. 9738. A bill to correct the military record of Richard Brannan; with amendment (Rept. No. 1548). Referred to the Committee of the Whole House.

#### CHANGE OF REFERENCE

Under clause 2 of Rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 13024) granting a pension to Josephine W. Burnside, and the same was referred to the Committee on Invalid Pensions.

#### PUBLIC BILLS AND RESOLUTIONS

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

By Mr. BLOOM: A bill (H. R. 13059) authorizing a loan of \$10,000,000 to the Government of Porto Rico; to the Committee on Insular Affairs.

By Mr. GAMBRILL: Joint resolution (H. J. Res. 284) authorizing and directing the Postmaster General to investigate the facts regarding the use in the Postal Service of a certain invention, device, or instrument for the postmarking of mail packages and for the cancellation of postage stamps and to report on what would be an equitable compensation for such use during the life of the letters patent thereon; to the Committee on the Post Office and Post Roads.

By Mr. BRAND of Georgia: Concurrent Resolution (H. Con. Res. 37) authorizing the American Battle Monuments Commission to use American marble for monuments or headstones for graves for soldiers buried in France; to the Committee on Foreign Affairs.

#### PRIVATE BILLS AND RESOLUTIONS

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

By Mr. BACHMANN: A bill (H. R. 13060) granting an increase of pension to Emily Baumberger; to the Committee on Invalid Pensions.

By Mr. CHINDBLOM: A bill (H. R. 13061) for the relief of Anina Sorensen; to the Committee on Claims.

By Mr. FAUST: A bill (H. R. 13062) granting an increase of pension to Hannah J. Gibson; to the Committee on Invalid Pensions.

By Mr. FREDERICKS: A bill (H. R. 13063) for the relief of Charles Pettis, alias Charles Richmond; to the Committee on Military Affairs.

By Mr. MENGES: A bill (H. R. 13064) granting an increase of pension to Mary J. Herr; to the Committee on Invalid Pensions.

By Mr. TAYLOR of West Virginia: A bill (H. R. 13065) granting a pension to Stephen Williams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13066) granting a pension to R. S. Clay; to the Committee on Invalid Pensions.

#### PETITIONS, ETC.

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

2853. Petition of the Department of Pennsylvania, Veterans of Foreign Wars, Seventh Annual Encampment, opposing any favorable action on the Welsh bill, which prevents the Government from aiding military training in all institutions except West Point and Annapolis; to the Committee on Military Affairs.

2854. By Mr. BARBOUR: Petition of sundry residents of Kern and Stanislaus Counties, Calif., urging passage of Civil War pension bill; to the Committee on Invalid Pensions.

2855. By Mr. BOX: Petition of sundry citizens of Beaumont, Tex., urging the passage of the Civil War pension bill; to the Committee on Invalid Pensions.

2856. Also, petition of sundry citizens of Harrison County, Tex., urging the passage of the Civil War pension bill; to the Committee on Invalid Pensions.

2857. By Mr. CHINDBLOM: Petition of 55 citizens of Cook County, Ill., urging that immediate action be taken to bring to a vote the Civil War pension bill; to the Committee on Invalid Pensions.

2858. By Mr. CRUMPACKER: Petition of sundry citizens of Portland, Oreg., to Congress to take immediate steps to bring the Civil War pension bill to a vote; to the Committee on Invalid Pensions.

2859. By Mr. FAUST: Petition signed by sundry citizens of St. Joseph, Mo., urging immediate favorable consideration of legislation for the relief of Civil War veterans and their widows; to the Committee on Invalid Pensions.

2860. Also, petition signed by many citizens of Maitland, Mo., urging immediate consideration of legislation for the relief of Civil War veterans and their widows; to the Committee on Invalid Pensions.

2861. By Mr. HOOPER: Petition of Mrs. Etta Williams and 65 other residents of Hillsdale, Mich., requesting immediate consideration of pending legislation to increase the rates of pension of Civil War veterans, their widows and dependents; to the Committee on Invalid Pensions.

2862. By Mr. JOHNSON of Texas: Petition of I. L. Jones, of National Military Home, Kans., urging passage of Indian war veterans' pension bill now before Congress before the present Congress adjourns; to the Committee on Pensions.

2863. Also, petition of L. B. Caruthers, of Atascosa, Tex., urging passage of Indian war veterans' pension bill now before Congress before the present Congress adjourns; to the Committee on Pensions.

2864. By Mr. LETTS: Petition of sundry citizens of Clinton, Iowa, urging the passage of the Civil War pension bill; to the Committee on Invalid Pensions.

2865. By Mr. UPDIKE: Petition of James S. Cochran, J. C. Stettler, William Allen, and others, of Indianapolis, Ind., urging immediate action on the Civil War pension bill; to the Committee on Invalid Pensions.

2866. By Mr. NEWTON of Minnesota: Petition signed by sundry citizens of Minnesota, urging the passage of the Pullman surcharge repeal bill; to the Committee on Interstate and Foreign Commerce.

2867. By Mr. O'CONNELL of New York: Petition of J. M. Moses, of the National Military Home, Kans., favoring the passage of House bill 12532, the Leatherwood Indian war veterans' pension bill; to the Committee on Pensions.

2868. Also, petition of Mrs. Louisa C. Michaelis, of 133 Palmetto Street, and 77 other residents of Brooklyn, N. Y., favoring the passage of the Elliott Civil War veterans, their widows, and dependents' increased pension bill; to the Committee on Invalid Pensions.

2869. By Mr. OLDFIELD: Petition of sundry citizens of Randolph County, Ark., urging the prompt enactment of House bill 4023, known as the Elliott pension bill; to the Committee on Invalid Pensions.

2870. Also, petition of sundry citizens of Cleburne County, Ark., urging the prompt enactment of House bill 4023, known as the Elliott pension bill; to the Committee on Invalid Pensions.