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Congressional Record

PROCEEDINGS AND DEBATES OF THE SIXTY-NINTH CONGRESS
SECOND SESSION

SENATE

FRIDAY, *February 11, 1927*

(*Legislative day of Wednesday, February 9, 1927*)

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	Frazier	La Follette	Reed, Pa.
Bayard	George	Lenroot	Robinson, Ark.
Blease	Gerry	McKellar	Robinson, Ind.
Borah	Gillett	McLean	Sackett
Bratton	Glass	McMaster	Schall
Broussard	Goff	McNary	Sheppard
Bruce	Gooding	Mayfield	Shipstead
Cameron	Gould	Means	Shortridge
Capper	Greene	Metcalf	Smith
Caraway	Hale	Moses	Steck
Copeland	Harreld	Neely	Stephens
Couzens	Harris	Norris	Stewart
Curtis	Harrison	Nye	Trammell
Dale	Hawes	Oddie	Tyson
Deneen	Heflin	Overman	Underwood
Dill	Howell	Pepper	Wadsworth
Edwards	Johnson	Phipps	Walsh, Mass.
Ernst	Jones, Wash.	Pine	Walsh, Mont.
Ferris	Kendrick	Pittman	Warren
Fess	Keyes	Ransdell	Watson
Fletcher	King	Reed, Mo.	Willis

Mr. McMASTER. I desire to announce that my colleague, the senior Senator from South Dakota [Mr. NORBECK], is unavoidably absent from the Senate, being detained in a hospital on account of injuries received in an automobile accident.

The VICE PRESIDENT. Eighty-four Senators having answered to their names, a quorum is present.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were thereupon signed by the Vice President.

H. R. 4553. An act authorizing the President to restore Commander George M. Baum, United States Navy, to a place on the list of commanders of the Navy to rank next after Commander David W. Bagley, United States Navy;

H. R. 11421. An act to provide for conveyance of certain lands in the State of Alabama for State park and game preserve purposes; and

H. R. 14242. An act to authorize the Secretary of the Navy to proceed with the construction of certain public works at Quantico, Va.

INVESTIGATION OF BREAD PRICES

The VICE PRESIDENT laid before the Senate a communication from the chairman of the Federal Trade Commission transmitting, in response to Senate Resolution 163, Sixty-eighth Congress, first session (agreed to February 16, 1924) a preliminary report of the commission relative to conditions in the bread-baking industry, which, with the accompanying report, was referred to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Mr. WALSH of Massachusetts. Mr. President, I request that a telegram from the National Association of Cotton Manufacturers, a letter from the president of the Boston Chamber of Commerce, and letters from Stephen Apps, of Brady & Apps, of Fall River, Mass., and Bernard J. Rothwell, of Boston, be printed in the RECORD and lie on the table. These papers are in the nature of memorials and make protest against the passage of the so-called McNary-Haugen farm relief bill.

There being no objection, the telegram and letters were ordered to lie on the table and to be printed in the RECORD, as follows:

BOSTON, MASS., *February 10, 1927.*

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

Proposed McNary-Haugen bill is unsound economically and discriminating in its purpose. Its passage can result only in higher cost of clothing, yarn, tires, and many other articles to the consumer, and will further increase the difference in cost of manufacturing in this country and our competitors abroad, necessitating further tariff changes or loss of cotton textile industry employing over half a million. Our association with over 1,000 representative cotton manufacturers as members urges you to do your utmost to defeat this bill.

NATIONAL ASSOCIATION OF COTTON MANUFACTURERS.

BOSTON CHAMBER OF COMMERCE,
PRESIDENT'S OFFICE,
February 10, 1927.

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

DEAR SIR: The officers and directors of the Boston Chamber of Commerce appreciate your stand in opposition to the McNary-Haugen bill. It is so clearly against the interests of the people of the country as a whole that it ought to fail to pass, and we hope you will continue to oppose it at all stages.

It aims to benefit people raising wheat, corn, rice, swine, and cotton by increasing the cost of living of every person not directly engaged in these enterprises.

It undertakes to establish and maintain artificially high prices of these products regardless of supply. This is contrary to sound economics and to common sense.

The effect will be to stimulate production to excess of demand, and, at the same time, it attempts to maintain artificially high prices.

One effect will be the selling of staple products in foreign countries at lower prices than they are sold to our own citizens. This is "abnormal and repugnant."

Our textile mills will have to pay higher prices for raw cotton than foreign competitors will pay. This will be an additional handicap to the domestic textile industry, which normally is the greatest market for American cotton.

It will tend to throw a greater share of the world's textile business to foreign competitors. This will reduce the purchasing power of the American public and thus go a long way toward defeating the purpose of the bill.

The Boston Chamber of Commerce realizes that conditions in the agricultural industry are out of adjustment with those in other industries. It also recognizes the importance to the Nation of having that great industry on a healthy basis; but it is convinced that unfavorable conditions can not be effectively remedied by such legislation as the McNary-Haugen bill. Any lasting and equitable solution must be in accordance with sound economic principles.

The McNary-Haugen bill attempts to control prices without controlling production and is therefore unworkable.

Yours very truly,

ANDREW J. PETERS, *President.*

BRADY & APPS,
Fall River, Mass., February 4, 1927.

Mr. WM. J. DOOLEY,
Boston, Mass.

MY DEAR MR. DOOLEY: You undoubtedly noticed the strength in the cotton market to-day. It is stated that the probable passage of the farm bill is the answer. Taking surplus crops off the market appears to many as though the gambler will be sitting in the saddle. This seems a natural inference in view of the fact that the economic law of supply and demand will be relegated to the rear. The manufacturer of textiles certainly has everything to lose; i. e., if there is anything left after five years of the worst business in its history. There is no use denying the fact that high cotton has been a contributory factor counting for the present conditions of the best-managed plants in this country. A return to high commodity values, especially at a time when the supplies of cotton are the greatest in history, would surely mean the death knell

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of many mills now operating throughout the country. Certainly it is a pleasure to read in the newspapers that our New England Senators are fighting this bill tooth and nail, evidently realizing what it means to the textile interests who are struggling in their endeavor to keep going.

With best regards, I am,

Sincerely yours,

STEPHEN APPS.

BAY STATE MILLING CO.,
Boston, 9, Mass., February 9, 1927.

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

DEAR SENATOR WALSH: Noting through our local press that you have had read into the CONGRESSIONAL RECORD an article by John Bantry, which appeared in the Boston Post of Saturday, February 5, may I call your attention to one serious misstatement which it contains, namely, "that this bill guarantees a profit to millers, all the big concerns who turn wheat, corn, and rice into flour meal and cereals."

As you are no doubt aware, this bill makes no such guaranty; on the contrary, so fraught with harm is it to the flour-milling industry that the Millers' National Federation actively opposes it, and individual millers all over the country are bringing every possible legitimate influence upon their Representatives in Congress to vote against it.

Far from being an advantage to the flour-milling industry, it is a distinct menace, liable to involve it in serious losses. By no possible construction could it add one cent to the profits of this highly competitive industry.

Am glad to note your opposition to its passage, and I sincerely hope that should it pass both Houses of Congress, consistent with his previous public expressions on this subject, the President will promptly veto it.

Yours very truly,

BERNARD J. ROTHWELL.

Mr. CURTIS presented the following concurrent resolutions of the Legislature of the State of Kansas, which was referred to the Committee on Appropriations:

Senate Concurrent Resolution 5 and memorial petitioning the Congress of the United States to appropriate not less than $8,000,000 for the conservation of flood waters in the State of Kansas during the years 1927 and 1928, making not less than $4,000,000 of the amount available not later than June 30, 1927, and $4,000,000 available June 30, 1928

Be it resolved by the Senate of the State of Kansas (the House of Representatives concurring therein)—

SECTION 1. That owing to the extreme dry weather in western Kansas and the damage done by floods in all parts of the State in rainy seasons during the summer months of each year, that the Congress of the United States be and is hereby requested to appropriate the sum of $4,000,000 to be available not later than June 30, 1927, to prevent the loss of waters in the streams of western Kansas, by impounding the same into large lakes, that said impounded water may be used for irrigation when available, and keeping the streams of the State within their channels. The said money to be expended for impounding such waters under the direction of the board of administration, and a like sum to be expended for the same purpose through the direction of the same board and be available not later than June 30, 1928.

SEC. 2. That the secretary of state be and is hereby directed to transmit copies of this resolution to the Senate and House of Representatives of the United States and to the several members of said bodies representing the State therein, and to the President of the United States.

I hereby certify that the above concurrent resolution originated in the senate, and passed that body January 26, 1927.

D. A. N. CHASE,
President of the Senate.
ARTHUR S. MCNAY,
Secretary of the Senate.

Passed the house February 4, 1927.

J. M. HAMILTON,
Speaker of the House.
W. S. MORGAN,
Assistant Chief Clerk of the House.

Mr. BRUCE presented petitions of sundry citizens of Baltimore, Md., praying for the prompt passage of legislation granting increased pensions to Civil War veterans and their widows, which were referred to the Committee on Pensions.

Mr. JONES of Washington presented petitions of sundry citizens of Seattle and Tacoma, all in the State of Washington, praying for the prompt passage of legislation granting increased pensions to Civil War veterans and their widows, which were referred to the Committee on Pensions.

Mr. WILLIS presented memorials of sundry citizens of Jackson and Newark, all in the State of Ohio, remonstrating against the passage of the bill (S. 4821) to provide for the closing of barber shops in the District of Columbia on Sunday, or any other legislation religious in character, which were referred to the Committee on the District of Columbia.

Mr. GILLETT presented petitions of sundry citizens of the State of Massachusetts, praying for the passage of legislation granting increased pensions to Civil War veterans and their widows, which were referred to the Committee on Pensions.

Mr. DENEEN presented memorials of sundry citizens of the State of Illinois, remonstrating against the passage of the bill (S. 4821) to provide for the closing of barber shops in the District of Columbia on Sunday, or any other legislation religious in character, which were referred to the Committee on the District of Columbia.

He also presented petitions numerously signed by sundry citizens of Chicago, Earlville, Rockford, and other cities and towns in the State of Illinois, praying for the prompt passage of legislation granting increased pensions to Civil War veterans and their widows, and for the removal of the limitation on the date of marriage of Civil War widows, which were referred to the Committee on Pensions.

Mr. JOHNSON presented numerous petitions of sundry citizens of the State of California, praying for the prompt passage of legislation granting increased pensions to Civil War veterans and their widows, which were referred to the Committee on Pensions.

ENVIRONS OF THE CAPITOL AND THE WHITE HOUSE

Mr. BLEASE. Mr. President, I have here a communication from the chairman of the committee on plan of Washington of the American Institute of Architects which I wish to have referred to the Committee on Public Buildings and Grounds and printed in the RECORD. I would like to ask that the committee pay some attention to the matter.

There being no objection, the communication was referred to the Committee on Public Buildings and Grounds and ordered to be printed in the RECORD, as follows:

THE AMERICAN INSTITUTE OF ARCHITECTS,
COMMITTEE ON PLAN OF WASHINGTON AND ENVIRONS.

THE AMERICAN INSTITUTE OF ARCHITECTS ANSWERS QUESTIONS

The institute has proposed four lines of legislative action for the protection of the Capitol and the White House:

1. DEFINITE ESTABLISHMENT OF THE FUTURE CHARACTER OF CAPITOL AND WHITE HOUSE FRONTAGES

Q. Does this mean ultimate Government ownership?—A. Not necessarily. Subject only to requirements of Planning and Public Buildings Commissions.

Q. Would not this "throw a cloud" over property?—A. No. It would relieve present situation from uncertainty by giving commissions the right to consider the use of these sites, and by forcing them to decide whether or not they wanted the property.

Q. How would it affect property not required?—A. It would enforce conformity in architectural type: (1) For the Capitol, to a scheme harmonizing with the Senate and House Office Buildings; (2) for the White House, to a scheme harmonizing with the Treasury Annex.

Q. Why not specify "like" these types instead of "harmonizing"?—A. Because exact repetition is monotonous and unnecessary. More freedom can be given to meet special requirements, and better results will follow if plans are subject to approval of the Fine Arts Commission.

Q. Is it proposed to take entire blocks as shown on plan of 1901?—A. Not necessarily; e. g., the Treasury annex is designed as a T-shaped building with only a wing going through to Fifteenth Street.

Q. How would it affect St. Johns Church?—A. On every hand, especially with the architects, the preservation of this landmark is being insisted upon; but if St. Johns were eventually to rebuild, a new structure on this site should conform to the prevailing type. The early protests were that the plan of 1901 would destroy the historic houses of Lafayette Square; but the historic houses have fallen before private development, not governmental. To-day the Hay, Adams, Slidell, and Corcoran houses have gone; the Dolly Madison, the Cameron, the Decatur, and others, are to go.

Q. Why bother about the new buildings when the State, War, and Navy and the Veterans' Bureau already violate the scheme?—A. No one, except seeing-Washington guides, has any brief for the Mansard bulk of the State Department Building. Plans have long since been made to scrape off its architectural excrescences, to decapitate it and bring it into some form of architectural subordination. Eventually these plans will be carried out. The Veterans' Bureau is a scathing indictment of just the "individualistic" planning which it is now sought to prevent. Undoubtedly in due course this building will be remodeled.

Q. Incidentally, what is meant by the expression currently used or objected to, "monumental" architecture?—A. This is a phrase used in opposition to such terms as "commercial" or "industrial." It implies a larger, more substantial, more dignified treatment than merely meet-

ing the absolute essentials. However, commercial buildings are not infrequently monumental; banks usually are, office buildings occasionally. Monumental treatment does not imply waste, excess, or overelaboration. One of the most distinctive, imposing, unappreciated structures in Washington is the simple but extremely dignified old City Hall. It is believed that Government buildings, in their main elements, should rank no lower in dignity than the best of corresponding private structures.

Q. Isn't this all a new scheme not in the L'Enfant plan?—A. It is a definite, logical development of the spirit of a violated first plan. The L'Enfant plan called for the ample setting of a "President's Park," extending from Fifteenth to Seventeenth Streets and north to I or K Street. The first violation was putting the Treasury where it stands and moving the building lines forward; allowing tall structures is equivalent to moving them even closer to the White House.

Q. In brief, what is the minimum requirement to cover the situation?—A. Uniformly harmonious façades for the enframing buildings, regardless of use (public or private); regardless of depth—block entirely or single units with set back and added stories * * * a blanket clause: "All new buildings to be subordinate to the general scheme as expressed (for the Capitol) in the Senate and House Office Buildings (for the White House), in the Treasury Annex and the Chamber of Commerce; all to be approved by the Commission of Fine Arts."

2. THE REZONING OF THE AREAS INVOLVED TO PREVENT FURTHER COMMERCIAL DEVELOPMENT

Q. What is the idea of this suggestion?—A. The idea is to avert waste—to head off building development not permanent in character.

Q. What is the objection to regulated commercial development such as the Chamber of Commerce?—A. There is no objection from the standpoint of appearances. There is every reason to believe, however, that all the available frontages of the White House and the Capitol will be needed for Federal purposes.

Q. Would not such zoning be confiscatory?—A. Possibly the word "prevent" should be replaced by "retard" or "arrest." Certainly the height limit should be reduced. Actually the Government should proceed at once to acquire the property it will eventually need.

Q. Exactly what does this heading call for?—A. That depends on what the planning commission recommends; and on whether or not the Shipstead bill passes (supervision by Fine Arts Commission of buildings facing parks).

Q. Will not the passage of the Shipstead bill as it stands be sufficient to meet the situation?—A. No; retroactive legislation is confiscation. It can not touch a building for which a permit has been granted. The only equitable solution apparent is acquisition of the properties.

3. AUTHORIZATION FOR THE VARIOUS COMMISSIONS TO INCLUDE THESE AREAS IN THEIR PLANNING

Q. Why is authorization necessary?—A. Because, in so far as current appropriations are concerned, permission to consider the use of these sites has been specifically withheld, and because, from the very beginning, private interests have endeavored to block Government development around Lafayette Square.

Q. Since the Bruce restriction applies only to the present appropriation, why not leave matters until another appropriation bill?—A. Because this same policy, adopted last year over the protest of the architects, has brought about these complications of the new hotel and the new office building; and because further delay in establishing a policy will tie up the extension of the Treasury Annex.

Q. What would be the special advantage of this study?—A. It would definitely clarify a tangled situation by determining just what property the Government will want. By freeing other properties from the burden of uncertainty, development may proceed. It will point the way and establish the character of treatment desired, whether public or private.

Q. What are these properties worth?—A. The architects' committee has made no investigations nor discussed the subject with property interests. It is understood that officials have made investigations.

Q. If purchased, what would properties be used for?—A. To meet the needs of the Federal Government as determined by the Planning Commission and the Public Buildings Commission. It might be assumed that the Dolly Madison house would eventually be required to complete the Treasury Annex, and that property on the west side of the square will in due course go into a single building of the same general size and character as the completed Treasury Annex—possibly the State Department. The Hay-Adams site has been mentioned for a building for the Bureau of the Budget or for the Federal Reserve Board.

Q. Why can not this matter stand until next session?—A. Because the price of delay will add between three and four millions of dollars to the cost of the properties; and will delay the development of this section for a generation.

Q. Why was not this question raised before?—A. It has been constantly stressed since 1901. Every attempt to develop the square has met effective opposition. The danger was pointed out by the architects' committee in May, 1926, when the public buildings bill was under consideration and the rider eliminating Lafayette Square was being forced. Senator Fernald, chairman of the Senate committee, told the architects' committee that he appreciated the situation but was powerless in the face of a filibuster endangering the whole public buildings bill.

4. IMMEDIATE ACQUISITION OF PROPERTIES FOR WHICH IMPROVEMENTS ARE DEFINITELY PROJECTED

Q. Why?—A. Because improvements projected are not in harmony with general schemes for treatment, and because cost of subsequent acquisition with improvements will mean wholly unnecessary added burden with loss not only of improvements but of added earning values, of demolition, etc.

Q. What properties and improvements are involved?—A. The new Carlton Chambers on H Street between Sixteenth and the Chamber of Commerce, a building higher than the established type and different in treatment. Work to begin immediately. A new office building on the west side of the square—Jackson Place. Plans out for bids. Likewise a structure differing radically from acceptable type and not subsequently adaptable. The Dolly Madison house (Cosmos Club), the sale of which for commercial purposes is being discussed. This property is needed for the completion of the Treasury Annex, which is designed for the entire block in length and already is one-third completed.

Current reports indicate that the Stephen Decatur house, built with prize money, may likewise go on the market.

Developments for Capitol frontages are unknown, but two apartment houses have been only recently started.

Q. Why wait until the last moment, "locking the barn after the horse is stolen"?—A. For 25 years the American Institute of Architects has urged the purchase of the properties in jeopardy, at a fraction of their present value.

It has consistently supported the 1901 development of the L'Enfant plan.

In 1924, in its official publication, The Plan of the Federal City, it called special attention to the White House and Capitol frontages, with this warning:

"Both of these great projects are endangered and their future made possible only at prohibitive cost unless plans are immediately made to insure their future realization."

For three years it has maintained a committee with members throughout the whole country to watch over the development of the national committee.

In 1926, in the closing days of the last session, it endeavored to defeat the Bruce amendment, warning of the inevitable results. It could do no more.

The institute now points out that, although several horses have been stolen, the greater part of the stable is still intact, but is about to be taken in toto. It urges that the doors be locked now, before the last horse is taken.

Submitted by—

HORACE W. PEASLEE,
Chairman the Committee on Plan of Washington of the American Institute of Architects.

WASHINGTON, D. C., *February 10, 1927.*

REPORTS OF COMMITTEES

Mr. TYSON, from the Committee on Claims, to which was referred the bill (S. 4795) for the relief of B. F. Cowley, reported it without amendment and submitted a report (No. 1458) thereon.

He also, from the same committee, to which was referred the bill (S. 5017) for the relief of Ruth J. Walling, reported it with an amendment and submitted a report (No. 1459) thereon.

Mr. STEPHENS, from the Committee on Claims, to which was referred the bill (S. 5230) for the relief of Kate Mathews, reported it with an amendment and submitted a report (No. 1460) thereon.

Mr. SHEPPARD, from the Committee on Military Affairs, to which was referred the bill (S. 1283) for the relief of Margaret I. Varnum, reported it without amendment and submitted a report (No. 1461) thereon.

Mr. CAMERON, from the Committee on Military Affairs, to which was referred the bill (H. R. 12797) to authorize the sale of the Buckeye Target Range, Ariz., reported it without amendment and submitted a report (No. 1462) thereon.

Mr. LENROOT, from the Committee on Public Buildings and Grounds, to which was referred the bill (H. R. 15414) to authorize the United States Veterans' Bureau to accept a title to lands required for a hospital site in Rapides Parish, La., reported it without amendment and submitted a report (No. 1463) thereon.

Mr. DENEEN, from the Committee on Claims, to which were referred the following bills, submitted adverse reports thereon:

A bill (S. 644) for the relief of Henry H. Hall (Rept. No. 1464); and

A bill (S. 2126) for the relief of George Andre and Alphonse Andre (Rept. No. 1465).

Mr. DENEEN also, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (S. 4631) for the relief of Claude T. Winslow (Rept. No. 1466); and

A bill (H. R. 12551) for the relief of the Fidelity & Deposit Co. of Maryland (Rept. No. 1467).

ENROLLED BILL PRESENTED

Mr. GREENE, from the Committee on Enrolled Bills, reported that on February 11, 1927, that committee presented to the President of the United States the enrolled bill (S. 5197) to authorize an appropriation for reconnaissance work in conjunction with the middle Rio Grande conservancy district to determine whether certain lands of the Cochiti, Santo Domingo, San Felipe, Santa Ana, Sandia, and Isleta Indians are susceptible of reclamation, drainage, and irrigation.

BILLS INTRODUCED

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

By Mr. RANSDELL:

A bill (S. 5671) to amend paragraph (c) of section 4 of the act entitled "An act to create the inland waterways corporation for the purpose of carrying out the mandate and purpose of Congress as expressed in sections 201 and 500 of the transportation act, and for other purposes," approved June 3, 1924; to the Committee on Commerce.

By Mr. McLEAN:

A bill (S. 5672) granting a pension to Mary E. King (with accompanying papers); to the Committee on Pensions.

By Mr. McNARY:

A bill (S. 5673) granting a pension to Mary A. Miller; to the Committee on Pensions.

By Mr. COPELAND:

A bill (S. 5674) for the transportation of foreign mails of the United States, the creation and maintenance of auxiliaries for the use of the Army and Navy, the defense of the United States, and for other purposes; to the Committee on Post Offices and Post Roads.

By Mr. STANFIELD:

A bill (S. 5675) validating certain applications for and entries of public lands;

A bill (S. 5676) providing for the disposition of certain lands in Michigan and Wisconsin and the adjustment of claims arising from erroneous surveys;

A bill (S. 5677) to amend section 2455 of the Revised Statutes of the United States, as amended, relating to isolated tracts of public land;

A bill (S. 5678) to withhold timberlands from sale under the timber and stone act;

A bill (S. 5679) to repeal an act entitled "An act to provide for stock-raising homesteads, and for other purposes";

A bill (S. 5680) to repeal the desert land laws, and for other purposes; and

A bill (S. 5681) to authorize the issuance of patent for lands containing deposits of copper and associated minerals, and for other purposes; to the Committee on Public Lands and Surveys.

By Mr. JONES of Washington:

A bill (S. 5682) granting an increase of pension to William G. Simpson; to the Committee on Pensions.

By Mr. SCHALL:

A bill (S. 5683) granting a pension to Eliza G. Murray; and

A bill (S. 5684) granting an increase of pension to Cora F. Marlette; to the Committee on Pensions.

By Mr. METCALF:

A bill (S. 5685) granting an increase of pension to Phebe Jane Sparrow (with accompanying papers); to the Committee on Pensions.

LEGISLATIVE APPROPRIATIONS

Mr. HARRISON. Mr. President, I desire to enter a motion to reconsider the action by which House bill 16863, the legislative appropriation bill, was ordered to a third reading and passed on yesterday.

I have just been informed that the bill has been transmitted to the House. I also desire to enter a motion to request the House to return the bill to the Senate.

The VICE PRESIDENT. The question is on the motion of the Senator from Mississippi that the House be requested to return to the Senate the legislative appropriation bill.

Mr. HARRISON. Let the motion be entered for the present. I ask unanimous consent that that may be done.

The VICE PRESIDENT. The motion will be entered.

Mr. HARRISON subsequently said: Mr. President, I desire to withdraw the motion which I entered asking the recall of the legislative appropriation bill from the House of Representatives and for a reconsideration of the vote whereby that bill was read the third time and passed on yesterday.

The PRESIDING OFFICER (Mr. FESS in the chair). Without objection, the motions are withdrawn.

RELATION OF THE PUBLIC-LAND STATES TO THE FEDERAL UNION

Mr. WARREN. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered by Hon. Philip E. Winter, attorney at law, before the Open Forum of the Casper Chamber of Commerce at Casper, Wyo., on Tuesday, January 25, 1927, being a discussion and brief upon the relation of the public land States to the Federal Union. It is a valuable contribution of statistics, argument, history, and citation of authorities.

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

Mr. Winter's address is as follows:

THE PROTEST OF THE WEST

For the purposes of this paper, the "West" includes the 11 so-called public-land States: Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming—which labor under the mutual ban and handicap of being "unequally yoked together" with the United States Government in the occupancy and control of the lands, within their respective State lines, which they are seeking to develop into sovereign States of a sovereign Nation, while at the same time the Federal Government is asserting dominion over more than one-half of the lands in each of these 11 States.

It is an anomalous, illogical relation which does not exist anywhere else in this "indissoluble Union of 48 indestructible States"—and it can not permanently continue here. The voice of protest has been raised from West to East, even as once it smote upon the ears of that Pharoah, and cabinet, farther East: "Let my people go!" so now the slogan is "Let go of our lands!" The West must and shall come into its own—"with none to molest nor make us afraid."

In other words, we are demanding the reestablishment of self-government in these public-land States, and this demand is based upon, and involves, the fundamental principles of the representative republican form of government which has been the admiration of the world for 150 years:

[From the Declaration of Independence, July 4, 1776]

Governments are instituted among men, deriving their just powers from the consent of the governed.

[From the Federalist, XXII, December 14, 1786]

The fabric of the American Empire ought to rest on the solid basis of the consent of the people. The streams of national power ought to flow immediately from the pure, original fountain of all legislative authority.—Hamilton.

[From the Federalist, XLV]

The powers delegated by the proposed Constitution to the Federal Government are few and defined. Those which are to remain in the State governments are numerous and indefinite. The former will be exercised principally on external objects, as war, peace, negotiations, and foreign commerce; with which last, the power of taxation will, for the most part, be connected. The power reserved to the several States will extend to all the objects which, in the ordinary course of affairs, concern the lives, liberties, and properties of the people, and the internal order, improvement, and prosperity of the State.—Madison.

This is, or would be, self-government but what if that "original fountain of all legitimate authority" be stopped! And what if it be attempted to have those streams of national power rise higher than their source!

To bring this directly home to our protest, let me quote the following from the recent speech at Williamsburg, Va., of President Coolidge, the present head of that "National power":

"No method of procedure has ever been devised by which liberty could be divorced from self-government. No plan of centralization has ever been adopted which did not result in bureaucracy, tyranny, inflexibility, reaction, and decline. Of all forms of government, those administered by bureaus are about the least satisfactory to an enlightened and progressive people. Being irresponsible, they become autocratic, and being autocratic, they resist all development. Unless bureaucracy is constantly resisted, it breaks down representative government and overwhelms democracy. It is the one element in our institutions that sets up the pretense of having authority over everybody, and being responsible to nobody. * * *

"While we ought to glory in the Union and remember that it is the source from which the States derive their chief title to fame, we must also recognize that the national administration is not and can not be adjusted to the needs of local government. It is too far away

to be informed of local needs, too inaccessible to be responsive to local conditions.

"The States should not be induced by coercion or by favor to surrender the management of their own affairs.

"These principles of independence, of the integrity of the Union, and of local self-government have not diminished in their importance since they were so clearly recognized and faithfully declared in the Virginia convention of a hundred and fifty years ago * * *."

Now, what is Wyoming's case?

Within the limits of this paper we can only hit a few of the high places, but they will make plain the justice of our cause.

On September 30, 1889, the people of the Territory of Wyoming, as we find it recited in the enabling act, "asked the admission of said Territory into the Union of States on an equal footing with the original States in all respects whatever." And in response the following action was taken by Congress:

"*Be it enacted, etc.*—That the State of Wyoming is hereby declared to be a State of the United States of America, and is hereby declared admitted into the Union on an equal footing with the original States in all respects whatever." * * *

In the second section of this enabling act is found the only exception or limitation to this express compact assuring to the people of Wyoming full equality with the people of the original 13 States, namely:

"*Provided*, That nothing in this act contained shall repeal or affect any act of Congress relating to the Yellowstone National Park or the reservations of this park, as now defined or as may be hereafter defined or extended, or the power of the United States over it; and nothing contained in this act shall interfere with the right and ownership of the United States * * * which shall have exclusive control and jurisdiction over the same."

This act was approved July 10, 1890. Would the Federal Government thus anxiously and carefully expressly stipulate for the retention by it of the Yellowstone National Park area if it then had in contemplation the later asserted claim that in spite of the statehood granted to Wyoming, the National Government remained the owner of more than half of the lands within the limits of the new State? Unquestionably, up to that time, there had been asserted no claim or hold by the Federal Government upon any of Wyoming's lands other than the Yellowstone National Park, except such claim or hold as it had upon the original 13 States and all the other States subsequently admitted into the Union alike.

Now, did it have any such right, or had it ever made any such claim as against the original thirteen States, or any States of the Union other than the eleven States now known as the public-land States?

On the contrary, we find that at the close of the Revolutionary War the Federal Government found it necessary to, and did, ask and obtain the cession to it by Virginia of certain lands known as the Northwest Territory in order that it might by the sale of those lands raise money to pay the debts of the Federal Government incurred by the war. This was assented to by what is known as the ordinance of 1787, and prior to the adoption of the Constitution. We further find that in the treaty of peace and the cession by King George III of all the lands and rights which Great Britain ever had within the limits of the present United States the precise language of the cession grants the lands not to the United States Government but to "the people of the thirteen Colonies."

We further find that when, subsequently, the making of the Constitution was begun, all power and all property was in the States—that is to say, in the hands of the people—and it was the weakness and poverty of the Federal Government that made a Constitution necessary for the establishment of the Government. Hence the language of the introduction: "We, the people of the United States, in order to form a more perfect Union * * * do ordain and establish this Constitution for the United States of America * * *" was followed by the grant from the people to the Federal Government of certain well-defined powers. It is impossible to read the debates in the Constitutional Convention, the 85 papers written by Alexander Hamilton, James Madison, and John Jay, grouped under the collective title, "The Federalist or the New Constitution," written and circulated while the adoption of the Constitution was pending before the various State legislatures for ratification, and the early decisions of the United States Supreme Court under John Marshall, without reaching the conclusion that all sovereignty and power and dominion over the soil was solely in the citizenry of those thirteen original State governments with which Wyoming was by the enabling act placed upon the same footing, and the citizenry only parted with so much of that sovereignty and power as would enable their common Federal Government, their creature and their agent, to function with sufficient force to provide for the defense and for the general welfare of the Nation. All other powers were retained in the hands of the people. It is true that in section 3 of Article IV this language is found:

"The Congress shall have power to dispose of and make all needful rules and regulations respecting the property or territory belonging to the United States."

But that clearly refers to the lands in said Northwest Territory, which were ceded to the Federal Government for the express purpose that it might make "primary disposal of the soil" and give title to the purchasers. And the same section closes with this language:

"And nothing in this Constitution shall be so construed as to prejudice any claims of the United States or any particular State."

And if any doubt remained on this point, it was removed by the tenth amendment to the Constitution, adopted with the nine preceding amendments as the bill of rights of the people of the United States, which reads as follows:

"The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States, respectively, or to the people."

Let me repeat: The only power ever given to the United States in Congress assembled for the "primary disposal of the soil" is found in the Ordinance of 1787, and that was prior to the adoption of the Constitution. As to all other soil not purchased outright for its own purposes under Article I, section 8, No. 17, of the Constitution—that is to say, as to all the lands acquired by treaty or cession from Great Britain, Spain, France, and Mexico (all of which contributed to Wyoming's acreage of land)—our Federal Government has ever been, and can never be other than a mere trustee to receive the conveyances and hold the Territory until the inhabitants thereof gained its admission to statehood. It was then the plain duty of the Federal Government as trustee—even as a guardian when his minor ward becomes of age—to surrender the trust and turn over the property. In Wyoming's case this occurred in 1890, and it was then and there entitled to be placed, as expressly agreed in the enabling act, "on equal footing in all respects" with the original States. For as early as 1845 it had been decided, in the case of Pollard *v.* Hagen (3 How. 212, 220):

"We think a proper examination of this subject will show that the United States never held any municipal sovereignty, jurisdiction, or right of soil in and to the territory of which Alabama or any of the new States were formed, except for temporary purposes and to execute the trusts created by the acts of the Virginia and Georgia Legislatures and the deeds of cession executed by them to the United States and the trust created by the treaty with the French Republic of the 30th of April, 1803, ceding Louisiana. * * *

"Whenever the United States shall have fully executed these trusts the municipal sovereignty of the new States will be complete throughout their respective boundaries, and they and the original States will be upon an equal footing in all respects whatever. We, therefore, think the United States hold the public lands within the new States by force of the deeds of cession and the statutes connected with them, and not by any municipal sovereignty which it may be supposed they possess or have reserved by compact with the new States for that particular purpose. The provision of the Constitution above referred to shows that no such power can be exercised by the United States within a State."

In 14 Peters 30, in the case of the United States *v.* Gratiot, the case was stated by Thomas Benton for the defendant, as follows:

"The position has been assumed by the Attorney General that the United States may enter into the broad business of leasing the public lands and, by consequence, that the President may have as many tenants on the public lands of the United States as he shall desire; that he may lease in perpetuity and have those tenants to the extent of time. Such a power is solemnly protested against. No authority in the cession of the public lands to the United States is given but to dispose of them and to make rules and regulations respecting the preparation of them for sale; for their preservation and their sale. As to the power to lease which is claimed for the United States, what would the States have said, when the cession of these lands was made and accepted, if it had been declared that the President could lease the lands, and that 60 years afterwards this court would be engaged in enforcing a lease given by the United States of part of the lands then to be ceded? Would the lands have been granted if Congress were to have the power to establish a tenantry to the United States upon them? The State-rights principles would have resisted this; no lands would have been ceded.

"The clause in the Constitution of the United States, relative to the public lands, will govern this question; and the deeds of cession go with the provisions of the Constitution. The lands are 'to be disposed of' by Congress, not 'held by the United States.' No question can be raised on the construction of the provision of the Constitution relative to the public lands. The Constitution gives the power of disposal, and disposal is not letting or leasing. The power to make rules and regulations applies to the power to dispose of the lands. The rules are to carry the disposal into effect, to protect them, to explore them, to survey them. Congress has always treated the public lands on these principles."

That case hinged only upon the power of the President to lease certain lead mines in Illinois prior to the organization and admission of Illinois as a State, and involved only the payment of the bond given for the faithful performance of the lease contract. But the principles laid down by Mr. Benton are entirely applicable to our case.

Henry Clay said in the Senate in 1832:

"The General Government is a mere trustee holding the domain in virtue of those deeds, according to the terms and conditions which

they expressly describe, and it is bound to execute the trust accordingly."

In 1825, Daniel Webster said:

"I could never think the national domain is to be regarded as any great source of revenue. The great object of the Government with respect to these lands is not so much the money derived from their sale as it is the getting them settled."

In 1830, Hayne stated:

"If in the deeds of cession it has been declared that the grants were intended for 'the common benefit of all the States,' it is clear from other provisions that they were not intended merely as so much property, for they expressly declared that the objects of the grant is the erection of new States; and the United States, in accepting this trust, bind themselves to facilitate the formation of these States to be admitted into the Union with all the rights and privileges of the original States. This, sir, was the great end to which all parties looked, and it is by the fulfillment of the high trust that the common benefit of all the States is to be best promoted.

"In short, our whole policy with relation to the public lands may be summed up in the declaration with which I set out—that they ought not to be kept and retained forever as a great treasure, but that they should be administered chiefly with a view to the creation within reasonable periods of great and flourishing communities, to be formed into free and independent States, to be invested in due season with the control of all the lands within their respective limits."

This for at least half a century had been and was the settled law and the established doctrine as to the public domain within the United States and Territories.

Then came the Government camel seeking shelter from a sand storm, and sought permission to intrude its nose only into the tent of the Arab, the unsuspecting "people of these United States," whom 50 years of peace and prosperity had already caused to forget that "eternal vigilance" is the price of safety.

In the case of Wilcox *v.* McConnell (13 Pet. 498), in which a settler sought to preempt, in 1836, the ground on which the United States military post of Fort Dearborn, Chicago, had stood since 1804, it was held that—

"Congress are invested by the Constitution with the power of disposing of the public land."

and this holding was based solely on section 3 of Article IV, which, as we have already seen, clearly and exclusively refers to that Northwest Territory which was ceded to the Government for the express purpose of enabling it to sell and give title to the land. And even here it is only declared that Congress is invested with the power of "disposing of the public land." There is no intimation that it is the owner of the land and may perpetually hold and lease the same; but this first decision, so often referred to, which was absolutely right in itself, because the occupancy of that land for military purposes for the protection of the people during a period of Indian warfare from 1804 to 1839 had clearly brought this case within the provision of that other clause of the Constitution already referred to in this paper, viz, Article I, section 8, clause 17, which provides:

"The Congress shall have power * * * to exercise exclusive legislation, in all cases whatever, over * * * all places purchased by the consent of the legislature of the State in which the same shall be, for the erection of forts, etc."—

has ever since been cited as the basis for further gradual Federal encroachment on the rights of the States in this regard. The next step was the case of United States against Gratiot, decided in 1840, from which we have already quoted the statement made by Thomas Benton. This case, like the previous one just mentioned, involved lands in the "Northwest Territory" and has no weight as authority in cases of lands not ceded to the Government with the express purpose to enable it to make sale thereof and give title thereto. This vital distinction must be observed in considering the subsequent acts of Congress and the court decisions thereon.

In the case of United States *v.* Hughes (11 How. 568), decided in 1850, the court said:

"In this country 'the lands of the United States' lying within the States are held and are subject to be sold (under the authority of Congress) as lands may be held and sold by individual owners or by ordinary corporations; * * *. By the Constitution, Congress is vested with power to dispose of the 'public lands' and to make all needful rules and regulations respecting them."

Thus, within the space of eight lines of the same decision, the language changes from "the lands of the United States" to "public lands." Again, it must be observed that the sole "lands of the United States" were and are the "Northwest Territory" and the lands acquired from time to time for "public purposes by purchase from the States."

Yet in the case of Irvine v. Marshall (20 How. 558), decided in 1857, the syllabus states:

"The United States, being the owner of the public lands within the States and Territories, have the right to signify to whom, in what mode, and by what title they shall be conveyed."

But the language of the court in the decision itself is this:

"It can not be denied that all the lands in the Territories, not appropriated by competent authority before they were acquired, are in the first instance the exclusive property of the United States, to be disposed of to such persons, at such times, and in such modes, and by such titles as the Government may deem most advantageous to the public" * * *

thus limiting this decision to lands in the Territories and not including lands in the States.

The next case in line is that of United States *v.* Schurz (102 U. S. 395), decided in 1880, in which the court said:

"The Constitution of the United States declares that Congress shall have power to dispose of, and make all needful rules and regulations respecting, the territory and other property belonging to the United States. Under this provision the sale of the public lands was placed by statute under the control of the Secretary of the Interior. To aid him in the performance of this duty, a bureau was created * * * with many subordinates. To them as a special tribunal Congress confided the execution of the laws which regulate the surveying, the selling, and the general care of this land."

Thus, not content with arrogating to themselves a power which was expressly withheld from them by the people by the express terms of the Constitution, Congress now undertook to delegate such unconstitutional authority to a created "bureau * * * with many subordinates." Permit me here, in passing, to cite, out of turn, a comparatively recent case which exemplifies the nature and the result of such work by a created "bureau * * * with many subordinates." It is the case of United States *v.* Midwest Oil Co. (35 Sup. Ct. Rep. 309), decided in October, 1914, and of considerable local interest to us, in which a dissenting opinion was rendered by Mr. Justice Day, with whom concurred Mr. Justice McKenna and Mr. Justice Van Devanter, formerly of Wyoming. In this dissenting opinion they say:

"In our opinion the action of the executive department in this case, originating in the expressed view of a subordinate official of the Interior Department, as to the desirability of a different system of public-land disposal than that contained in the lawful enactments of Congress, did not justify the President in withdrawing this large body of land (3,000,000 acres in Wyoming and California) from the operation of the law (placer mining law) and virtually suspending, as he necessarily did, the operation of that law * * *. This conclusion is reinforced in this particular instance by the refusal of Congress to ratify the action of the President and the enactment of a new statute authorizing the disposition of the public lands by a method essentially different from that approved by the Executive."

Returning from this digression, permit me to call your attention to a small portion of the testimony recently taken in the hearings before the Committee on Public Lands and Surveys, United States Senate, on S. 2584, entitled "A bill to promote the development, protection, and utilization of grazing facilities on public lands, to stabilize the range stock-raising industry, and for other purposes." I think it will effectually dispose of the often-heard claim that from 1830 on the Government ownership of these lands was the accepted and settled doctrine.

"Senator ODDIE. Now, * * * Mr. Chairman, may I be permitted to ask Mr. Chapman a question? Going back to the original theory of the relation between the Federal Government and the Western States as to the unappropriated public lands, do you understand that the original theory was that the Federal Government would hold these lands in trust for the various States until the Revolutionary War debts were extinguished?

"Mr. CHAPMAN. If that was the original theory, it certainly was changed in 1830, when the question came up and was settled. Whether they ever decided one way or the other before that I do not know, but from that time on the theory was that these public lands should be held in trust for the Nation.

"Senator ODDIE. Is it not a fact that about the time when the war debt was canceled that a surplus existed in the Treasury, and that the Government loaned that money out to a great number of the Eastern and Middle Western States without interest, and which loans have never been repaid? I think about $28,000,000 of money was loaned out in this way.

"Mr. CHAPMAN. I would not say as to that.

"The CHAIRMAN. Yes; I think approximately $30,000,000, and that was the proceeds from the sale of public lands.

"Senator ODDIE. Yes.

"The CHAIRMAN. And that money has never been returned to the Treasurer * * * and no interest has been paid, although the subsidy was granted to the States, with the provision that it was returnable to the Treasury, and, I think, with interest. * * *

"And President Buchanan vetoed the bill providing for the ceding of the public lands to the several States, * * * and in vetoing it said that while he was in sympathy with the measure that he doubted the advisability of * * * ceding them to the several States entirely beyond the control of the Federal Government, but that it was con-

templated that the Federal Government should administer these lands for the benefit of the several States; and, just as stated by Abraham Lincoln at the time of the passing of the * * * homestead law, that the Federal Government was the trustee and should administer the public lands for the benefit of the several States wherein they lay. And that policy has been pursued until we come to the time of the withdrawal and the creation of the forest areas or withdrawn areas in the public-land States.

"Senator ODDIE. Now, Mr. Chairman, right at this point I think it would be interesting for me to read from a report made by the United States Senate Public Lands Committee in 1832:

"'Our pledge would not be redeemed by merely dividing the surface into States and giving them names.

"'The public debt being now paid, the public lands are entirely released from the pledge they were under to that object and are free to receive a new and liberal destination for the relief of the States in which they lie.

"'Nearly 100,000,000 acres of the land now in the market are the refuse of sales and donations through a long series of years, and are of little actual value and only fit to be given to settlers or abandoned in the States in which they lie.

"'The speedy extinction of the Federal title within their limits is necessary to the independence of the new States, to their equality with the elder States, to the development of their resources, to the subjection of their soil to taxation, cultivation, and settlement, and to the proper enjoyment of their jurisdiction and sovereignty.

"'The ramified machinery of the Land Office Department * * * extends the patronage and authority of the General Government into the heart and corners of the new States and subjects their policy to the danger of a foreign and powerful influence.'

"Mr. CHAPMAN. * * * Regarding the specific question of establishing grazing as one of the purposes of the national forests, we are against any legislation that would further that conception, because we do not believe grazing is one of the fundamental purposes of the national forests. It is thereby tolerance as a secondary use, and we want to keep it where it belongs.

"Senator MEANS. You are entitled to your view, but do not add 'where it belongs,' because, as to the theory of where it belongs, the people of the West, through the administration bureaus, are dissatisfied with governmental activities, and they would rather trust to Congress than to trust to regulation by bureau or administration by an officer who does not understand the conditions and the development of these States; and the development of those States is more important than anything else, because as the States develop the prosperity is reflected to the rest of the Nation. That is more important than anything else."

(NOTE.—It should perhaps be mentioned here that Wyoming, as well as Washington, is omitted from the said Stanfield bill, S. 2584, for the reasons stated by Mr. Bowden, counsel for the subcommittee holding the hearing, as follows: "The State of Wyoming also was left out of this bill. There are in the State of Wyoming large tracts of unreserved and unappropriated public lands. The subcommittee had hearings in Wyoming, and I can not recall a single witness who testified in favor of establishing control of grazing on those unreserved and unappropriated public lands. There was a unanimous expression of opposition to any form of control, and, as this bill was based on the principle of local-option lines, it was thought advisable to leave Wyoming out. Furthermore, this bill provides for the repeal of the 640-acre stock raising homestead act as to lands placed in grazing districts provided for in this bill. Witnesses appearing before the subcommittee in Wyoming testified that in their judgment a great deal more leased land in the State of Wyoming would be appropriated under the 640-acre stock raising homestead act. The land situated in Wyoming was not such that you could stabilize it on a grazing basis. Accordingly, the State of Wyoming was left out of the bill." But the omission is only from Title II, which deals with unappropriated, unreserved public lands. In Title III, relating to national forests, Wyoming and Washington are included with the other nine Western States.)

That the foregoing testimony and comments in the committee hearing reflect the actual facts of history, and the true established relations between the Federal Government and the States, is the essence of the protest of the West. If further confirmation were needed, it is found in abundance in the case of Scott *v.* Sandford (60 U. S. Sup. Ct. Rep. 393), decided in December, 1856—a quarter of a century after the time—1830—when, as Mr. Chapman asserted above in his testimony: "From that time on the theory was that these public lands should be held in trust for the Nation."

In the opinion of the court in that case Chief Justice Taney said of the "peculiar character of the Government of the United States," then 60 years under way:

"Certain specified powers, enumerated in the Constitution, have been conferred upon it; and neither the legislative, executive, nor judicial departments of the Government can lawfully exercise any authority beyond the limits marked out by the Constitution.

"It will be remembered that, from the commencement of the Revolutionary War, serious difficulties existed between the States in relation to the disposition of large and unsettled territories which were included in the chartered limits of some of the States.

"It was the disturbing element for the time, and fears were entertained that it might dissolve the confederation by which the States were then united. These fears and dangers were, however, at once removed, when the State of Virginia, in 1784, voluntarily ceded to the United States the immense tract of country lying northwest of the river Ohio, and which was within the acknowledged limits of that State. The only object of the State in making the cession was to put an end to the threatening and exciting controversy, and to enable the Congress of that time to dispose of the lands, and appropriate the proceeds as a common fund for the common benefit of the States * * *. The example of Virginia was soon afterwards followed by other States * * *. The main object for which these cessions were desired and made, was on account of their money value, and to put an end to a dangerous controversy, as to who was justly entitled to the proceeds when the lands should be sold. It is necessary to bring this part of the history of these cessions thus distinctly into view, because it will enable us the better to comprehend the phraseology of the article in the Constitution (Art. IV, sec. 3) so often referred to in the argument.

"At that time there was no Government of the United States in existence with enumerated and limited powers; what was then called the United States were 13 separate, sovereign, independent States * * * and the Congress of the United States was composed of the representatives of these separate sovereignties. * * * The territory belonged to sovereignties. * * * It was by a Congress representing the authority of these several and separate sovereignties * * * that the instrument usually called the ordinance of 1787 was adopted.

"This was the state of things when the present Constitution of the United States was formed. * * * It was obvious that some provision was necessary to give the new Government sufficient power to enable it to carry into effect the objects for which the territory was ceded. * * * It was necessary that the lands should be sold to pay the war debt. * * * And, moreover, there were many articles of value besides the property in land, such as arms, military stores, ships, etc., which were the common property of the States; and it was to place these things under the guardianship and protection of the new Government, and to clothe it with the necessary powers, that the clause was inserted in the Constitution which gives Congress the power 'to dispose of and make all needful rules and regulations respecting the territory or other property belonging to the United States.' * * * It applied only to the property which the States held in common at that time and has no reference whatever to any territory or other property which the new sovereignty might afterwards itself acquire. * * * The concluding words of this clause appear to render this construction irresistible, for, after the provisions we have mentioned, it proceeds to say 'that nothing in the Constitution shall be so construed as to prejudice any claims of the United States, or of any particular State.'

"This view of the subject is confirmed by the manner in which the present Government of the United States dealt with the subject as soon as it came into existence. * * * The new Government took the territory as it found it and in the condition in which it was transferred, and did not attempt to undo anything that had been done * * * which no doubt the States anticipated when they surrendered their power to the new Government. * * * They have no connection with the general powers and rights of sovereignty delegated to the new Government, and can neither enlarge nor diminish them * * * and can not by any just rule of interpretation be extended to territory which the new Government might afterwards obtain from a foreign nation.

"This brings us to examine by what provision of the Constitution the present Federal Government under its delegated and restricted powers, is authorized to acquire territory outside of the original limits of the United States, and what powers it may exercise therein over the person or property of a citizen of the United States, while it remains a Territory and until it shall be admitted as one of the States of the Union * * * and if a new State is admitted, it needs no further legislation by Congress, because the Constitution itself defines the relative rights and powers and duties of the State, and the citizens of the State, and the Federal Government. * * * Whatever it acquires it acquires for the benefit of the people of the several States who created it. It is their trustee acting for them * * * and when the Territory becomes a part of the United States, the Federal Government enters into possession in the character impressed upon it by those who created it."

Mr. Justice Campbell in his filed concurring opinion said:

"These sovereign and independent States, being united as a confederation, by various public acts of cession, became jointly interested in territory, and concerned to dispose of and make all needful rules and regulations respecting it. It is a conclusion not open to discussion in this court 'that there was no Territory within the original United States, that was claimed by them in any other right than that of some of the Confederate States.' (Harcourt *v.* Gaillord, 12 Wh. 523.) 'The question whether the vacant lands within the United States,' says Chief Justice Marshall, 'became joint property, or belonged to the separate

States, was a momentous question which threatened to shake the American Confederacy to its foundations. This important and dangerous question has been compromised, and the compromise is not now to be contested.' Neither in the deeds of cession of the States, nor in this compact, was a sovereign power for Congress to govern the Territories asserted. Congress retained power by this act, 'to dispose of and to make rules and regulations respecting the public domain.' * * *

"I look in vain among the discussions of the time, for the assertion of a supreme sovereignty for Congress for the Territory then belonging to the United States, or that they might thereafter acquire. I seek in vain for an annunciation that a consolidated power had been inaugurated, whose subject comprehended an empire, and which had no restriction but the discretion of Congress. This disturbing element of the Union entirely escaped the apprehensive previsions of Samuel Adams, George Clinton, Luther Martin, and Patrick Henry; and, in respect to dangers from power vested in a central government over distant settlements, colonies, or Provinces, their instincts were always alive.

"Not a word escaped them to warn their countrymen that here was a power to threaten the landmarks of this federative Union and with them the safeguards of popular and constitutional liberty; or that under this article there might be introduced on our soil a single government over a vast extent of country—a government foreign to the persons over whom it might be exercised and capable of binding those not represented by statutes in all cases whatever. I find nothing to authorize these enormous pretensions, nothing in the expositions of the friends of the Constitution, nothing in the expressions of alarm by its opponents—expressions which have since been developed as prophecies. Every portion of the United States was then provided with a municipal government, which this Constitution was not designed to supersede, but merely to modify as to its conditions.

"The compacts of cession by North Carolina and Georgia are subsequent to the Constitution. They adopt the ordinance of 1787. * * *

"The refusal of a power to Congress to legislate in one place seems to justify the seizure of the same power when another place for its exercise is found. This proceeds from a radical error, which lies at the foundation of much of this discussion. It is that the Federal Government may lawfully do whatever is not directly prohibited by the Constitution. This would have been a fundamental error, even if no amendments to the Constitution had been made. But the final expression of the will of the people of the States in the tenth amendment is that the powers of the Federal Government are limited to the grants of the Constitution. * * *

"These constitutions (of the territory within the original limits of the United States) were framed by the concurrence of the States making the cessions and Congress and were tendered to immigrants who might be attracted to the vacant territory. The legislative powers of the officers of this Government were limited to the selection of laws from the States, and provision was made for the introduction of popular institutions and their emancipation from Federal control whenever a suitable opportunity occurred (statehood being the outside limit of time for this to be done).

"The Constitution permits Congress to dispose of and to make all needful rules and regulations respecting the Territory or other property belonging to the United States. * * * Could it have been the purpose of Washington and his illustrious associates, by the use of ambiguous, equivocal, and expansive words, such as 'rules,' 'regulations,' 'territory,' to reestablish in the Constitution of their country that fort which had been prostrated amid the toils and with the sufferings and sacrifices of seven years of war?

"Are these words to be understood * * * as George III would have understood them, or are we to look for the interpretation to Patrick Henry or Samuel Adams, to Jefferson, and Jay, and Dickinson; to the sage Franklin, or to Hamilton, who from his early manhood was engaged in combating British constructions of such words? We know that the resolution of Congress of 1780 contemplated that the new States to be formed under their recommendation were to have the same rights of sovereignty, freedom, and independence as the old. That every resolution, cession, compact, and ordinance of the States, observed the same liberal principle. That the Union of the Constitution is a Union formed of equal States; and that new States, when admitted, were to enter 'this Union' * * * Had another union been proposed in 'any pointed manner' it would have encountered not only 'strong' but successful opposition. The disunion between Great Britain and her colonies originated in the antipathy of the latter to 'rules and regulations' made by a remote power respecting their internal policy. In forming the Constitution this fact was ever present in the minds of its authors. The people were assured by their most trusted statesmen 'that the jurisdiction of the Federal Government is limited to certain enumerated objects, which concern all members of the Republic,' and 'that the local or municipal authorities form distinct portions of supremacy, no more subject within their respective spheres to the general authority than the general authority is subject to them within its own sphere.' Still this did not content them. Under the lead of Hancock and Samuel Adams, of Patrick Henry and George Mason, they demanded an explicit declaration that no more power was to be exercised than they had delegated. And the ninth and tenth amendments to the Constitution were designed to include the reserved rights of the States and the people, with all the sanctions of that instrument, and to bind the authorities, State and Federal, by the judicial oath it prescribes, to their recognition and observance. Is it probable, therefore, that the supreme and irresponsible power, which is now claimed for Congress over boundless territories, the use of which can not fail to react upon the political system of the States, to its subversion, was ever within the contemplation of the statesmen who conducted the counsels of the people in the formation of this Constitution?

"The courts have said 'that Congress can not exercise municipal jurisdiction, sovereignty, or eminent domain within the limits of a State or elsewhere, beyond what has been delegated!' * * * but a constitutional prohibition is not requisite to ascertain a limitation upon the authority of the several departments of the Federal Government. * * * We have seen, Congress does not dispose of or make rules and regulations respecting domain belonging to themselves but belonging to the United States. These conferred on their mandatory, Congress, authority to dispose of the territory which belong to them in common; and to accomplish that object beneficially and effectually they gave an authority to make suitable rules and regulations respecting it. When the power of disposition (of it) is fulfilled, the authority to make rules and regulations terminates, for it attaches only upon territory 'belonging to the United States.'

"And this principle follows from the structure of the respective governments, State and Federal, and their reciprocal relations. They are definite agents and trustees of the people of the several States * * * they are, respectively, the depositories of such powers of legislation as the people are willing to surrender, and their duty is to cooperate with the several jurisdictions to maintain the rights of the same citizens under both governments unimpaired. * * * The distinguishing features of their system consist of the exclusion of the Federal Government from the local and internal concerns of and in the establishment of an independent internal government within the States."

These decisions bring us up to the time of Wyoming's admission as a State, and to the final question—

WHAT HAPPENED IN THE CASE OF WYOMING

This: On March 3, 1891, after eight months of statehood "on an equal footing with the original States in all respects whatever," and not having within its borders any part of the lands included in said Northwest Territory, or any part of any other lands "belonging to the United States," save and excepting only the Yellowstone National Park, Wyoming found itself confronted with an act of Congress for the "creation of national forests," section 24 of which act reads as follows:

"That the President of the United States may from time to time set apart and reserve, in any State or Territory having public land bearing forests, in any part of the public lands wholly or in part covered with timber or undergrowth, whether of commercial value or not, as public reservations, and the President shall, by public proclamation, declare the establishment of such reservations and the limits thereof."

This was followed by the act of June 4, 1897, in which it is provided:

"* * * To remove any doubt which may exist pertaining to the authority of the President thereunto (in regard to the national forests), the President of the United States is hereby authorized and empowered to revoke, modify, or suspend any and all such Executive orders and proclamations, or any part thereof, from time to time, as he shall deem best for the public interests. * * *

"The President is hereby authorized at any time to modify any Executive order that has been made or may hereafter be made establishing any forest reserve and by any such modification reduce the area or change the boundary lines of such reserve, or may vacate altogether any order creating such reserve."

This was followed, on March 4, 1907, by an act of Congress, in which it was provided:

"Hereafter no forest reserve shall be created, nor shall any additions be made to one heretofore created within the limits of the States of Oregon, Washington, Idaho, Montana, Colorado, or Wyoming, except by act of Congress."

Thus, having unconstitutionally voted to the President an unconstitutional power, Congress now takes from the President that power and unconstitutionally arrogates it unto itself.

Well, indeed, might Lord Bryce point out, as he did in his 2 American Commonwealth, 711:

"Congress has been the branch of government with the largest facilities for usurping the powers of the other branches, and probably with the most disposition to do so. Congress has constantly tried to encroach both on the Executive and on the States, sometimes like a wild bull, driven into a corral, dashing itself against the imprisoning walls of the Constitution."

If the stately minister from the Court of St. James finds the foregoing language essential to a proper criticism, certainly we of Wyoming may well be pardoned if we yield to the temptation to indulge, to the extent of our ability, "in thoughts that breathe and words that burn."

But we speak in sorrow, rather than in anger, not so much inveighing against wrongs we have suffered, as urging the undoing of the wrongs.

All the evils of which we complain and against which we protest had their inception in the foregoing enactments. Instead of fulfilling the object of those trusts created by the treaties, Constitution, cessions, and compacts, by transferring all remaining public lands to the respective States, it has since been voted by the agents of the people, in Congress assembled, to permanently reserve and forever bar from settlement lands aggregating 250,000,000 acres, 97 per cent of which are in Wyoming and the other 10 public-land States; and the Secretary of the Interior is now recommending, and there is now pending a bill for the permanent withholding and placing under a rental and fee system 200,000,000 acres more, abolishing the free range, and to repeal or make inapplicable the 640-acre stock-raising homestead law, which puts before the 11 public-land States the question "whether, not only the areas heretofore reserved, but a total of 450,000,000 acres of the present area of these 11 public-land States, is never to be settled, never to pass to private ownership or to be made taxable, but is to forever remain under the Federal Government as a perpetual landlord."

And what is Wyoming's peculiar share in this monstrous proposition? By the kindness of your Secretary I am able to here state, according to estimates on file in the Department of Commerce, Bureau of the Census, Washington, "the total value of exempt property (real) and improvements in Wyoming for 1922, distributed as follows:

State property	$2,271,500
County and municipal property	7,685,328
Federal property	299,830,670
School property	5,321,122
Churches and parsonages	2,786,642
Private charitable institutions	310,000
Cemeteries	429,628
All other private (Young Men's Christian Association, Salvation Army, etc.)	223,562
Indian reservations	3,275,188
Irrigation projects, other than Federal; irrigation districts	1,441,312
Carey Act (irrigation)	2,434,791
Total	326,529,743

"Estimates of wealth are compiled by this bureau every 10 years as part of the decennial census of wealth, private debt, and taxation, and the next estimates will relate to the year 1932."

This means that our sovereign State of Wyoming is limited to the taxation of real property and improvements aggregating $263,216,000, as against property forever untaxable amounting to $326,530,000, the ratio of exempt to taxed property being 124.5 per cent, twice that of the next highest State.

And the last issue of the Inland Oil Index, on January 14, 1927, contains the following:

"MORE WITHDRAWALS FROM WASHINGTON

"Associated Press dispatches under date of January 10 state that the Department of the Interior, in Washington, during the last year has withdrawn from private enterprise 56,993,778 acres of the public domain. These withdrawals include reserves for helium, potash, phosphate, coal, and petroleum. The largest withdrawals in New Mexico were 13,354,000 acres, including 7,418,437 acres of potash. In Wyoming approximately 6,000,000 acres were withdrawn. If these withdrawals continue by the Federal Government at the rate they have been for the last several years, it will not be long until such States as Wyoming, Colorado, and other Commonwealths in the Rocky Mountain regions will not have any public domain left."

This will add 6,000,000 acres of Wyoming's land to the tax-exempt Federal landlord domain within our borders to be withheld forever out of that which Wyoming's admission to statehood made absolutely our own. More than half of our acreage will be irrevocably gone.

Is it possible that 37 sister States of the 11 public-land States will permit this condition to continue? To them we address this, our protest.

Since this paper was written the CONGRESSIONAL RECORD of January 11, 1927, has brought us the text of your lone Congressman's address on that date to the other 434 Members of the House of Representatives on this subject.

Permit me to append, as a fitting conclusion to this paper, the closing paragraph of that address:

"Let us complete the American system of local government over local things, stop centralization in Washington, eliminate bureau government, relieve the people generally of costly national machinery, perfect the sovereignty of the public-land States, so that in deed and in truth we will be on equal terms with the original and all the other States. We ask no more than they have had. We ask the status of the States of a Union, not provinces of a central power. We ask equality and full sovereignty. We plead that the plan of the American Union be completed; that the process of building 'independent, sovereign republican States' be perfected; and that thereby our citizens have equal rights, immunities, and advantages with the citizens of the other States."

FARM RELIEF

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 4808) to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities.

Mr. HOWELL. Mr. President, on yesterday certain distinguished Senators from several of the Eastern States charged in connection with the pending agricultural relief bill that its effect is merely to afford special consideration to the farmers of the West and South at the expense of the remaining population of the country. If our urban population were not also to become beneficiaries of this proposed legislation—which they ultimately will—is there not ample precedent for special legislative favors to be found in connection with the manufacturing industry? The plight of the farmer is due to the development of cooperation of and within the industries and occupations employing the populations in our urban centers. Such cooperation, which has been not infrequently aided by legislation, has been for the purpose of the elimination of competition to the end of assuring profits and satisfactory wages. Unfortunately the farmer has generally developed in his behalf no corresponding offensive. He is the victim of unrestricted competition, not only at home but also abroad, wherever similar crops are produced.

The United States Steel Corporation is among the outstanding examples of the result of urbanite cooperation aided by legislation for the elimination of competition and the insurance of profit. It is so overtowering in its proportions that every other steel enterprise in the country is compelled, because of certain ruinous discrimination to which it would be subjected otherwise, to assume the rôle of a 100 per cent cooperator with this giant. As a consequence, the United States Steel Corporation is the arbiter of prices of steel in this country and is the beneficiary of such legislation as to enable it to thwart any outside competition, even though the Steel Corporation's prices should be so high that outside steel interests might ship in their products, pay the tariff thereon fixed by Congress, and yet make a profit. In short, through its own prowess it controls its competitors in the domestic market, while, by grace of Congress, it may invoke the power of the United States—through the President—for protection from foreign competition, real or threatened. Thus, under the tariff law as now existing, after formal complaint has been filed with the United States Tariff Commission, the President may, in his discretion, under a favorable report, increase the already excessive tariff rates upon the products of the Steel Corporation by 50 per cent, based upon the valuation of the products in the importing country. If this is not high enough, the rates may be increased 50 per cent above the price of such products in this country. And if that is not sufficient, then the President may terminate such threatened competition by excluding such products from the right of importation; and such decision is final, not being subject to review.

Mr. President, I ask unanimous consent to insert in the RECORD section 315 (a) and (b) and section 316 (a), (b), (c), (d), and (e) of the tariff act of 1922.

The PRESIDING OFFICER. Without objection, it is so ordered.

The sections are as follows:

SEC. 315 (a) That in order to regulate the foreign commerce of the United States and to put into force and effect the policy of the Congress by this act intended, whenever the President, upon investigation of the differences in costs of production of 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, shall find it thereby shown that the duties fixed in this act do not equalize the said differences in costs of production in the United States and the principal competing country he shall, by such investigation, ascertain said differences and determine and proclaim the changes in classifications or increases or decreases in any rate of duty provided in this act shown by said ascertained differences in such costs of production necessary to equalize the same. Thirty days after the date of such proclamation or proclamations such changes in classification shall take effect, and such increased or decreased duties shall be levied, collected, and paid on such articles when imported from any foreign country into the United States or into any of its possessions (except the Philippine Islands, the Virgin Islands, and the islands of Guam and Tutuila): *Provided*, That the total increase or decrease of such rates of duty shall not exceed 50 per cent of the rates specified in Title I of this act, or in any amendatory act.

(b) That in order to regulate the foreign commerce of the United States and to put into force and effect the policy of the Congress by this act intended, whenever the President, upon investigation of the differences in costs of production of articles provided for in Title I of

this act, 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, shall find it thereby shown that the duties prescribed in this act do not equalize said differences, and shall further find it thereby shown that the said differences in costs of production in the United States and the principal competing country can not be equalized by proceeding under the provisions of subdivision (a) of this section, he shall make such findings public, together with a description of the articles to which they apply, in such detail as may be necessary for the guidance of appraising officers. In such cases and upon the proclamation by the President becoming effective the ad valorem duty or duty based in whole or in part upon the value of the imported article in the country of exportation shall thereafter be based upon the American selling price, as defined in subdivision (f) of section 402 of this act, of any similar competitive article manufactured or produced in the United States embraced within the class or kind of imported articles upon which the President has made a proclamation under subdivision (b) of this section.

The ad valorem rate or rates of duty based upon such American selling price shall be the rate found, upon said investigation by the President, to be shown by the said differences in costs of production necessary to equalize such differences, but no such rate shall be decreased more than 50 per cent of the rate specified in Title I of this act upon such articles, nor shall any such rate be increased. Such rate or rates of duty shall become effective 15 days after the date of the said proclamation of the President, whereupon the duties so estimated and provided shall be levied, collected, and paid on such articles when imported from any foreign country into the United States or into any of its possessions (except the Philippine Islands, the Virgin Islands, and the islands of Guam and Tutuila). If there is any imported article within the class or kind of articles, upon which the President has made public a finding, for which there is no similar competitive article manufactured or produced in the United States, the value of such imported article shall be determined under the provisions of paragraphs (1), (2), and (3) of subdivision (a) of section 402 of this act.

SEC. 316. (a) That unfair methods of competition and unfair acts in the importation of articles into the United States, or in their sale by the owner, importer, consignee, or agent of either, the effect or tendency of which is to destroy or substantially injure an industry, efficiently and economically operated, in the United States, or to prevent the establishment of such an industry, or to restrain or monopolize trade and commerce in the United States, are hereby declared unlawful and when found by the President to exist shall be dealt with, in addition to any other provisions of law, as hereinafter provided.

(b) That to assist the President in making any decisions under this section the United States Tariff Commission is hereby authorized to investigate any alleged violation hereof on complaint under oath or upon its initiative.

(c) That the commission shall make such investigation under and in accordance with such rules as it may promulgate and give such notice and afford such hearing, and when deemed proper by the commission such rehearing with opportunity to offer evidence, oral or written, as it may deem sufficient for a full presentation of the facts involved in such investigation; that the testimony in every such investigation shall be reduced to writing, and a transcript thereof with the findings and recommendation of the commission shall be the official record of the proceedings and findings in the case, and in any case where the findings in such investigation show a violation of this section, a copy of the findings shall be promptly mailed or delivered to the importer or consignee of such articles; that such findings, if supported by evidence, shall be conclusive, except that a rehearing may be granted by the commission, and except that, within such time after said findings are made and in such manner as appeals may be taken from decisions of the United States Board of General Appraisers, an appeal may be taken from said findings upon a question or questions of law only to the United States Court of Customs Appeals by the importer or consignee of such articles; that if it shall be shown to the satisfaction of said court that further evidence should be taken, and that there were reasonable grounds for the failure to adduce such evidence in the proceedings before the commission, said court may order such additional evidence to be taken before the commission in such manner and upon such terms and conditions as to the court may seem proper; that the commission may modify its findings as to the facts or make new findings by reason of additional evidence, which, if supported by the evidence, shall be conclusive as to the facts except that within such time and in such manner an appeal may be taken as aforesaid upon a question or questions or law only; that the judgment of said court shall be final, except that the same shall be subject to review by the United States Supreme Court upon certiorari applied for within three months after such judgment of the United States Court of Customs Appeals.

(d) That the final findings of the commission shall be transmitted with the record to the President.

(e) That whenever the existence of any such unfair method or act shall be established to the satisfaction of the President he shall determine the rate of additional duty, not exceeding 50 nor less than 10 per cent of the value of such articles as defined in section 402 of Title IV of this act, which will offset such method or act, and which is hereby imposed upon articles imported in violation of this act, or, in what he shall be satisfied and find are extreme cases of unfair methods or acts as aforesaid, he shall direct that such articles as he shall deem the interests of the United States shall require, imported by any person violating the provisions of this act, shall be excluded from entry into the United States, and upon information of such action by the President, the Secretary of the Treasury shall, through the proper officers, assess such additional duties or refuse such entry; and that the decision of the President shall be conclusive.

Mr. HOWELL. Mr. President, these extraordinary advantages and powers are granted to the United States Steel Corporation and other pig-iron producers for use, as is demonstrated by the facts set forth in a telegram which I received last evening from one of my constituents. It runs, in part, as follows:

> The antidumping law on steel products now involving the shipment of 20 shiploads of German steel through the New York harbor involves more special legislation and special favors to the steel industry than is contemplated in the entire McNary-Haugen bill.

It is a peculiar coincidence indeed, as the vote on the pending agricultural bill is approaching, and Senators from manufacturing centers are protesting against the special advantages which it is claimed the bill proposes for those engaged in agriculture, that the steel corporation and other iron producers of the country are invoking the protection of the so-called antidumping section of the tariff law, as evidenced in the February 10th issue of the Daily Metal Trade (New York City) which carries the information that 20 ships from Germany, containing some 100,000 tons of pig iron, are being prevented from discharging their cargoes at the port of New York, pending an investigation by the Government—undoubtedly, due to the filing of complaints with the United States Tariff Commission.

Moreover, it has been learned from the office of the Tariff Commission that a report and recommendation, undoubtedly as a result of such complaints, has been made to the President, which, under the circumstances, can not be made public at this time.

Mr. President, what interests in this particular case are the beneficiaries of the possible exercise of these extraordinary powers? Is it an industry that has been traversing, as in the case of agriculture, the valley of the shadow of bitter financial depression? No, Mr. President, it is the great United States Steel Corporation and its 27 subsidiaries, together with the smaller steel and iron producers that are allowed by its grace to also exist and prosper, constituting one of the most prosperous, if not the most prosperous, industry in the country.

Thus, consider the following facts concerning the Steel Corporation taken from the Standard Corporation records of January 27, 1927:

> As the leading producer of iron and steel in the world this corporation has the distinction of being the largest industrial organization in existence in point of capitalization and total capital employed. Its growth in the last 25 years, measured in terms of production, has been remarkable. * * *
>
> Its annual capacity of pig iron production is now 18,940,000 tons. In the same period its yearly output of steel ingots and castings has increased from 9,430,000 to 22,750,000 tons, and that of finished products has increased from 7,923,000 to 16,252,000 tons. Production of cement has gone up from 500,000 to 16,500,000 tons.
>
> Through some 27 principal subsidiaries and 165 underlying companies, the corporation, in addition to iron and steel, produces coal, coke, ore, oil, and timber; in fact, nearly every essential raw material. Its railroad operations embrace over 3,800 miles of tracks and it has a large fleet of steamships and barges engaged in transportation on the Great Lakes, inland waterways, and in the overseas trade.
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> * * * * * * *
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> On December 31, 1925, the common stock, which had practically no assets back of it at the formation of the corporation, had a book value of about $280 for each of the 5,083,025 shares outstanding. The profit and loss surplus alone on that date amounted to $521,863,109, while current assets exceeded current liabilities by $436,087,042. * * *
>
> Earnings for the 10-year period ended 1926 averaged $15.21 a share on the common stock. For the same period, common dividends actually declared, including extras, averaged $7.85½ per share.
>
> For the year ended December 31, 1926, earnings were equal to $17.98 on the common stock, compared with $12.86 in 1925 and $11.77 in 1924. On the stock as it will be increased by the 40 per cent stock dividend earnings in 1926 were equal to $12.84 a share.
>
> On April 27, 1926, the common stock was placed on a "regular" 7 per cent basis. This did not alter the annual sum being received by the stockholders, as the corporation had regularly paid $7 a share on its common stock since the last quarter of 1923, although $2 of that amount was designated as an "extra" dividend.

By action of the directors December 16, 1926, subject to the formality of stockholders' approval at the April, 1927, annual meeting, the corporation for the first time will distribute to stockholders, through additional shares, some of the accumulated earnings reinvested in the property. By a 40 per cent stock dividend the common stock outstanding will be increased from $508,302,500, at which it has stood ever since organization, to $711,623,500. Thus, the junior issue will be brought to approximately double the amount of the preferred, of which $360,281,000 has been outstanding since 1903.

Some three years after the United States Steel Corporation was organized, that is, in 1904, the common stock was quoted as low as $8.38 per share. On February 8, 1927, it was quoted at $157.38. According to Moody's "Industrials" for 1926, the total dividends on the common stock of the Steel Corporation from April 1, 1901, to December 31, 1925, were 124½ per cent, or an average of about 5 per cent for that period. The present rate of dividend is 7 per cent, while the preferred has always paid 7 per cent. In addition, last December, just before Christmas, the directors of the corporation announced the cutting of a melon, that is, a 40 per cent stock dividend to the holders of common stock, which by no means exhausted the surplus, as that will amount to some $300,000,000 after this dividend. In 1925 the net income of the Steel Corporation was $90,602,653. Its net income for 1926 was $116,584,000, or some $26,000,000 more than in the previous year. In short, the 1926 net earnings amounted to nearly $18 per share of common stock, as against $12.86 for 1925.

In spite of this prosperity there is evidently an intent to compel the public to keep on paying high prices for iron and steel. They even begrudge the importation of a few hundred thousand tons of pig iron lest it may affect their dividends, which would seem to be an unjustified fear. Even so conservative a paper as the New York Journal of Commerce, under date of January 31, 1927, observes:

In an industry so large as the iron and steel industry in this country it is very difficult to show that German importations have hurt the domestic market.

Naturally, if the German importations have not hurt the iron and steel industry, the only object of this protest on the part of the Steel Corporation is to keep up prices so as to maintain dividends. On the other hand, if German importations do seriously affect the iron and steel industry of the country, then this is merely another step on the part of the iron and steel interests for further eliminating competition to the detriment of farmers whose bankruptcies have increased from 22,462 in 1922 to 44,236 in 1925.

Why, Mr. President, the net earnings of the Steel Corporation for two years would nearly equal the amount of the rotating fund which the pending bill authorizes in aid of agriculture.

In 1919 and 1920, 52 railroads, practically without credit, were loaned by the Government $301,000,000, and still they are here with a bill now asking for ultimate cancellation of that debit.

Mr. President, it is because of what Congress has done for the other industries of this country that agriculture has no hesitation in demanding consideration at this time—in its extremity. The farmer has no apologies to make for his appeal to Congress, and in view of what our tariff is doing for such industries as the Steel Corporation, it is indeed with poor grace that Senators from the eastern manufacturing States complain of what is now proposed for agriculture.

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

Mr. HOWELL. I have 15 minutes on the amendment, have I not, Mr. President?

Mr. REED of Pennsylvania. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Pennsylvania?

Mr. HOWELL. I understand that my time has expired.

The PRESIDING OFFICER. The present occupant of the chair is advised that the Senator has 15 minutes on the Moses amendment.

Mr. HOWELL. That is what I understood.

Mr. McNARY. Mr. President, I should like to see the Senator from Nebraska have ample time, but I inquire if that is the construction the present occupant of the chair places upon the unanimous agreement?

The PRESIDING OFFICER. That is the construction which the Chair is informed has been placed upon such agreements heretofore.

Mr. McNARY. I think it is quite important that we should have a construction of the terms of the agreement. It was the intention of the author, at least, inasmuch as a number of Senators wished to address the Senate, that the limitation of debate should be 15 minutes on the bill and all amendments offered thereto, including the substitute. If the agreement is going to be construed to the effect that 15 minutes may be allowed on the bill and 15 minutes on all amendments, one Senator may occupy all the time between now and 3 o'clock.

Mr. LENROOT. He could only occupy 30 minutes.

Mr. REED of Pennsylvania. He could occupy another 30 minutes on the next amendment which might be offered.

Mr. McNARY. That is it exactly.

The PRESIDING OFFICER. The Chair was informed that the 15 minutes which the Senator has used should be charged to the Moses amendment and that the Senator still has 15 minutes on the bill itself. The Chair is not ruling on the question, but that is the information which the Chair received.

Mr. McNARY. Mr. President, the construction to be placed on the agreement is quite important. That construction of the unanimous-consent agreement by the present occupant of the chair would nullify the purpose the author of the agreement had in mind. The idea was to give opportunity for free expression here by all Senators, each one to be limited to 15 minutes on the measure now the unfinished business and on all amendments, including the substitute.

The PRESIDING OFFICER. Does the Senator request the present occupant of the chair to rule?

Mr. McNARY. I think it is a highly important matter, and I should be glad to have a ruling.

The PRESIDING OFFICER. Then the present occupant of the chair holds that under the unanimous-consent agreement each Senator is limited to 15 minutes of debate.

Mr. BRUCE. Mr. President, may I say a word with the permission of the Senator having the floor?

Mr. REED of Pennsylvania. I yield to the Senator if he wishes me to do so.

Mr. BRUCE. I merely wish to make a suggestion to the Senator from Oregon; that is all, and then I will have nothing more to say. It seems to me that he ought to have the unanimous-consent agreement extended until 4 o'clock to-morrow afternoon, because a number of us who are opposed to this bill have had no opportunity to express ourselves at all.

Mr. McNARY. Of course, I can not speak for the unanimous-consent agreement, which by its nature comprises the thought, judgment, and action of the Members of this body.

Mr. HOWELL. Mr. President, I desire to call attention to the fact that yesterday I was on the floor from 1 o'clock until 5 and every Senator was allowed 15 minutes upon the bill and 15 minutes upon the amendment.

The PRESIDING OFFICER. The Chair noticed yesterday afternoon that some Senators asked for an extension of time, which was granted. Does the Senator from Nebraska ask for that?

Mr. HOWELL. If I am not entitled to the floor, I will not ask for an extension of the time.

Mr. REED of Pennsylvania. Mr. President, the Senator from Nebraska has read a telegram from some person in Iowa stating that there are now 20 ships tied up in New York Harbor because their cargo consists of German steel, which is not permitted to be landed.

I have just made inquiry of the customs division as to the facts about that matter. I am advised by the chief of the customs division, Mr. Camp, that so far as he knows there is not a single ship tied up in New York Harbor on that account and that he believes he would be instantly advised if there were a single ship held there under those circumstances.

I am further advised that under the antidumping provisions of the law there is no authority to impose an embargo at any time and that no embargo has been attempted; that the effect of the antidumping clause is to create an additional duty equal to the amount by which the foreign manufacturer who dumps his product here is underselling the foreign market; that it is optional with any importer to sell here at any time at any price, subject to the payment of that duty.

I am further advised that the statement which I understood the Senator to make regarding a report on steel products by the Tariff Commission is not correct, because the Tariff Commission, I am told by its chairman, has never since its organization made any report on any product of steel.

Mr. HOWELL. Has it not done so on pig iron?

Mr. REED of Pennsylvania. I am advised that it has made a report on pig iron, and the only product to which the antidumping provisions have been applied is pig iron. The Senator's statements as to the profits of the Steel Corporation from the application of these clauses can not be correct, because the Steel Corporation is not a seller of pig iron, but, on the contrary, has been ever since its organization a purchaser of pig iron; and the cheaper it can get its pig iron the better it is for the Steel Corporation. So that the application of these clauses can have

no effect on that or any other steel manufacturer that has to buy its pig iron.

Mr. WALSH of Montana obtained the floor.

Mr. HOWELL. Mr. President, I ask the consent of the Senator from Montana to make a short statement. It will take just a moment.

Mr. WALSH of Montana. I yield to the Senator from Nebraska.

Mr. HOWELL. Mr. President, yesterday, February 10, the Metal Trade, New York, contained an item to the effect that 20 ships from Germany, carrying 100,000 tons of pig iron, are being detained in New York Harbor pending an investigation by the Government in connection with the antidumping provisions of the tariff act. We called up the Tariff Commission this morning and asked if a complaint had been made, and it is our understanding that it has, and that they have made a finding, and the finding is in the hands of the President.

Mr. REED of Pennsylvania. Nobody in the Tariff Commission or any other department of the Government has any authority to detain any ship on that account.

Mr. HOWELL. But they can refuse to unload them.

Mr. REED of Pennsylvania. The Government does not unload them.

Mr. HOWELL. They can refuse to allow them to be unloaded.

Mr. WALSH of Montana. Mr. President, the Senator from Tennessee [Mr. McKELLAR] has sent to the desk and asked to have printed an amendment, and has suggested that it would be offered, as follows:

On page 13, line 18, insert the following proviso:

Provided, That no equalization fee on cotton shall be levied for a period of two years from the date of the passage of this act.

On page 13, line 23, after the word "commodity," insert the following:

Except that no such fee shall be paid in respect of cotton prior to two years from the date of the passage of this act.

If that amendment shall be offered, Mr. President, I shall move to amend it by striking out, in line 2 thereof, the words "on cotton," and in line 6 thereof the words "in respect of cotton," so that it will read:

That no equalization fee shall be levied for a period of two years from the date of the passage of this act.

And—

Except that no such fee shall be paid prior to two years from the date of the passage of this act.

The purport of the amendment of the Senator from Tennessee is that the equalization fee shall not be exacted with respect to cotton for a period of two years; and the effect of my proposed amendment would be that no equalization fee whatever should be exacted for a period of two years.

Mr. MAYFIELD. On any commodity?

Mr. WALSH of Montana. On any commodity.

I have indicated to the chairman of the Committee on Agriculture and Forestry, in charge of the bill, that if it should be amended by postponing for a period of two years the payment of the equalization fee, not on cotton alone, as has been proposed, but on all products subject to the operation of the bill, I should vote for it.

The changes in the bill by reason of which it differs from the earlier draft voted on at the last session do not obviate the constitutional objections urged by me at that time, nor would they disappear if an amendment such as that suggested should be adopted. I am unable to distinguish, however, in character between the expenditure of money from the Public Treasury for the purposes of this bill and the expenditure annually authorized for the general activities of the Department of Agriculture and possibly other departments of the Government. Upon the precedent thus established, and the course of Congress so long observed, I should feel quite justified in voting for the bill if, like bills making appropriations for the Department of Agriculture, it were impossible to assail it in the courts.

I found myself unable to sanction a bill which, if it became a law and were put into execution, would require the payment of equalization fees by the farmers of Montana to an amount that might aggregate as much as $5,000,000, every dollar of which would probably be lost to them if the act should be held to be unconstitutional, as I was constrained, after careful study, to believe it must be. If, however, the payment of the fee should be deferred as is proposed in the case of cotton, the validity of the law would meantime have been determined by the courts.

I am unwilling that the farmers of my State, sorely, desperately tried during the past six years, should be forced to wager the very great sum that would be exacted of them that the act is constitutional when I am convinced, quite contrary to my hope, that it is not. The regret with which I voted against a measure substantially like that now before the Senate at the last session will be intensified if I am forced now to act likewise, from the fact that the disparity between the prices of farm products and those of other commodities, instead of disappearing, as it was represented in some quarters would be the case, has, during the past year, increased alarmingly.

Mr. McKELLAR. Mr. President, I desire to ask the Senator from Montana a question, if I may, or make a statement in reference to the amendment suggested.

I prepared and had printed the amendment of which the Senator from Montana speaks, and at the time I intended to offer it; but since that time, upon mature deliberation and careful consideration and discussion of the matter, I have concluded to offer a different amendment, as follows:

On page 9, line 4, insert the following in reference to the putting on or stopping of the equalization fee, namely:

and until the board shall become satisfied that a majority of the producers of such commodity favor such action.

If the Senator will permit me to say it in his time, I am inclined to think that we should give the commission the authority to put the equalization fee upon all products alike, but provide that the fee should not be put upon any product until the commission had found that a majority were in favor of putting on the fee.

Mr. McNARY. Mr. President, may I have the opportunity of asking the Senator from Tennessee where his amendment is proposed to be inserted?

Mr. McKELLAR. On page 9, line 4. I am speaking in the time of the Senator from Montana, by his consent. I do not want to take my time at this moment.

Mr. STEWART. Mr. President, my remarks on the McNary-Haugen bill are going to be very brief. As the distinguished chairman of the Committee on Agriculture and Forestry said the other day, this bill has been so thoroughly discussed that there is not much left to say about it.

Mr. CARAWAY. Mr. President, will the Senator yield to me for just a moment?

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Arkansas?

Mr. STEWART. If it is not taken out of my time.

Mr. CARAWAY. It will be taken out of the Senator's time.

Mr. STEWART. The economic phases of the bill, Mr. President, have been exhaustively and thoroughly and intelligently discussed. The constitutional phases of the bill, also, have been discussed in a very masterly way. One of the greatest speeches ever made in this Chamber on a constitutional question was made by that distinguished statesman, Albert B. Cummins, late Senator from Iowa, last June on the constitutionality of this bill. That speech is to be found on pages 11624 to 11631 of the CONGRESSIONAL RECORD for the first session of the Sixty-ninth Congress.

Mr. President, no one has even attempted to answer the arguments set forth there by that distinguished statesman. I have the greatest respect for the keenness of mind and sincerity of purpose of the great statesmen here who can not find themselves convinced of the constitutionality of this bill; but, Mr. President, even on the Supreme Court we have divided opinions, and so in this I am sure that the majority of the Senators disagree with those to whom I have referred and believe that the bill is constitutional.

In addition to the speech of the late distinguished Senator from Iowa I wish to refer to the report of the Committee on Agriculture and Forestry on the McNary-Haugen bill. I think that report is a masterpiece; and while we are talking about constitutional questions, Mr. President, it might be well to remember that the distinguished statesman who is the chairman of the Committee on Agriculture and Forestry—I refer to the Senator from Oregon [Mr. McNARY]—was once a member of the Supreme Court of Oregon, and was dean of a law school; and I think most of us are willing to concede that when it comes to speaking on constitutional matters the brief that he has set forth in this report speaks for itself, and should be convincing.

Mr. President, the people of Iowa have studied this bill for a number of years. They are convinced not only that it is economically sound but that it is constitutional. Not only the farmers of the State of Iowa are whole-heartedly behind the McNary-Haugen bill but the chambers of commerce, the business organizations, the bankers, and the Iowa State Legislature have all unanimously indorsed the McNary-Haugen bill.

Some criticism has been voiced on the floor to the effect that western bankers are in favor of this bill, but I say to that,

thank God that the bankers of the Middle West still conceive it to be their duty to use the funds intrusted to their care for the upbuilding of their communities.

There has been some criticism expressed on this floor to the effect that this demand for the McNary-Haugen bill comes only from the Middle West, and that the distinguished statesman from Maryland [Senator BRUCE], whom I personally admire, has used some cruel language in this Hall toward the mid-west farmers. He has accused them of being beggars. He has said that they have come to Congress asking for the McNary-Haugen bill, and he has said that it is a crack-brained scheme. In reply to that I wish to call the attention of the Senator from Maryland to the fact that after he had made these cruel remarks, these insulting remarks, I got in touch with the farm bureau of Maryland to find out how the farmers of Maryland felt about this matter, and I wish to read their reply.

DEAR SENATOR STEWART: We have received a communication from one of our members, Mr. Edward H. Sharpe, who is connected with our Frederick County Farm Bureau. He advises of the correspondence he has had with you with reference to surplus marketing measure known as the McNary-Haugen bill. * * *

We are inclosing herewith a copy of our letters to Senators BRUCE and WELLER.

I now read the copy of the letter of the Maryland Farm Bureau to Senator BRUCE:

DEAR SENATOR BRUCE: Inclosed herewith we are transmitting a set of the resolutions adopted by the Maryland Agricultural Society, the American Farm Bureau Federation, and the various organizations affiliated with this federation. These affiliated organizations are:

Agricultural Corporation of Maryland.
Maryland State Horticultural Society.
Maryland State Dairymens Association.
Maryland Tobacco Growers Association.
Maryland Sheep Growers Association.
Maryland Crop Improvement Association.
Maryland Vegetable Growers Association.
Maryland Bee Keepers Association.
Maryland Swine Growers Association.
Atlantic Coast Poultry Producers Association.
And the various county farm bureaus.

You will note very particularly the farmers' organizations of Maryland have gone on record in supporting a surplus marketing bill, and that the bill that meets their viewpoint is now before Congress, known as the McNary-Haugen bill.

Mr. President, I am tired of hearing the criticism in this Hall that the demand for the McNary-Haugen bill comes only from the farmers of the Middle West. I have just read the plea of farmers who live right under the very shadow of this Capitol, pleading with Congress to pass the McNary-Haugen bill in order that the farmers of this Nation may have a square deal.

Yesterday we heard some comment from the New Hampshire and Connecticut and other New England Senators regarding the McNary-Haugen bill. We heard it said that this bill would be a terrible thing for the farmers and a terrible thing for the laborers. The farmers and the laborers of this country are articulate, they are able to speak for themselves. They know their own minds, and I wish to say that the American Federation of Labor has unanimously indorsed the McNary-Haugen bill. Every farm organization that has appeared before the committees of this Congress has indorsed the McNary-Haugen bill.

If there are any farmers, or any great number of them, who are opposed to the bill, why have they not appeared before any of these committees and expressed their disapproval? When New England weeps for the laborers and the farmers the rest of the Nation must get a good laugh.

When I listened to the cruel words of the able Senator from Maryland and to the hard-hearted remarks of the Senator from New Hampshire I was reminded of the story of the banker who had a glass eye. A farmer went in to see his banker, who had a glass eye, and asked him for a loan. The banker said, "Now, I'll tell you, John, if you can tell me which one of my eyes is glass I will make you this loan." John looked at him intently for a moment and then said, "It's your right eye." The banker said, "That's right; but, John, how could you tell?" John replied, "Why, I thought I detected a gleam of human sympathy in that eye." [Laughter.]

Mr. President, the farmers of this Nation have never been sectional in their feelings. They always have been loyal in their support of everything that was for the good of this Nation. But as years have gone by they have seen a selfish spirit develop among certain classes of this Nation. They have seen the selfish interests come to Congress and get legislative relief. They inquired why, and they found that these selfish interests got legislative relief because they organized and expressed their wishes and made their demands upon Congress. So the farmers, benefiting from what they had learned of the procedure of these other bodies, determined to organize in order to get their demands. But as soon as the farmers started to organize and make demands, then we saw the hypocritical eyebrows raised in horror, and hands raised, and remarks made as to what a terrible thing it would be if we should develop blocs in this country.

After the experience of the farmer they get a good laugh out of criticism of that kind. The farmers know their rights, and they will no longer be frowned out of those rights.

In this great family of ours which we call the Nation the farmer has always played the part of the homely sister, who did all the drudgery around the house and wore the second-hand clothes, while the good-looking sisters had good clothes and went out to parties. But recently it has appeared that the family is much disturbed because a fine-looking fellow has been courting the homely sister, and it seems that he has not only offered to take her for a buggy ride but to take her for a ride in the Pullman cars.

There is more involved in the passage or defeat of the McNary-Haugen bill than simply the question of a square deal for the farmers. This country has grown and prospered because of its political and economic unity. The question involved here is whether or not we are going to permit certain selfish interests to break down the things that have brought prosperity and happiness to this Nation by refusing to give a square deal to all elements.

Mr. NEELY. Mr. President, I offer an amendment, which I ask to have read from the clerk's desk.

The PRESIDING OFFICER. The clerk will read.

The LEGISLATIVE CLERK. Beginning on page 17, strike out all of paragraph (b) of section 12 and insert in lieu thereof the following:

(b) For the purpose of developing continuity of cooperative services, including unified terminal marketing facilities and equipment, the board is authorized, upon such terms and conditions and in accordance with such regulations as it may prescribe, to make loans out of the revolving fund to any cooperative association engaged in the purchase, storage, sale, or other disposition, or processing of any agricultural commodity, (1) for the purpose of assisting any such association in the acquisition, by purchase, construction, or otherwise, of facilities to be used in the storage, processing, or sale of such agricultural commodity, or (2) for the purpose of furnishing funds to such associations for necessary expenditures in federating, consolidating, or merging cooperative associations, or (3) for the purpose of furnishing to any such association funds to be used by it as capital for any agricultural credit corporation eligible for receiving rediscounts from an intermediate credit bank. In making any such loan the board may provide for the payment of such charge, to be determined by the board from time to time, upon each unit of the commodity handled by the association, as will within a period of not more than 20 years repay the amount of such loan, together with interest thereon. The aggregate amounts loaned under this subdivision and remaining unpaid shall not exceed at any one time the sum of $25,000,000.

Mr. NEELY. Mr. President, the twofold purpose of this amendment is, first, by rearrangement to improve the language of the bill, and, second, to render its proposed benefits more available and more generally useful to certain cooperative concerns.

It is generally admitted that the following are essentials of successful cooperative marketing associations:

First. Sufficient facilities primarily to process and warehouse the commodities handled.

Second. The capacity and right to associate together in order to avoid competition between or among the associations.

Third. Such credit facilities as will enable the cooperatives to accommodate their membership by utilizing the facilities of the intermediate credit system, thus avoiding the necessity of inopportunely dumping commodities upon the market.

My amendment is designed to provide all of the foregoing essentials to cooperative marketing associations.

If adopted, it will be the only portion of the bill designed to aid associations which handle products other than those defined in the bill as basic agricultural commodities. To be more specific, the adoption of this amendment will enable the producers of nonbasic agricultural commodities, such as the fruit, the vegetable, and the buckwheat growers and the dairy farmers of West Virginia and every other State in the Union, to share the benefits of the pending measure.

It may be both surprising and interesting to some of the Senators to know that the aggregate annual value of the agricultural commodities defined as basic in the bill is between four and five billion dollars, while the aggregate annual value of the

agricultural commodities not defined as basic is between nine and ten billion dollars.

That the advantages of this legislation ought to be shared by the producers of this greater portion of our annual agricultural wealth should be so obvious to every Member of the Senate as to make superfluous either argument or proof.

For the information of the Senate I read the following self-explanatory indorsements. The first is a telegram from Martinsburg, W. Va., dated February 10, addressed to me, and is as follows:

We, the West Virginia State Horticultural Society, in convention assembled, hereby desire to express to you our appreciation and gratitude for your effort in our behalf which is reflected in your proposed amendment to the McNary-Haugen bill. This amendment, if adopted and becomes law, will be most helpful in our endeavor to organize on a cooperative basis. In fact, there is no other provision so helpful to our industry in many of the proposed bills. We earnestly urge upon Congress the approval of this amendment and the passage of the bill.

WEST VIRGINIA HORTICULTURAL SOCIETY,
FRANK ROBINSON, *President.*
HURLEY CRANE, *Secretary.*

The following is from Hon. G. M. Putnam, president of the New Hampshire Farm Bureau Federation:

CONCORD, N. H., *February 9, 1927.*

Senator NEELY:

Urge adoption of your proposal to amend McNary bill with reference to loans to cooperative under amortization plan. Such amendment would be most helpful in the development of cooperative marketing and should be adopted.

G. M. PUTNAM,
President New Hampshire Farm Bureau Federation.

The following is an excerpt from a letter which I received on the 8th day of February from Mr. Chester H. Gray, the Washington representative of the American Farm Bureau Federation:

The substance of this proposed amendment was approved in the resolution of the board of directors of the American Farm Bureau Federation early last year, and I believe the amendment, if enacted into law, would be very helpful in assisting cooperative enterprises financing their work.

AMERICAN FARM BUREAU FEDERATION,
CHESTER H. GRAY, *Washington Representative.*

Mr. President, I demand a vote on my amendment.

Mr. BRUCE. Mr. President, when this bill came up at the last session of Congress I voted against it, and since that time nothing has transpired to make me change the convictions by which I was then influenced.

I am opposed to the bill, first, because, in my judgment, it is unconstitutional; and, secondly, because, in my judgment, it is economically unsound.

The constitutionality of the equalization fee provided for in it is founded upon the claim that the fee is an incident of interstate commerce regulation. I deny that.

There is no distinction taken anywhere in the bill between interstate commerce and intrastate commerce, but if the validity of the equalization fee is to be referred to the interstate commerce clause of the Federal Constitution it falls directly within the scope of the decisions of the Supreme Court of the United States in the cases of Hammer against Dagenhart in Two hundred and forty-seventh United States, and the Child Labor case in Two hundred and fifty-ninth United States. In the former case Congress attempted to prohibit the transportation of commodities produced, in part, by child labor, and the attempt was made to uphold its enactment upon the ground that the measure was a regulation of interstate commerce. The Supreme Court of the United States said, "Not so":

The thing intended to be accomplished by this statute—

It declared—

is the denial of the facilities of interstate commerce to those manufacturers in the States who employ children within the prohibited ages. The act in its effect does not regulate transportation among the States, but aims to standardize the ages at which children may be employed in mining and manufacturing within the States.

That decision was followed by the Supreme Court of the United States in the Child Labor Tax case in Two hundred and fifty-ninth United States. There Congress undertook to impose a tax on the net profits received from certain commodities produced, in part, by child labor, and the court said:

The case before us can not be distinguished from that of Hammer *v.* Dagenhart (247 U. S. 251). Congress there enacted a law to prohibit transportation in interstate commerce of goods made at a factory in which there was employment of children within the same ages and for the same hours a day and days in the week as are penalized by the act in this case. This court held the law in that case to be void.

Then the court recalled a part of what it had said in the case of Hammer against Dagenhart, and continued:

In the case at bar Congress, in the name of a tax which on the face of the act is a penalty, seeks to do the same thing, and the effort must be equally futile.

The pending bill, I repeat, is controlled by those two decisions. It is contended that it is a regulation of interstate commerce, but, of course, the real fact is that its leading object, I may say its sole, exclusive object, is to artificially enhance agricultural prices. The equalization fee created by it can not be upheld as a quantum meruit for service incident to the movements of interstate commerce. Neither can it be upheld as a tax.

Need I argue that Congress has no power to levy a tax except for public purposes; that it has no authority to empower any public agency to impose a tax for the purpose of promoting the special interests of a particular class of individuals; and that was exactly what the Supreme Court said in the case of Parkersburg against Brown. There a statute authorized the city of Parkersburg, W. Va., to issue bonds of the city to an amount not exceeding $200,000 for the purpose of lending the same to manufacturers carrying on business in or near the said city. The Supreme Court of the United States said:

Taxation to pay the bonds in question is not taxation for a public object. It is taxation which taxes the private property of one person for the private use of another person.

So here I say that if we call the equalization fee prescribed by the pending bill a tax, then the bill endeavors to impose something that is in no true sense a tax at all, but simply an unwarrantable invasion of the principles of personal liberty and personal freedom of contract. How can a legislative provision that every farmer shall pay such an equalization fee, whether he is willing to do so or not, be otherwise than a gross violation of the fifth amendment to the Federal Constitution, which declares that no person shall be deprived of life, liberty, or property without due process of law?

Mr. REED of Pennsylvania. Mr. President, will the Senator from Maryland yield in that connection?

Mr. BRUCE. I am very sorry, but I have such a short time. I would gladly yield, but the minutes are really precious to me at this time, whether they are to anyone else or not.

Then again, as the Senator from Montana [Mr. WALSH] has so well pointed out, the bill is unconstitutional, because it does not prescribe any proper administrative standards for the exercise of the powers bestowed upon the farm labor board by it. So I say that the pending bill is in several vital respects absolutely unconstitutional, nugatory, and void.

Moreover, so far as it attempts to fetter the power of appointment vested by the Constitution of the United States in the President it is also unconstitutional and void. The Federal Constitution says the President shall, by and with the advice and consent of the Senate, have the power to nominate and appoint; and yet here we have a bill which seeks to empower nominating committees, named by the farmers, to restrict the power of appointment of the President to one of the three names handed in from each of the 12 land-bank districts of the country. It can not be done. As I said when the bill was last before the Senate, if we are going to pass a bill, do not let us pass one which, in the memorable language of John Randolph of Roanoke, "has the sardonic grin of death upon its very countenance."

I say, likewise, that the bill is economically unsound, but I have no time to stop to ask how far it is practically workable. Let us suppose that it is workable; what then? How would it operate, if it operated at all? It would operate, so far as the American people generally are concerned, by producing one of the things that have always been considered most undesirable by the human race; that is, scarcity of the necessaries of life. The object of the bill is to produce artificially by law the conditions which are usually produced only by drought, by storm, or by some other cruel natural catastrophe. In other words, in order to bestow a benefit upon the farmer, it is proposed to make the cost of living higher to every man and woman of the United States, including the farmer himself. If all the necessaries of life, which are called basic commodities in the pending bill, are enhanced in price, of course, that enhancement will run through the whole structure of human society in the United States. Every man, no matter what his calling, his occupation, his pursuit, his business, will have to pay a part of that enhanced price, including the farmer himself, when he comes to buy foodstuffs and dairy stuffs and the like. And especially

will that be true of the southern farmer, who buys every year some $1,500,000,000 worth of feed and foodstuffs from other portions of the United States. The bill ought not to be called a bill to promote orderly marketing. It ought to be called a bill to promote scarcity, to inflate prices for the necessaries of life, and to make the present cost of living, which is high enough, still higher.

Mr. KING. And to disrupt our industrial and economic structure.

Mr. BRUCE. Yes; the whole economic structure of the country, as I could readily establish, if I had a little more time.

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

Mr. BRUCE. I have not the time; otherwise I would be glad to yield. I really think the Senator should agree to extend my time about 15 minutes longer. If he will do so, I shall be very glad to yield.

Mr. MAYFIELD. Mr. President, I ask unanimous consent that the distinguished Senator from Maryland be given an additional 15 minutes.

Mr. McNARY. That is so contradictory of the intent of the unanimous-consent agreement and so unfair to other Senators that I feel impelled to object.

Mr. BRUCE. The other effect would be that while our own people would be paying all these high prices for wheat, for corn, for rice, for cotton, and what not, the people of other lands would be enjoying the low prices created by the surpluses which the farm board created by the pending bill would be dumping on those lands. Of course, one result of the dumping would be that the owners and employees of industrial establishments in foreign countries would profit at the expense of our industries because of the low prices at which they could obtain the commodities that would enter into such surpluses.

As soon as inflated prices were produced by the pending bill, of course there would be a demand on the part of labor for higher wages on account of those prices, and then we should have the same old vicious circle with which we have been so familiar in recent years. There would be a demand for increased wages, and it would have to be honored, and as a result of that course manufactured commodities of every sort will be higher and freight rates would be higher. Indeed, almost everything that enters into the economy of human life in the United States would be higher.

Another effect of the bill would be to give a tremendous stimulus to agricultural production that would roll up larger and larger surpluses and make the operation of the bill more and more difficult. With great respect to the Northwest, the pending bill is but a hollow cask. It is but another one of those deceitful fallacies which have from time to time been swept to view by brainstorms bred in that region and been borne eastward to fill with anxiety and alarm the breasts of the conservative inhabitants of the East. All through my life we have had to face in the East first one economic delusion and then another engendered in what I call the Bryan and Brookhart West. First, we had the greenback craze, when it was proposed to flood the country with rag money.

Then we had the Patron of Industry movement, the Farmers' Alliance movement, and the Populist movement, all involving proposals that legal-tender paper money should be issued directly from the Treasury without the intervention of any banking agencies at all.

That was the time when Peffer, of Kansas, nursed the long beard which became almost as famous as the beard of Frederick Barbarossa, and when Jerry Simpson, known as "Sockless Simpson," was supposed to be going about in sockless feet to show on what a very sad footing the agriculture of the country was.

Then came along the free-silver agitation, which furnishes an exact analogy to this bill. There the attempt was by law to create a parity, an unnatural, fictitious parity, between silver and gold in defiance of Gresham's law and other despotic economic laws. That madness, too, passed after the whole country had fairly rocked with excitement and fear as the result of it. And to-day we can as readily find in the United States a man willing to worship a cow or a snake as a man who has the slightest faith in the shallow, dishonest shibboleth of the free and unlimited coinage of silver without the aid or consent of any other nation.

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

Mr. BRUCE. I am sorry, because I should like to hit the pending bill some still harder blows. Many of my farmer constituents favor its passage, and I deeply regret that I can not concur with their views; but I am sure that they will be generous enough to realize that I am merely unwilling to be false to my honest convictions.

Mr. REED of Missouri obtained the floor.

Mr. KING. Mr. President——

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

Mr. REED of Missouri. I yield.

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

The PRESIDING OFFICER. The clerk will call the roll.

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

Ashurst	Fletcher	King	Reed, Mo.
Bayard	Frazier	La Follette	Reed, Pa.
Bingham	George	Lenroot	Robinson, Ind.
Blease	Gerry	McKellar	Sackett
Borah	Gillett	McLean	Schall
Bratton	Glass	McMaster	Sheppard
Broussard	Goff	McNary	Shipstead
Bruce	Gooding	Mayfield	Shortridge
Cameron	Gould	Means	Smith
Capper	Greene	Metcalf	Steck
Caraway	Hale	Neely	Stephens
Copeland	Harris	Norris	Stewart
Couzens	Harrison	Nye	Trammell
Curtis	Hawes	Oddie	Tyson
Dale	Heflin	Overman	Underwood
Deneen	Howell	Pepper	Walsh, Mass.
Dill	Johnson	Phipps	Walsh, Mont.
Edwards	Jones, Wash.	Pine	Watson
Ernst	Kendrick	Pittman	Willis
Fess	Keyes	Ransdell	

Mr. WALSH of Montana. I desire to state that the Senator from Arkansas [Mr. ROBINSON] and the Senator from Michigan [Mr. FERRIS] are necessarily detained from the Chamber on business of the Senate.

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

Mr. REED of Missouri. Mr. President, I am in this position. Confinement to my home has made it impossible for me to take a part in this debate, and now that the time limit is fixed it is impossible within the time allowed to do more than merely to state a few propositions. If I may have the indulgence of the Senate I shall try to state my views touching this proposed legislation in the briefest possible way.

Mr. President, I have the utmost respect for the opinions of those Senators who differ from me with regard to the merits of this bill. I think I am safe in saying that not one of them would be found a proponent for the measure if it were not that the farmers of the country generally are not in a prosperous condition. There is a natural desire in the heart of every man to see all the great elements of society prosper, and so, out of the hard condition affecting agriculture, comes an effort to secure some kind of relief; but some of our friends are very much in the attitude of a sick man who in his desperation will take any kind of medicine that is suggested, and that wholly regardless of the learning that has been accumulated through the ages which may clearly prove that the medicine is dangerous and perhaps deadly.

There is trouble in the farm situation. We have what we call prosperity, but it is a very "spotted" prosperity. Great manufacturing and financial institutions are making more money in a year's time, indeed, are making more money by a single transaction, than ever before in the history of the world. That makes an apparent prosperity. Wages are high, largely through the efforts of organized labor, and prices on manufactured products are high, very largely because of legislation which has been enacted by Congress.

The farmer, however, finds himself in a bad situation. I want for a moment to get at the causes of the disease and see, if we ascertain what the cause is, whether we can not find two things: First, the right remedy; and, second, the evils attaching to this proposed bill.

Mr. President, it is with a feeling akin to disgust that I see the proponents of a high protective tariff upon manufactured articles stand upon the floor and complain about the hardships of the farmer. They created those hardships very largely by positive statutory enactment. Years ago they took away from the American citizen the right to buy his goods in the free and open markets of the world by imposing an excessively high tariff for the express purpose of enabling the manufacturers of the country to charge higher prices for their products in order that the manufacturers might receive large profits. Thus they skimmed the cream of the country's industry and wealth and turned it into the hands of a few favored industries. That was the initial step in the depression of the farmer's condition.

No man is entitled to call himself a man of good judgment who will deny that when we pass a law artificially raising the price of that which the farmer consumes and do not at the same time raise the price of that which he produces we have

created a condition which is bound to result in the impoverishment of the farmer. Thus we fix the initial point from which we can proceed.

Second, when the World War came on there was an effort made to regulate the price of farm products. A law never was passed authorizing the regulation of those prices, but a power was vested in Mr. Hoover to license those organizations engaged in the business of buying grain, meats, and so forth. He exercised that power in this wise: He licensed these various organizations and said to them, "You will pay a certain price for wheat, for corn, for cattle, etc.; if you pay more or less I will revoke your license from you and destroy your business." Accordingly, there was a price fixed by the arbitrary action of this man upon the principal products of the farm.

At what point was that price fixed? We are no longer left to the realm of speculation or of fancy. We know that no wheat could be shipped out of this country except through the Export Grain Corporation, which was created by law and dominated and controlled by Mr. Hoover and his advisers. We know that that concern turned back to the Federal Government as profits made upon the farmers' grain $70,000,000. We know, therefore, that the price the corporation received for the grain shipped abroad was $70,000,000 in excess of the price received at home. That $70,000,000 of profits was realized upon the grain that went abroad, and, as only about two-ninths of the grain raised in this country went abroad, the total taken from the farmer, as shown by the figures, amounted to over $3,500,000,000 upon wheat alone.

But that is not all of the story. The Export Grain Corporation did not itself receive full war prices, for wheat was during the war frequently sold in Europe at $4 and $5 a bushel. American wheat that had been sold through this very board and purchased for $2 and $2.10 a bushel was sold in Europe—plenty of it—at $4 and $5 a bushel. The result was, therefore, that the farmer was compelled to sell upon a low and artificially fixed valuation. In the meantime he was forced to buy everything he purchased at full war prices. The result was that when the war was over he did not have a surplus in his bank. He found himself practically without any surplus whatever.

Let us take the next step, and be it observed these steps follow each other in logical sequence and tell their story as we go along.

When the war was over and it was expected that war prices would come down, the great manufacturing industries came to the Congress and demanded a higher tariff than had ever been levied in all the history of the world. I saw these men come before the Finance Committee and heard them declare in good, set terms: "We won this election. We elected Mr. Harding. We are entitled to the fruits of that election." So Congress passed a law to keep the price of everything the farmer bought and everybody else bought on the high level of the war by enacting a tariff law so outrageous as to accomplish that result.

What followed? The farmer then found himself obliged to sell upon the broken market of Europe at European prices as fixed by those bankrupt conditions. At the same time he was forced to buy in a market that you gentlemen on the other side of the Chamber voluntarily, intentionally, willfully, and wickedly raised. There the prices remain to-day.

What, then, would be the natural thing to do? It would be to lower that tariff, and give the farmer a decent opportunity to buy in a market at prices somewhat akin to those of the market in which he is compelled to sell; but you do not propose that. You come here with this bill.

In the few minutes that remain to me I want to give my attention to the bill itself.

First, you propose artificially to raise prices in a product where we have a great surplus going abroad every year. It is admitted that in order to accomplish that result you must in some way control the production, or monopolize the production, so that you can sell in this country at a high level, dump the surplus in Europe at a lower level. You then propose to find out what the loss is, divide that up among the farmers, and make them pay that loss proportionately. That is this bill, and that is all there is to this bill. You propose, however, to do this not by the voluntary action of the farmers of the United States but by force of law.

I frankly admit that the farmers of the United States would have the right, if they wanted to do so, to get together in some great assembly and sign a contract by which they would all agree not to sell their grain for less than a certain price, or to deliver it all to one seller, and authorize that man to fix the price in this country. It might not be sound from the economical standpoint, but such a scheme would permit the farmers of the country to exercise their natural right. But, Mr. President, the farmers of the United States have not done any such thing, and this bill does not propose to require them to do any such thing. This bill says to the farmers of the United States: "By law we propose to set up a board to control the prices of your products, we intend to regulate their sale, and we will attempt to find out how much money that board is going to lose, and we will, by law, make every one of you 60,000,000 farmers willy-nilly take part of your produce and turn it over to this board to do with as it sees fit; such is the intent and purpose of this bill when it is reduced to its final analysis.

Mr. President, I ask the Senate to consider what that means. It means, sir, that a free-born American citizen can buy a farm, can plow his field, can sow his grain, can harvest his crop, can thresh it, and then of what use is it to him? Absolutely none, unless he can sell it. At that point you propose to say to him: "You can not take this grain and sell it as a free man. You can take it to town, it is true; you can turn it over to a merchant, it is true; but when you turn it over to that merchant he must take out of your grain which you raised a certain proportion and turn it over to a board without your consent, without your agreement, and against your will." [At this point the gavel fell.] My time is not up. I have three or four minutes left. The Chair is mistaken.

Mr. BRUCE. I ask unanimous consent——

The PRESIDING OFFICER. The Senator started at 21 minutes past 1, and it is now 1.37. The Senator has spoken 1 minute over the 15 minutes; but if the Senator from Maryland requests unanimous consent that the Senator's time be extended——

Mr. BRUCE. I do.

Mr. McNARY. Mr. President, it is useless to do that. The Senator knows from his own experience that I can not discriminate between Senators.

Mr. BRUCE. I am perfectly willing to be discriminated against. The Senator refused to discriminate, as far as I am concerned, and if I was entitled to 15 minutes more, I should think the Senator from Missouri was abundantly entitled to it.

Mr. McNARY. I am not going to discriminate against the Senator from Maryland; hence, we must enforce the rule.

Mr. BRUCE. You are going to discriminate against all other classes of society in this bill, so why should you not discriminate against me?

Mr. LENROOT. Mr. President, a parliamentary inquiry: Was there not a quorum call, and has that been taken out?

The PRESIDING OFFICER. The quorum call was taken out, the Chair is informed; yes.

Mr. REED of Missouri. Mr. President, I want to make this appeal to the Senate: I have been ill. I have been unable to be here. I should like just about three minutes.

The PRESIDING OFFICER. If there is no objection, the Senator's time will be extended three minutes. The Chair hears none, and it is so ordered.

Mr. REED of Missouri. I merely want to conclude what I was saying.

Whenever the Government of the United States says to a citizen, "Against your will we will take some of your property and turn it over to a board or bureau to be expended," the Government is taking property without process of law; and if it can take 10 per cent of what a farmer has produced, it can take 20 per cent or 50 per cent. Whenever the Government can take away a portion of that which a man has justly acquired, not by general taxation for the general purposes of government but for the special advantage of certain other citizens, it has reduced the free man to the condition of a serf; for if the Government can take away the citizen's right to earn a livelihood, to enjoy the fruits of his toil, the Government can reduce him to a condition of dependence which, carried to the extreme, would establish absolute slavery.

Men may smile at that, but that is a power that was once asserted by tyrannical governments. It never heretofore has been asserted by this Government. The power to take a part of what the farmer raises can be applied to every citizen, and we can have boards and bureaus regulating the wages, profits, and property of people in every department of life.

One word in conclusion.

Men have stood here and said they represent the farmers; that they speak for all the farmers of the United States. I deny it. The farmers are not all members of these organizations. Nay, there are not, in fact, in my judgment, 20 per cent of the farmers of the United States in all of these organizations. The men outside are to be considered. This bill means the establishment of agricultural peonage if it is carried to its legitimate conclusion. It deprives the farmer of his right to till the soil and reap the result of his labor. It means for the Government to say: "I am strong enough, I am great enough

to reach into your pockets and take your money and use it for any purpose a few legislative sharps think is going to benefit you."

That is not freedom. That is not liberty. That is not Americanism. That is not democracy. That is tyranny. That is brutality. That is infamy. That is a blot upon our entire civilization.

Some day, when I have time, I will tell you what I think about this bill. [Laughter.]

Mr. SHIPSTEAD obtained the floor.

Mr. CARAWAY. Mr. President, will the Senator from Minnesota yield to me for just one minute? The Senator from Missouri [Mr. REED] said that some day he is going to tell us what he thinks about the bill. I hope he reads it before he does so, because evidently he has not read it. There is not a thing in the bill that the Senator said was there.

Mr. REED of Missouri. Mr. President, the Senator and I just differ.

Mr. CARAWAY. Oh, no; we do not differ. I have read the bill, and the Senator has not.

Mr. REED of Missouri. The Senator is mistaken.

Mr. CARAWAY. Oh, no; I am not.

Mr. REED of Missouri. We just have two different minds. Sometimes the Senator is going along with me, and he is all right; and sometimes he gets off on the other side.

Mr. CARAWAY. When the Senator reads the bill he is usually right, but when he makes a speech without having read it he is usually wrong.

Mr. REED of Missouri. Mr. President, I am not going to have a quarrel with my friend from Arkansas——

Mr. CARAWAY. I am not quarreling.

Mr. REED of Missouri. But when the Senator says I have not read this bill, or makes any assertion of that kind, he does not mean to say it.

Mr. CARAWAY. If the Senator has read it, when he says that 60 per cent of the farmers could be deprived of their rights he ignores the fact that an equalization fee can not be imposed until more than 50 per cent of them are for it.

Mr. REED of Missouri. I said that 60 per cent of the farmers do not belong to these organizations.

Mr. CARAWAY. Oh, no; that was not what the Senator said.

Mr. REED of Missouri. Well, we will not quarrel about an immaterial thing of that kind. It is too small to quarrel about.

Mr. SHIPSTEAD. Mr. President, I ask the attention of the Senator from Maryland [Mr. BRUCE] for just a moment.

The Senator from Maryland—who is a man of very notable character, has a very charming personality, and is recognized as having one of the keenest and ablest minds in the Senate at the present time—has taken it upon himself on various occasions to express, in language of considerable fluency, from a vision that is wide in latitude, his personal opinion of Senators, Member of this body from the Northwest, who are defending this piece of legislation. He has not confined his indictment to Senators only, but he has indicted the entire Northwest. He has accused us and the people of the Northwest of supporting hare-brained ideas. My vocabulary is not sufficient to repeat the anathemas he has hurled upon us.

I am sorry the Senator from Maryland did that, because I am sure I express the opinion of very many of his friends when I say that it is unworthy of the great Senator from Maryland. He has not only directed his criticism to the people of the Northwest, but I want to call attention to a letter that was addressed to the Senator from Maryland on January 28. This letter was written by Mr. Melvin Stewart, secretary-treasurer of the Maryland Agricultural Society. I want to read a paragraph or two from the letter, to show that it is not only the agricultural interests of the Northwest who favor this piece of legislation, but the farm organizations of the great State of Maryland have also indorsed it. The letter reads as follows:

Hon. WM. CABELL BRUCE,

United States Senate, Washington, D. C.

DEAR SENATOR BRUCE: Inclosed herewith we are transmitting a set of the resolutions adopted by the Maryland Agricultural Society, the Maryland Farm Bureau Federation, and the various organizations affiliated with this federation. These affiliated organizations are:

Agricultural Corporation of Maryland.
Maryland State Horticultural Society.
Maryland State Dairymens Association.
Maryland Tobacco Growers Association.
Maryland Sheep Growers Association.
Maryland Crop Improvement Association.
Maryland Vegetable Growers Association.
Maryland Beekeepers Association.
Maryland Swine Growers Association.
Atlantic Coast Poultry Producers Association, and the various county farm bureaus.

You will note very particularly the farmers' organizations of Maryland have gone on record in supporting a surplus marketing bill and that the bill that meets their viewpoint is now before Congress, known as the McNary-Haugen bill.

His indictment therefore stands against the farmers of Maryland, his own people, as well as against the people of the Northwest.

Mr. President, in the course of the debate upon this measure a great deal has been said about the power to tax. It is known and recognized by any economist that the power to tax is the power to destroy, and I submit that the power to fix prices on commodities is also the power to tax, and therefore inherently contains the power to destroy. In the price-fixing legislation that has been passed by the Congress in the past 25 or 30 years we have had a practical demonstration that the power to fix prices contains the power to destroy, and that power has been so used.

Of course, the purpose of this measure is to enhance the prices of farm products. Of course, it establishes a bureau. It is adding to the old system of bureaucracy that has been foisted upon this country by Congresses in the past, and by men who now stand before us and object to another bureau that is sponsored by the agricultural interests as a backfire for protection and defense against this prairie fire of bureaucracy that is sweeping down upon us and destroying agriculture.

What is the transportation act but a price-fixing measure? What has been the result since that law was passed upon the freight rates, hitting the producers of commodities? Passenger rates and freight rates have been enhanced 50 per cent.

What is tariff legislation and the tariff commission but a price-fixing measure and bureau? Through the power to tax, through a high tariff, there is the power to fix prices, and therefore the power to destroy.

What is the Federal reserve banking act but a price-fixing measure, establishing a price-fixing bureau, to fix the rediscount rates and the interest rates?

What is the result of the neglect to enforce the Sherman Antitrust Act against the monopolies of the country, fixing prices, and through the power to fix prices using the power to tax the pockets of the American people?

Of course, these are price-fixing, tax-collecting bureaucracies which have been foisted upon the American people by Congresses in the past. It is a doctrine and it is a program that those who are opposed to this piece of legislation have forced upon us. We are now only putting back in their own teeth the very words they have been using here for 25 or 30 years, and because we have permitted it we have had to pay the price, and in the few minutes I have I want to call attention to the terrific price the agricultural interests have paid for this bureaucratic price-fixing legislation.

The condition is reflected in the statistics of bank failures throughout agricultural sections, and I want to read the statistics of the bank failures in the industrial East for the years from 1920 to 1925 and compare them with those in the other sections of the country.

In the great States of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, and Connecticut, in the five years from 1920 to 1925, a total of 36 banks failed.

In the great States of New York, New Jersey, Delaware, Pennsylvania, and Maryland a total of 147 banks failed in the period from 1920 to 1925.

Note, when we come into the agricultural sections, the increase in bank failures. In the States of Michigan, Wisconsin, Illinois, Indiana, and Ohio 204 banks failed, with total resources of $99,333,000.

Then we go into the border States between the North and the South, the agricultural States. In West Virginia, Virginia, Kentucky, and Tennessee a total of 132 banks failed, with total resources of $32,000,000. In the old South, North Carolina, South Carolina, Georgia, Florida, Alabama, and Mississippi, a total of 502 banks failed, with total resources of $156,000,000.

In Louisiana, Texas, Arkansas, and Oklahoma 547 banks failed, with total resources of $181,000,000.

In Minnesota, North Dakota, South Dakota, Nebraska, Missouri, and Kansas 1,299 banks failed, with total resources of $430,000,000.

In Montana, Idaho, Wyoming, Colorado, New Mexico, and Arizona 519 banks failed.

The total bank failures for the United States amounted to 3,546, with resources of $1,617,000,000, and 95 per cent of those bank failures were in agricultural areas.

Here is a demonstration of the power to destroy agriculture through the power to fix prices below cost of production. The

following statistics are from pages 70 and 71 hearings before subcommittee of the Banking and Currency Committee of the United State Senate, Sixty-ninth Congress, first session, on S. 1782 and H. R. 2.

TABLE 8.—*State and National bank failures, by geographic divisions and States, 1900 to 1925, divided into periods preceding and following January 1, 1920*

NOTE.—The small figures indicate the number of failures for which no figures of resources are available. They should be deducted from the number given to obtain the number whose resources are given]

Geographic division and State *	State and National bank failures 1900, to Jan. 1, 1920		State and National bank failures Jan. 1, 1920, to August, 1925		Totals, 1920-1925	
	Number	Resources	Number	Resources	Number	Resources
A. New England States						
1. Maine	3	$1,859,000	1	$600,000	4	$2,459,000
2. New Hampshire	1	272,000	1	1,735,000	2	2,007,000
3. Vermont	4	2,946,000			4	2,946,000
4. Massachusetts	10	13,799,000	6	59,876,000	16	73,675,000
5. Rhode Island	5	30,378,000	2	1,299,000	7	31,677,000
6. Connecticut *	2	1,406,000	1	2,269,000	3	3,675,000
Total	25	50,660,000	11	65,779,000	36	116,439,000
B. Middle Atlantic States						
1. New York	47 [3]	182,402,000	2	4,203,000	49 [3]	186,605,000
2. New Jersey	9	7,157,000			9	7,157,000
3. Delaware						
4. Pennsylvania	66 [4]	97,506,000	16	21,920,000	82 [4]	119,426,000
5. Maryland	4	1,288,000	3	1,394,000	7	2,682,000
Total	126 [6]	288,353,000	21	27,517,000	147 [6]	315,870,000
C. North Central States						
1. Michigan	13	7,619,000	2	1,070,000	15	8,689,000
2. Wisconsin	20 [1]	11,489,000	31	7,601,000	51 [1]	19,090,000
3. Illinois	19	16,582,000	39 [1]	21,110,000	58 [1]	37,692,000
4. Indiana	20 [1]	6,324,000	14	5,153,000	34 [1]	11,477,000
5. Ohio	38 [1]	16,483,000	8	5,902,000	46 [1]	22,385,000
Total	110 [3]	58,497,000	94 [1]	40,836,000	204 [4]	99,333,000
D. Southern Mountain States						
1. West Virginia	25 [2]	5,165,000	8	3,180,000	33 [2]	8,345,000
2. Virginia	7	2,343,000	21	5,097,000	28	7,440,000
3. Kentucky	26 [16]	1,891,000	17	3,239,000	43 [16]	5,130,000
4. Tennessee	13 [3]	3,503,000	15	8,035,000	28 [3]	11,538,000
Total	71 [22]	12,902,000	61	19,551,000	132 [22]	32,453,000
E. Southeastern States						
1. North Carolina	25	3,817,000	66	17,931,000	91	21,748,000
2. South Carolina	11 [1]	1,114,000	87 [1]	32,624,000	98 [2]	33,738,000
3. Georgia	53 [13]	13,341,000	153	43,031,000	206 [13]	56,372,000
4. Florida	15 [2]	15,035,000	22	9,326,000	37 [2]	24,361,000
5. Alabama	26	8,445,000	18	3,755,000	44	12,200,000
6. Mississippi	5	887,000	21	6,913,000	26	7,800,000
Total	135 [16]	42,639,000	367 [1]	113,580,000	502 [17]	156,219,000
F. Southwestern States						
1. Louisiana	25 [2]	7,285,000	27	7,050,000	52 [2]	14,335,000
2. Texas	41 [3]	11,111,000	154 [5]	67,793,000	195 [8]	78,904,000
3. Arkansas	26 [2]	4,477,000	31	8,971,000	57 [2]	13,448,000
4. Oklahoma	61 [1]	14,757,000	182 [1]	60,034,000	243 [2]	74,791,000
Total	153 [8]	37,630,000	394 [6]	143,848,000	547 [14]	181,478,000
G. Western grain States						
1. Minnesota	35 [6]	4,632,000	162 [1]	62,506,000	197 [7]	67,138,000
2. North Dakota	27	2,988,000	269 [1]	61,260,000	296 [1]	64,238,000
3. South Dakota	41 [1]	3,832,000	196	81,373,000	237 [1]	85,205,000
4. Iowa	10 [1]	4,643,000	142 [1]	74,032,000	152 [2]	78,675,000
5. Nebraska	14	1,665,000	135	47,984,000	149	49,649,000
6. Missouri	32 [7]	6,963,000	102 [2]	41,209,000	134 [9]	48,172,000
7. Kansas	32 [1]	6,888,000	102 [3]	30,171,000	134 [4]	37,059,000
Total	191 [16]	31,611,000	1,108 [12]	398,525,000	1,299 [28]	430,136,000
H. Rocky Mountain States						
1. Montana	8	6,349,000	176 [1]	58,291,000	184 [1]	64,640,000
2. Idaho	13	4,419,000	57 [1]	26,252,000	70 [1]	30,671,000
3. Wyoming			74 [1]	22,907,000	74 [1]	22,907,000
4. Colorado	22	6,557,000	55	14,707,000	77	21,264,000
5. New Mexico	9	896,000	68 [2]	29,984,000	77 [2]	30,880,000
6. Arizona	7 [1]	2,455,000	30 [1]	14,620,000	37 [6]	17,075,000
Total	59 [4]	20,676,000	460 [6]	166,761,000	519 [11]	187,437,000

* No data are available on failures of State banks in Connecticut.

TABLE 8.—*State and National bank failures, by geographic divisions and States, 1900 to 1925, divided into periods preceding and following January 1, 1920*—Continued.

Geographic division and State	State and National bank failures 1900, to Jan. 1, 1920		State and National bank failures Jan. 1, 1920, to August, 1925		Totals, 1920-1925	
	Number	Resources	Number	Resources	Number	Resources
I. Great Basin States						
1. Utah	2	$4,445,000	12	$6,963,000	14	$11,408,000
2. Nevada	14	916,000			14 [8]	916,000
Total	16 [8]	5,361,000	12	6,963,000	28 [8]	12,324,000
J. Pacific Coast States						
1. Washington	25 [3]	8,829,000	30	28,526,000	55 [3]	37,355,000
2. Oregon	10 [6]	731,000	24	13,853,000	34 [6]	14,584,000
3. California	34 [1]	27,380,000	9	6,149,000	43 [1]	33,529,000
Total	69 [10]	36,940,000	63	48,528,000	132 [10]	85,468,000
Grand total	955 [94]	585,269,000	2,591 [26]	1,031,888,000	3,546 [120]	1,617,157,000

Is this what you call "prosperity"?

Mr. President, I want to call attention to the fact that when we had the greatest financial panic in the history of the United States in the agricultural area we were exporting to Europe three times the amount of agricultural products that we ever had exported before the war.

I ask to have printed in the RECORD statistics compiled from the records of the Department of Commerce, and also copied from the Manufacturers' Record of August 30, 1923, showing what the exports of farm products were before the war and after the war, until the year 1923, during that period of deflation, when the farmers of the country were going bankrupt because we were told we could not export farm products. These records will show that we averaged three times the amount of exports of agricultural products during that time that we ever averaged before the war. The record shows that the exports of agricultural products have since the war been about three times greater than they ever were before the war. I quote the figures on these exports, which I took from the Manufacturers' Record of August 30, 1923. These figures were originally obtained from the Department of Commerce. I have checked them with the report of the Department of Commerce and I find them to be identical.

I ask unanimous consent that these statistics may be printed in the RECORD.

The VICE PRESIDENT. Is there objection?

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

Agricultural products

[From the Manufacturers' Record, Aug. 30, 1923]

		Pre-war average	Fiscal year 1923
Wheat	bushels	56,913,228	154,950,971
Corn	do	39,809,690	94,060,000
Rye	do	854,765	51,410,000
Barley	do	7,895,521	18,190,000
Potatoes (white)	do	1,511,000	2,980,000
Oats	do	8,304,203	18,573,000
Wheat flour	barrels	10,678,635	14,882,714
Oat meal and rolled oats	pounds	24,297,000	123,115,317
Rice	do	16,215,000	318,940,870
Sugar	do	79,368,000	749,855,325
Lard	do	482,159,000	952,641,705
Bacon	do	188,750,000	408,282,000
Ham and shoulders	do	172,859,000	318,186,689
Butter	do	3,110,777	9,409,837
Cheese	do	2,654,315	8,446,321
Milk, condensed and evaporated		16,473,782	157,000,000
Wheat, including flour	bushels	104,967,085	221,923,184

Mr. SHIPSTEAD. The Department of Agriculture has asserted that, as a result of deflation of agriculture by Federal reserve banks, agriculture values have been reduced $18,000,000,000. This is only a part of the price we have paid for having prices fixed against us.

Mr. President, if this piece of legislation that has been proposed here for the relief of agriculture is economically unsound, who has the effrontery to defend the economic soundness of these various pieces of legislation, price fixing, if you please, carrying with them the power to tax, that have resulted in the present condition of agriculture in the United

States, and this long series of bank failures, running into the billions?

Is there anyone here who will assume responsibility for the economic soundness of the legislation that has been passed here for the last 25 or 30 years as a result of which we have this condition in the United States to-day, with exports of agricultural products larger than they have ever been before?

I do not believe in bureaucracy, neither do I believe in prairie fire, but when the bureaucracy of price fixing, for transportation, for banking, for industry, is sweeping down upon us to destroy us, I am willing to start a back fire by creating another bureau in order to save agriculture from complete annihilation. Like any other bureaucratic law, this law depends for success or failure upon its executors who may be chosen to administer it.

The newspapers have been carrying in headlines for the last four or five years announcements of the tremendous prosperity of the industrial sections of the country. Of course they have been prosperous. Why should they not be prosperous? We have been feeding them for less than the cost of production, and when we take a leaf out of their book and come to Congress and ask for a piece of legislation of the same kind and character that Congress has granted to transportation, to banking, and to the industries, we are met with the old cry that we are proposing something that is economically unsound.

The PRESIDING OFFICER (Mr. BROUSSARD in the chair). The Senator's time has expired.

Mr. SHIPSTEAD. Let me say, in conclusion, that all we ask is that the industrial East shall pay the agricultural West for what they eat, and pay at least the cost of production.

Mr. FESS. Mr. President, I wish to state in as brief manner as possible my objections to the bill. In other words, I wish to summarize what I have stated before, both in the last session and at the present time, upon this character of legislation.

I know of no measure yet presented to deal with an important problem which contains so many unsound features and involves such general bad results as the present unfinished business which is now before us. It proposes to handle the surplus by increasing its volume instead of reducing production or increasing consumption, a remedy which is worse than the disease, for any guaranty of the handling of a surplus which will maintain a higher price than economic conditions will warrant will be a stimulation of production instead of a retardation of production. The proposal to handle the surplus which is due to overproduction will stimulate overproduction instead of retarding it.

The bill totally ignores the consuming public by denying to the public, through the President of the United States, the power to appoint the board, but, on the other hand, leaves to the industry interested the power to appoint that board, the most far-reaching step toward the sovietizing of industry that has yet ever been undertaken, and I am quite certain that it will be one of the determinants as to whether or not the bill will ever become a law.

The bill proposes that the Government shall handle the surplus, which in the past has reached the enormous amount of $1,500,000,000, and while the bill suggests that this shall not be in operation except as the board may put it in operation, it does give the power to operate it whenever there is a surplus. Anyone who can think two thoughts in a row knows that there is always a surplus, which means that this is to be a continuing operation.

The bill proposes to deal with this enormous surplus by the Government entering into agreements by contract with the millers and the packers and the ginners, guaranteeing these agencies against any loss. It is written in the bill, and thus we have the Government itself undertaking to handle, through a board, the surplus that amounts to $1,500,000,000 worth of property through agencies like the packers, with the packers suffering no losses, but with the losses to be made up by the producer under Government direction. If there is any such approach of guaranty to special agencies by the Government in any legislation that has ever been proposed, I know nothing about it. Oh, it is said, on the one hand, this is not a price-fixing agency, and yet the Senator who has just taken his seat [Mr. SHIPSTEAD] has insisted that it is a price-fixing agency and excuses it by urging that it is not different from the Interstate Commerce Commission or other agencies like the Federal Reserve Board, and so forth.

That is a concession to our contention which can not be here contradicted, because it can not be successfully controverted, that it is either a Government fixing of the price or else it is the creating of a Government agent with which it contracts to fix the price itself without any control by the Government, for the contracts that are entered into cite the Government of the United States as the party of the first part and the packers and millers as the parties of the second part, and if the Government does not fix the price at which the packers shall sell, then it leaves the packers the freedom to fix it in accordance with their own wish, guaranteed against any loss in the transaction, and that guaranty made by the Government. Take your choice of either horn of the dilemma. If it is Government price fixing, then it is pernicious. If it is not Government price fixing, then it is pernicious that these irresponsible agencies, guaranteed against losses by the Government itself, can fix the prices without regard to the public welfare.

I claim, Mr. President, that if this is an entrance upon price fixing by the Government in any exchange of goods by private interests, there is no limit to what it will ultimately mean to the public welfare. I do not think anyone has any serious thought about what the Senator from Minnesota has just stated, that we are fixing prices through a Government commission of transportation. Le me say to him and to all others that the only reason why the Government regulates railroad rates is to keep them down in the interest of the public who use the roads. The railroad is a public function. Only in the degree that it is public does the Government interfere. The Government only interferes in the interest of the public to keep down the price which otherwise the railroads would or, at least, might put upon the shipping public, and not to increase the price upon the public as this bill proposes to do.

Here is a proposal to induce the Government under contract to lift the price, and it is a price of private industry which has no public function, with which the Government has nothing to do. If the raising of wheat were a public function like the transportation of wheat by the railroads, in which the public were the third party interested and upon whose interests transportation exists, then we could introduce the Government—for what purpose? To keep down the price so that it would not be exorbitantly charged on the public. That is the purpose of limiting the amount which the railroads may charge and the only basis upon which the Government can act.

I apologize for taking as much time upon such an insignificant utterance as that the Government is regulating railroad rates, and that gives us the right as a government to regulate the price of wheat or the price of corn or the price of swine. It is too ridiculous for anyone to consider for a second.

Mr. President, these losses are to be assessed in the form of an equalization fee to be assessed as a tax upon the producer without his consent and without counseling him. I hold that that can not be done under the constitutional privileges of the people of the country. I have no doubt that when it reaches the courts there will be a speedy decision upon the matter.

The proposal will injuriously affect the livestock industry in any State of the Union which is in competition with the livestock raiser of an adjoining country, because the purpose of the bill is to keep up the price at home of the corn that is fed to the American hogs and to permit the corn sold as surplus to be sold at less than the American consumer pays. That enables the Canadian hog raiser to feed corn costing him less than the American hog raiser must pay, because the very purpose of the bill is to make a difference between the cost of the article at home and the cost of the article that is shipped abroad. When the American hog raiser enters into competition with the Canadian hog raiser, if the American hog raiser has to feed corn costing a higher price than the Canadian hog raiser will have to pay, and if the Canadian hog raiser buys that cheaper corn from the American producer in order to keep up the price of corn here at home, it gives the Canadian hog raiser a distinctive advantage in the markets of the world, to our disadvantage. I am quite sure that when we estimate the 2,000,000,000 pounds of pork which is sold in a year in the export markets in competition with whatever is sold by a competitor north or south of us, the American farmer will begin to note the effect of the legislation upon animal industry.

Mr. President, the bill in a way is sectional, as everyone must admit. I think it is inequitable. I believe it is unjust in its operations upon the public. It includes all the consumers, and a greater portion of the producers are concerned without their consent and even without consulting them. Here is a plan where two or three members of a self-selected board can perpetually fasten upon the entire population of the United States, against their will, a perpetual burden in the interest of but a mere fraction of the people. What do I mean by that statement? The few States which produce 50 per cent and more of the corn—and there are only a few of them—when the bill becomes operative upon corn, will have two or three representatives on the board in the districts representing 50 per cent of the production of corn who, against the will of 9 or 10 other men representing all the people of all the other States and, in spite of their opposition to it, can cause it to go on perpetually, be-

cause the bill provides that when once put in operation it can not be discontinued until those members of the board representing 50 per cent of the production of the article in question vote to discontinue it. I can not imagine anything that will produce more prolific opposition.

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

Mr. FESS. Mr. President, a parliamentary inquiry. I have spoken 15 minutes on the bill. Have I not 15 minutes on the amendment?

Mr. McNARY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McNARY. That point was raised this morning, and I presented the view, which the Chair sustained, that a Senator has only 15 minutes on all amendments and the bill and the substitute.

Mr. FESS. Oh, that can not be correct. Mr. President——

Mr. McNARY. That question has been ruled upon this morning.

The PRESIDING OFFICER. The present occupant of the chair was not in the chair at that time, so he is somewhat at a loss as to the ruling to make on this question.

Mr. FESS. I ask the Presiding Officer to read the unanimous-consent agreement. It is perfectly clear.

Mr. CARAWAY. The agreement has been construed and that construction has been enforced.

Mr. FESS. In the interest of saving time, I shall not insist upon it if I may put into the RECORD three other objections which I have to the bill.

Mr. McNARY. I have no objection at all to the Senator doing that.

Mr. FESS. I shall not insist if that will be acceptable.

The PRESIDING OFFICER. Without objection, the Senator has permission to do so.

The matter referred to is as follows:

(8) This state of socialistic control, where a small minority becomes the dictator, will throw the Nation into a campaign between those producers and all the consumers who, in the end, will fix the producer where the last stage will be many times worse than the first.

(9) This coalition of block interests in which open bids are made for votes has reduced legislation to its worst stage and has displayed Congress in its worst light.

If, for any reason, this bill becomes a law, the courts will certainly pronounce it void; and in case it does not reach the courts in due time it will not be long until a revulsion of the better judgment of our people will break into a storm unlike anything we have yet seen.

The popular judgment against greenbackism and 16 to 1 fallacies will be but gentle zephyrs to a cyclone when compared with what will greet this conglomeration of economic and political nonsense.

Mr. KING. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KING. I inquire of the Chair and also of the Senator from Oregon [Mr. McNARY] whether the interpretation of the unanimous-consent agreement is that upon the amendments and upon the bill itself or substitutes but 15 minutes of debate are permitted to each Senator?

Mr. McNARY. The Chair, after considering the inquiry this morning, determined that the spirit and letter of the agreement were that one period of 15 minutes was all the time that any Senator had on the bill and the amendments.

Mr. KING. I am sure, Mr. President, that there would have been dissent from the unanimous-consent agreement if that construction had been insisted upon at the time it was asked for.

Mr. McNARY. That was the evident intention and is the interpretation that has been given to the unanimous-consent agreement.

The PRESIDING OFFICER. Let the Chair make this statement. If the present occupant of the chair had been called on to decide the matter, he would have decided it in view of this language, to wit:

and that after the hour of 3 o'clock p. m. on the calendar day of Thursday, February 10, 1927, no Senator shall speak more than once or longer than 15 minutes upon the bill or upon any amendment offered thereto.

Had the present occupant of the chair been called upon to decide the matter, he would have held that there would be 15 minutes allowed to each Senator on the amendments and 15 minutes on the bill itself; but that question is not now raised.

Mr. McNARY. Mr. President, I ask unanimous consent that the Secretary may read the telegram which I send to the desk.

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

The legislative clerk read as follows:

COLUMBUS, OHIO, *February 11, 1927.*

HON. CHARLES L. McNARY,
United States Senate, Washington, D. C.:

Sentiment of Ohio farmers very strong for McNary-Haugen bill. Conditions worse here than one year ago. Land values in Ohio depreciated $1,250,000,000 since 1920. Farms now selling at 35 per cent below pre-war valuations. One farm of nearly 5,000 acres was bid in by creditors recently for $75 per acre. Five years ago it sold for $231 per acre. Another farm in Marion County of 435 acres was bought for less than $65 per acre by mortgagee, the Kentucky Land Bank Co. Ten years ago this farm sold for $100 per acre. Banks are full of frozen farm paper, consisting of mortgage notes, many of which have not even interest paid. Insurance companies having heavy loans on farms, now doubly scared because of corn-borer menace, are threatening to withdraw all loans from Ohio.

CHAS. V. TRUAX,
Director of Agriculture.

Mr. WILLIS. Mr. President, in view of the telegram which has just been read at the desk I think, as one of the representatives from Ohio in this body, I should make some comment upon it. I do not at all object to the gentleman who signed the telegram giving his expression of opinion, but, merely that there may be no misunderstanding about it, I should like to say that while, of course, in this body political considerations have no influence—that is understood by everybody [laughter]—the gentleman who signs this telegram is of the opposite political faith, and this question has become a very active political issue in the State of Ohio. Mr. Truax, director of agriculture, has a right to his opinion; but he has no right to speak, as he assumes to speak, for the attitude of the farmers of Ohio, unless my information is entirely wrong——

Mr. GOODING rose.

Mr. WILLIS. Just let me finish this statement; because within a week the Ohio Farm Bureau Federation, which, I think, is truly representative of the farmers of Ohio, held a meeting in the city of Columbus, not a meeting of a few directors but a meeting of the actual representatives of the Farm Bureau Federation, and the subject was fully discussed. After it had been fully discussed, by a vote of 116 to 16 they voted against the bill which this gentleman states in the telegram is favored by the farmers of Ohio. I submit, Mr. President and Senators, that the actual farmers themselves know as well what the sentiment of the Ohio farmer is as does this gentleman who is holding a political office and seeking to make a political issue out of this question in Ohio. Now I yield to the Senator from Idaho.

Mr. GOODING. I wish to ask the Senator from Ohio if he thinks the telegram states the truth in regard to the condition of the farmers of Ohio?

Mr. WILLIS. No; I do not.

Mr. GOODING. Then, the Senator thinks the author of the telegram does not know what he is taking about when he makes the statements which are contained in the telegram?

Mr. WILLIS. Of course, I do not undertake to analyze his motives or anything of that kind, but I do not believe that the conditions which he says exist really do exist in Ohio. I have the means which every other Senator has of keeping somewhat in touch with his constituents, and no such condition as that which this gentleman describes has been brought to my attention. I wish to say also that, according to the correspondence which I have had with the farmers of Ohio, four-fifths of those with whom I have communicated are opposed to this bill, because they understand perfectly well that this bill is so drawn as to penalize the Ohio farmer who carries on diversified farming in order to pay a premium to the one-crop farmer of the West. In my opinion, the farmers of Ohio are not for this bill.

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

Mr. WILLIS. Yes.

Mr. NEELY. What is the political faith of the farmers whose convention adopted the resolution opposing the measure?

Mr. WILLIS. I do not know, but I do know that it was representative of the farmers of Ohio. I can not tell the Senator the political opinion of a single member of that organization.

As I was saying, Mr. President, the farmers of Ohio understand this situation perfectly well, particularly in view of the fact that the sponsors of this bill will refuse to have placed within its provisions numerous important farm products that are raised in Ohio.

The amendment which has been offered by the Senator from West Virginia [Mr. NEELY] may be adopted; I do not know as to that, but the amendment which was offered by the Senator

from New Hampshire [Mr. MOSES], I dare say, will not be adopted. There is no opportunity to glean votes for this bill by putting in the items covered by the amendment of the Senator from New Hampshire; but when other items are added they have been added with the idea that such action would produce so many votes here or there.

Mr. GOODING. Mr. President, would the Senator vote for the bill if those items were included?

Mr. WILLIS. I would not.

Mr. GOODING. I thought so.

Mr. WILLIS. I will not vote for a proposition that is unsound economically and which will come back to plague the Senator and the farmers in his State of Idaho. He will have a job of explaining to do when one of the farmers of his State hauls a load of wheat to the market and is called upon to turn over a certain percentage of the value of his product——

Mr. GOODING. No; I shall have no difficulty about that.

Mr. WILLIS. The Senator can not interrupt me until I complete the sentence—to turn over a certain proportion of what he has received for the benefit of somebody, some airy, mythical board somewhere. Now, I yield to the Senator.

Mr. GOODING. I am going to say to the Senator that I have already explained to the farmers of Idaho; and the farm organizations, including the grange of Idaho, have all gone on record in favor of this bill.

Mr. WILLIS. That is fine. [Laughter.]

Mr. GOODING. So the Senator need not worry about my position.

Mr. WILLIS. But the Senator will have another job of explaining, for, while the Senator in his very happy way may have explained the theory of this measure to them——

Mr. GOODING. Oh, no; not that alone.

Mr. WILLIS. I am talking about what he will have to explain when the farmer is actually called upon to turn over a portion of his money for the benefit of somebody else, a transaction which, in my judgment, is absolutely unconstitutional. Has it come to pass in this country that Congress can enact a law to take money from A and put it into B's pocket?

Mr. GOODING. Oh, no; Mr. President, that is not what the bill does.

Mr. WILLIS. That is exactly what this bill does, and that is why I am opposed to the bill.

Mr. NEELY and Mr. GOODING addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Ohio yield; and if so, to whom?

Mr. WILLIS. I yield to the Senator from West Virginia.

Mr. NEELY. May I not assure the Senator from Ohio that if the amendment which I have proposed is adopted the benefits of the bill will be extended not only to the farmers who produce basic agricultural commodities but also to the grape growers of California, the melon growers of Colorado, Arizona, and the Ohio Valley, where the Senator lives, and to the apple producers, the buckwheat growers, and the potato raisers of West Virginia—and, by the way, West Virginia raises the very best buckwheat, potatoes, and apples the world has ever seen, just as she produces in unlimited quantities the finest coal the earth has ever yielded to man.

Mr. WILLIS. With the exception of the last parts of the statement of the Senator from West Virginia I might be willing to accede to it; but does the Senator think his amendment will be adopted?

Mr. NEELY. I feel quite sure that it will be, and it will also probably include the producers of the buckwheat which is served at the White House, and which is probably grown somewhere in New England.

Mr. WILLIS. It is very unfortunate that the Senator who now occupies the floor has not had the opportunity of tasting that delightful viand of which the Senator from West Virginia is speaking now with such authority.

Mr. NEELY. No; I have never tasted a crumb from the President's table nor a drop from his cup.

Mr. WILLIS. Is that so? [Laughter.]

Mr. NEELY. I assure the Senator from Ohio that it is.

Mr. WILLIS. If the Senator should vote for the pending bill and it should become a law and be put into operation, he will have to eat somewhere outside the State of West Virginia, because I am sure the farmers will not permit him to eat there. [Laughter].

Mr. NEELY. Mr. President, the Senator is either facetious or mistaken, or both, they will not only permit me to eat there, but they will be generous enough to invite the Senator from Ohio to West Virginia and provide him a feast or at least a square meal. [Laughter.]

Mr. CARAWAY. And they will have something to eat.

Mr. NEELY. Provided my amendment is adopted and the bill becomes a law.

Mr. WILLIS. Mr. President, how much time have I left?

The PRESIDING OFFICER. The Senator from Ohio has four minutes left.

Mr. WILLIS. Mr. President, the remark which has been made by the Senator from West Virginia and also the remarks made by my friend from Idaho remind me that not only is the Farm Bureau Federation of the State of Ohio opposed to this bill but the grange of the State of Ohio is opposed to the bill. However, I should not like to have it understood, so far as I am concerned, that my attitude upon this bill or any other measure is controlled by what is said by any particular organization. I am opposed to this bill, Mr. President, because it is wrong in principle, because it is unsound economically, because it is contrary to the Constitution of the United States, and because it is absolutely unworkable.

I was about to say that if this bill shall become a law—which in my judgment it never will—it will come back to plague the men who vote for it. We have not yet reached that condition in this Government where, as I suggested a little while ago, we can pass a law to take money from one man and give it to another. It will be found that if this bill should pass both Houses and receive the approval of the President, which in my judgment it will not, then it will not stand the test in the courts, and it ought not to stand in the courts, because it is absolutely out of harmony with the principles of American legislation and the American Constitution.

I wish to say further, regarding the suggestion made by the Senator from West Virginia, that I compliment him if he has received assurance that his amendment is to be adopted. I do not complain about its merits. I have been told, also, that an amendment is to be offered, or has been offered, to include tobacco, and, if such an amendment shall be adopted, probably it will be productive of some votes. If the Senator from West Virginia has been able to secure an agreement to the effect that his amendment will be adopted, I think he has accomplished something, because, as I said on this floor yesterday, if this is a wise measure there can be no reason given—and there has been no reason given—why its provisions should not apply to agricultural products other than those which are named in the bill.

Mr. NEELY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from West Virginia?

Mr. WILLIS. I yield for a brief question.

Mr. NEELY. I have no assurances regarding my amendment, excepting those implied in the numerous favorable comments that have been made by my colleagues. Furthermore, the Republican side of the aisle has recently been quoting Thomas Jefferson so liberally that——

Mr. WILLIS. O Mr. President, it is quite useless for the Senator from West Virginia to undertake to quote Thomas Jefferson in this matter, for everything that Jefferson ever said or did in a political way is opposed to this type of paternalistic legislation. So the Senator might quote Jefferson from now until sundown, but he would not find anything in his quotation in favor of this type of legislation.

Mr. NEELY. Will the Senator permit me to complete my statement?

Mr. WILLIS. I will if it will not take too long.

Mr. NEELY. I was going to say that those on the Republican side have recently become so Democratic that they now ought to practice what they preach and do justice to all—not excepting those who are engaged in the oldest and the most essential industry in the world—namely, agriculture.

Mr. WILLIS. I am following distinguished leadership. I hold in my hand a copy of the RECORD that contains the speech that was made by the Democratic leader, the distinguished Senator from Arkansas, when this bill was under consideration a year ago. Here is what he said, in part——

Mr. NEELY. Has he not since seen the light?

Mr. WILLIS. The Senator from Arkansas—and he is a man of ability and character—said then:

> I do not believe that the power exists in the Federal Government to levy such a fee—

That is, an equalization fee—

> whether it be called a tax or a mere charge for service. If that power exists, I do not believe that it ought to be exercised against the consent or without the consent of the persons to be charged.

That was good Democratic doctrine a year ago. It is good Democratic doctrine now. It is good American doctrine; and I call upon Senators upon the other side of the aisle to rally to

the support of their leader and stand by the proposition that he announced a year ago; and if in the meantime he has been seduced from his position, I regret it.

Mr. NEELY. Mr. President, does the Senator not know that the Senator from Arkansas [Mr. ROBINSON] became a convert to the McNary bill?

Mr. WILLIS. I am sorry that he has.

Mr. NEELY. Of course, I do not assume to speak for the able Senator from Arkansas [Mr. ROBINSON], but I have been informed that he purposes to vote for the bill.

Mr. WILLIS. If that be the case, I am exceedingly sorry.

Mr. WALSH of Massachusetts. Mr. President, in approaching the subject matter of this bill, which has been so exhaustively discussed on this floor by various Senators, I am deeply sensible of the very great importance of its deliberation and final determination to the general welfare and economic prosperity of our people.

I do not believe personally that any thinking man who has listened to the arguments in debate made by the proponents of this bill in this body could fail to be impressed by the extraordinary sincerity that actuates their utterances. I am equally sure that no thinking man who has had the opportunity of surveying and speculating upon general conditions that exist in the great farming communities of our country, where the heart of the agricultural industry is centered, and who has seen and instinctively felt the distress, the impoverishment, the deprivation, and the miserable state in which those of the farming class find themselves can fail to be sorrowed by their plight. And if at this the time when a series of events, sometimes unconnected, have laid them low financially, foreclosed the mortgages on many of their homes, and caused them to suffer unmentionable economic burdens, we are unable to agree upon the remedies that would erase their troubles and restore their good fortune, we are at least unanimously agreed that they are deserving of the greatest consideration that this Government can possibly bestow upon them without sacrificing the interests of the great body of American laboring men and American middle-class workers who have to depend for the continuance of American standards of living upon the reasonable price of agricultural products.

While I stand ready and willing to support any sound movement that may be instituted in this body that is designed to revitalize the bloodless condition of the farmer's financial corpus, I have reached the conclusion that the present bill will not function to cure the defects in the agricultural situation and redound to the economic betterment of the farmer, but, to the contrary, will produce a very serious misadjustment in our economic order that is likely to have very dangerous, overpowering, and—if I may be permitted to draw on the views of some distinguished colleagues in this body—quite disastrous results to industry and to agriculture itself.

Mr. President, this bill clearly falls within the class of private legislation. It is special, it is privileged, it is a benefit conferred upon a single group within the Government. It is the sort of a benefit that has never been sought before by any group. It is more than a tariff, because a tariff on these products already exists. It is a device, which one class asks the Government to set up, that will stifle and choke competition and establish an agricultural monopoly to supplement our other trusts. It will block off the normal channels of trade and will in the end put the United States Government into the rather dubious business of constructing an artificial buttress to support high prices in the interest of a special and private class.

The bill is an abuse of public and governmental function. Far from operating to enhance the well-being of the whole Nation, it invokes the use of governmental machinery for and in behalf of a single unit in our population. We propose to establish the precedent of putting our hands into the Treasury vaults and taking away a bounty to use for the benefit of a private class in a private business.

Where will the process end? Will we not be swamped by applications for similar treatment from every possible class or group that is languishing economically, either through lack of foresight and business judgment or on account of the ordinary movements of economic law operating on world trade and finance?

That the effect of this bill extends a marked advantage to foreign labor and foreign consumers is manifest. We are dumping the surplus of what we produce here in this country, which would ordinarily remain in this country and help determine general price levels upon foreign markets at diminished prices. If, on the other hand, the policy provided in the operation of the bill of storing the surplus to await more favorable marketing conditions were adopted, we should be conferring a benefit upon Canadian, South American, and other national producers by allowing them to gain as a result of the diminished supply of farm products going into the world market.

The argument has also been advanced that this bill will extend to the farmer the same privileges of protection that other industries enjoy under the protective tariff laws. From a logical standpoint it would therefore appear that anyone who believes in the principle of high protective tariff ought to believe in the application of that principle to the farmer.

I have never been a believer in the system of grossly high-protective tariffs—perhaps, to be more accurate, I ought to call them prohibitive tariffs—because under the present laws we not only protect American industry but in many cases we have practically created a monopoly in certain products for American industrialists.

There is a necessity which no sane person can doubt for placing a check of a reasonable sort upon the promiscuous and voluminous importation of cheap foreign goods. That is an axiomatic fact, incidental to and required by the higher standards of wages, working conditions, living, and education prevalent here over those in Europe and other parts of the world.

Let us analyze the argument of analogy of this bill to the protective tariff, and see what the arguments disclose.

The tariff keeps goods out and deals with imports. This bill sends goods out and deals with exports. The tariff collects a charge upon the admission of goods; this bill not only collects a charge upon the export of goods but artificially raises the domestic prices, and, in addition, creates a fund to export goods, which is in reality nothing more than a subsidy, and then authorizes and permits American goods to be sold in world markets at lower cost than in the market at home. Ultimately, when the goods have been so sold in foreign markets, there is, to be sure, some returns; but there is also an advantage conferred upon foreign purchasers and consumers, in that they are enabled to buy the exportable surplus of food products and cotton at a price that is actually lower than the same commodities are sold for at home. We are thus not only granting a protective tariff and subsidizing American agriculture but we are subsidizing foreign industries and foreign populations and extending them a gratuity which in the long run, in my opinion, will enable them to outcompete and undersell us in the world markets in practically every line of trade and commerce where we enter into world competition.

It may be, as has been said by some, that the superior productivity of American capital will offset to a degree these disadvantages; but I can see no sound reason for putting such an onerous burden upon the backs of our industry, and yielding up such a patent advantage to the industries abroad.

As I look over the list of commodities that have been included in this bill to receive the several benefits of it, I wonder that the proponents of this legislation have stopped so short. They have not only included the ordinary agricultural products, but they have included cotton, which is an indispensable and vital raw material in the textile manufacture. In this connection, let me say that the textile industry located in the Eastern Atlantic States has suffered a severe depression during late years; that thousands of people in the States where this industry is located have been out of employment and on the border line of impoverishment; that investors have met with heavy losses. But this textile industry has not asked the Government to go into the business of exporting cotton goods; this textile industry has not come to Washington with its arms stretched out to the Members of Congress pleading that the Treasury of the United States subsidize its operations in the competitive field. The textile industry and every other industry of whose recent history I am aware, of whose trade practices I have information, have taken their losses, and have weathered the period of depression, and have gone through the so-called "thin years" by trying to handle their own problems, by trying to pull themselves back on to their feet, by revising their output to conform to demand, by letting the price levels keep pace with those demands that economic law dictates; and I have an abiding faith that when the upward swing toward a period of prosperity is begun again the textile industry will be the first to welcome it if the necessities of the case mean anything. But, as I said, to lay down a precedent of this sort that uses Treasury funds and the machinery of the Government to carry on the business of a private group that has only private interests and that has no direct connection with the public weal, would open the door to every form of political logrolling of which, the Lord knows, we have already too much.

I suggest to the proponents of this bill that they might insert a provision that would benefit the cranberry growers of Cape Cod, the apple growers of New England, the grape growers throughout the country, and the producers of any other

diversified products that might enjoy the subsidies granted in this bill.

In conclusion, my objections to this bill may be summarized as follows:

First. Its aim and its effect, so far as it accomplishes the purpose of its framers, is to raise the cost of the farm products affected and thereby increase the cost of living of industrial wage earners generally. In the case of cotton, especially, there is the double effect of increasing the cost of clothing and lessening the demand for factory goods, tending thereby to lower wages and increase unemployment.

Second. It diverts the attention of the farmer from pursuing real remedies and gives him a false hope. His difficulties, in part, lie in eliminating the wastes and reducing the costs of production and distribution, and also in reducing unprofitable production.

Third. In the long run, the plan is far more likely to injure the average farmer, directly as well as indirectly, than to yield him the expected benefits. The immediate effect of its enactment must be to cause farmers generally to believe that its operation will insure them a fair profit, whether the season shall prove favorable or adverse. Reason and experience combine to make it certain that overproduction will at once be increased, and increased at a higher average cost. With the surplus increases that must result, the operation of the act must break down, probably after obtaining from Congress large additional appropriations, and must therefore finally entail a heavy cost upon the taxpayer generally.

Fourth. While the scheme continues to operate it will benefit foreign consumers and producers at the expense of consumers in the United States. If wheat, for instance, is held in storage here to keep it out of the market, Canadian wheat raisers will obtain higher prices for their wheat both at home and in the export trade, because of the withdrawal of our stored surplus from the world market. If "dumping" instead of storage is resorted to, the beneficiaries will be the foreign consumers.

Fifth. The proposed replenishing of the "revolving fund" by assessing a sales tax, called an "equalization fee," upon transfers of the "stabilized" products from producer to middleman or manufacturer, is of very doubtful constitutionality and would be unworkable in practice, because of the vast number of dealers and transfers involved. If the courts permit its collection to be attempted at all, the tax that is collected will be ultimately borne by the consumer rather than by the producer. What is most probable is that no "equalization fee" will ever be collected, that the "stabilization fund" (with subsequent additions) will be exhausted, and that the cost of the futile experiment will be borne by the general taxpayer.

Sixth. The passage of this bill will bring upon the next Congress a flood of demands for special legislation in the interest of other classes of producers, agricultural and industrial, also. The apple growers of northern New England, the cranberry raisers of Cape Cod and New Jersey, the citrus growers of California and Florida, and many other agricultural groups produce surpluses which could hardly be refused similar "stabilization" without laying Congress and the Federal farm board open to just charges of class discrimination, and already some of the smaller manufacturing corporations are demanding Government loans at low rates, such as this bill contemplates, on the ground that their big competitors are forcing them out of business or into monopolistic combines by controlling and curtailing their bank credits.

For these reasons, Mr. President, I shall vote against this bill.

Mr. FRAZIER. Mr. President, the agricultural situation has not improved materially since this question was discussed in the Senate last June. In fact, in many places in the South and Mid West conditions are, if anything, worse than they were last year, worse than they have been in many years. More banks have failed, mortgages have been foreclosed on more farms, more farmers have been forced to leave their homes. There is undoubtedly more real hardship, more discontent, more dissatisfaction in general among the farmers than there has been before in this generation, to say the least.

There is more demand for constructive farm legislation, to give the farmer honest marketing conditions, than ever before from the farmers themselves, from business men, bankers, wholesalers, and manufacturers.

The purchasing power of the farmer has been continually going down since 1920, and manufacturers of all kinds are beginning to feel it.

Mr. President, a great deal has been said pro and con on this farm-relief question. I want to comment briefly on just a few of the statements that have been made recently.

Yesterday the Senator from New Hampshire [Mr. MOSES], comparing the State of New Hampshire with that of North Dakota, made the statement that the per capita income tax of New Hampshire was $7, as compared with the per capita income tax paid in North Dakota of $2. He goes on to say in the very next paragraph the purpose of this proposed farm-relief measure is to take money out of the Federal Treasury and give it to a favored class of people.

I can not quite understand what the Senator meant by that. I tried to ask him yesterday, but he refused to yield to me. He says this bill will favor the farmers of North Dakota to the detriment of the farmers of his State. Yet he admits that the average income tax in New Hampshire is $7, as compared with $2 in North Dakota. Yet he talked about a favored class. Are the favored class those who have an income tax to pay or those who are so poor they have no income tax whatever?

The farmers of North Dakota do not pay income taxes, nor do the farmers of New Hampshire. It is the manufacturers in New Hampshire who pay the income taxes, and newspaper men, and other business and professional men.

The Senator from Connecticut [Mr. MCLEAN] made a statement yesterday that rather amused me. He said:

> The greatest danger that overhangs the western farmer to-day is his ballot.

Apparently the Senator from the Nutmeg State means to infer that the farmers of the great Middle West are not intelligent enough to use the ballot wisely. That may be so, and yet statistics show that the voters of the Middle Western States vote in higher percentage than in any other section of the Nation; and magazine writers of great note have complimented the Middle West States upon that fact, drawing the conclusion that the people in that section know more about how they are voting than the voters in any other section of the Nation do, and I think that is correct.

The Senator from Connecticut made the statement that this was a price raising bill. That is what we intend that the measure shall do—raise prices for the farmers on certain farm products—and if it will raise them on the important products, it will raise them on all farm products undoubtedly.

Last spring in an argument on the tax measure the senior Senator from Connecticut [Mr. MCLEAN] made the statement that one-fourth of 1 per cent of the people paid 90 per cent of the income taxes. Yet Senators from the New England States talk about the favored farmers who are going to get the benefit of this law. One-fourth of 1 per cent of the people pay 90 per cent of the income taxes, showing that if there is any favored class it is those people who are able to pay income taxes.

Both of the Senators from Ohio—and Ohio is an agricultural State beyond any question—have made some rather remarkable statements, and especially about the condition of the farmers in that State. Some 10 years ago I made my first trip through the State of Ohio, and I was very much interested, in looking out of the car windows, to see on the farms those old-fashioned, zigzag rail fences. Coming through there last year again, I saw the same rail fences, and some of the farm buildings tumbling down, not having seen a repairman or a paint brush in the last 10 years, in the great old State of Ohio. That does not indicate that the farmers are very prosperous. They are not prosperous in Ohio or any other State in this Union. It is true that some of the old rail fences had been repaired a little by the farmer laying a barbed wire across the top to keep the old cow from jumping over, but that was about the only kind of repair I could see in the old State of Ohio on the farms.

Just a few moments ago I heard a statement by a distinguished Senator from one of the Southern States who said: "The farmers down in my country do not need to worry about this bill. If it will not do them any good, it can not do them any harm. They are now as poor as they can be." That is about the situation all over the Nation.

The opponents of this measure say that it is unconstitutional. Of course, anyone who says this measure is unconstitutional is only making a guess, and the Supreme Court will have the last guess. I would be willing to wager that if this measure shall be passed, and shall go before the Supreme Court, there will not be a unanimous opinion on it one way or the other by that court. The term "unconstitutional" is very familiar to me, because it is always the last argument of the financial interest crowd who are opposed to any progressive legislation for the benefit of farmers, the last resort, to take such measures to court and block them there, if they can not block them in any other way.

Mr. President, one of our Democratic friends said he was opposed to this measure because it would tend to put the farmers on an equality with the manufacturers, who are now protected by the tariff law. Talk about taking money out

of people's pockets; what does the tariff law do? Every man who buys a suit of clothes pays a portion of the tariff that is imposed to protect the manufacturers of New England and the other Eastern States. We have the tariff law whether we like it or not, and every one of us who buys a single article of clothing pays his proportionate share of the tariff protection. Are we to deny the farmers the right to have a little protection, and a measure to benefit them, because we have a tariff law which some may think is unjust? That is a rather poor argument, it seems to me.

Another argument that has been made against this bill is that there are only about 30 per cent of the people who produce food products in this country. I think that is about correct. It is argued by the opponents of the measure that because 70 per cent of the people may have their cost of living raised because of this bill, in order to give honest market conditions to the 30 per cent who produce the food products, the 70 per cent are not going to stand idly by and see the 30 per cent benefited by this measure, or any other measure. It seems to me that is a mighty slim argument. Because 30 per cent of the people produce the food products consumed here, the 70 per cent who consume most of them are going to stand by and say, "You can be thankful, Mr. Producer, that we let you live at all, because we are in the majority here, and we are going to say what you shall be paid for your products. We are not going to allow you to receive a price equal to the cost of production for your products." It seems to me that argument is very weak.

I have two or three issues of a little paper published over in New York City called "Patches." I want to quote just briefly from Mr. William Moore Patch, president of this publishing organization. The title of his article is "No wonder the farmer complains! Wherein we submit a few unpoetic Government statistics to show that his grievance is a real one, and that his dollar is worth less than ever before."

I think he is absolutely correct in his statement. I ask unanimous consent that this brief statement, which is only a part of the article, be printed in the RECORD at this point as a part of my remarks.

The PRESIDING OFFICER (Mr. FESS in the chair). Is there objection?

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

[From Patches, November 13, 1926]

THE EAST MUST YIELD—UNLESS THE INDUSTRIALIST, BANKER, AND BUSINESS MAN GIVES THE FARMER HIS RIGHTS, REVOLUTIONARY LEGISLATION IS INEVITABLE

PRICE FIXING

(This is the fourth and final of a series of articles dealing with the farmers' relief problem. The articles were written by Mr. William Moore Patch, president of Patches Publishing Co., after a personal investigation of the various phases of the question, conducted in the West and Middle West.)

The most used objection to the McNary-Haugen plan is that it launches the Federal Government upon a policy of price fixing, which is contrary not only to sound economics but fraught with great menace to our institutions, because it is in reality State socialism. Such argument is claptrap. Nobody believes it except the 95 per cent dumb Pollyannas who pay annual dues to the United States Chamber of Commerce and their representatives.

The Federal Government has been engaged for years in the business of price fixing and still is engaged in it. Moreover, it is thus engaged openly and frankly for the purpose of insuring a profit to those interests in whose behalf it is fixing and regulating the prices.

What is the Interstate Commerce Commission? It is a Federal agency created by Congress and clothed with extraordinary powers and authority for the sole and express purpose of fixing the price of the commodity which transportation companies sell, and fixing that price so high that it will insure the transportation companies a reasonable return upon their investment and the value of their property.

What is the Federal reserve bank system? It is a Federal financial organization created by an act of Congress and clothed with extraordinary power for the express purpose of fixing the price at which banks may sell the use of their commodity, namely, money and credits. It has fixed this price arbitrarily, without regard in many cases to the best interests and welfare of great classes of our citizens and great sections of our country. It is a financial trust which controls the destinies of our business, industrial, and agricultural activities by being able to extend or withdraw credit. The Federal reserve system has taken care, under the price-fixing power given it, to fix the price at which it sells its money—otherwise known as interest charges—high enough to enable it to make from 20 per cent to 30 per cent a year and pile up great surplus, pay enormous salaries to officers, and invest tens of millions of dollars in tremendous buildings housing their operations. Yet the bankers now lead in the hue and cry that a plan to fix the price of agricultural products high enough to insure the farmer a profit is socialism. Railroad executives and directors have the nerve to sing the same tune notwithstanding the fact that in the price fixing for them by Federal agencies great transportation lines in the agricultural sections of the country are making a clear profit, over and above all expenses, of from 15 per cent to 28 per cent a year on their capital valuation.

Federal price fixing for the farmer is socialism, is it? Then, in heaven's name, what can be said of the United States Board of Concillation in the Department of Labor, a Federal agency which fixes the price at which organized labor in the various industries in the United States shall sell its commodities? What shall be said of the United States Board of Mediation, which, under the Watson-Parker bill, supersedes the old United States Railway Labor Board? This board exists solely for the purpose of fixing the price at which railway labor shall sell its commodity. Since when has price fixing become a novel and dangerous experiment for the Federal Government? The cardinal principle of the Republican Party—the principle of a protective tariff—is nothing more or less than a price-fixing policy for the industrial interests of the United States. It makes no other pretensions. That it does so is its only defense.

The whole theory of a protective tariff is that it ascertains the cost of production abroad in competitive commodities and then fixes a tariff on imports of those commodities high enough for the American producer of like commodities to have a monopoly of his home market at a price which will guarantee him a profit and enable him to employ labor at a wage consistent with the American standard of living.

If the protective tariff is not a price-fixing policy for the benefit of American industries and the wage earners in American industries, then it is the greatest piece of fiction that has been written since the days of Jules Verne, and it has succeeded in buncoing more people than any other human agency outside of P. T. Barnum's freak sideshows.

All of these agencies are of the Federal Government, created by acts of Congress, sustained by Federal appropriations, and officered by Federal appointees. Nor does the Government's backing and responsibility end merely with the legislative creation and the Federal financing of these agencies. Price fixing is a part of the law of the land. There is not a court anywhere, from the local circuit up through all the legal machinery to the United States Supreme Court, that does not lay down the basic principle that a business has a right to enjoy a price for its goods or its service that will yield a fair profit on the capital over and above all costs, taxes, interests, rentals, and overhead. Anything less has been repeatedly characterized by all courts as confiscation of property without due process of law and in violation of constitutional rights.

There is no principle more firmly established in the courts of the land, and wherever a city council, State legislature, or the United States Congress, or any administrative official of local or Federal Government attempts to compel any public-service corporation, or bank, or industrial corporation to do business at a loss, the first thing such a corporation does is to go to the courts and obtain relief upon the ground that the Government guarantees it a right to fix a price that will give it a fair return upon its investment and the value of its property.

But now come the bankers, the United States Chamber of Commerce, the eastern industrial interests, the bigwigs of the railroads, and all the sundry gentility who fill the open spaces of the overstuffed furniture in the various Union League and University Clubs from Pittsburgh on the east with the astounding outcry that while the Federal Government may legitimately and safely fix prices for business and banks, for transportation and industry, for organized labor and organized corporate capital that power may not be used in behalf of the farmer, because to do so would push the American Government over the brink of anarchy.

During the World War prices were fixed by the Government. Prices for everybody and everything were fixed up—way up—with the exception of prices for agricultural products. One of the first acts of the Federal Government after the United States entered the war was to exercise the limitless war powers vested in the President to abrogate all rules compelling contracts to be let only upon the basis of competitive bidding and to substitute therefore the crooked, profiteering rule of letting all contracts upon "cost plus 10 per cent" basis, which enabled every concern furnishing any supplies to the Government or doing any work for the Government to increase its profits in exactly direct proportion to its increase in waste, expense, and graft.

During the war organized labor in munition plants, shipyards, railroads, steamship lines, and in industries which were making commodities that were essential to the production of munitions called strike after strike demanding that higher wages be fixed as the price of labor doing its part toward winning the war, and the Government quickly and meekly acquiesced.

But there was created the Grain Corporation under Herbert Hoover, the Federal food administrator, and under the personal administration of Julius Barnes, a personal friend of Mr. Hoover and a grain dealer of Duluth, Minn. The Grain Corporation fixed the price of wheat which should be paid the farmer, and it fixed it "down" upon the plea that the farmer should not attempt to make profits in time of war. But the same corporation fixed the prices of the great flour-milling companies. It is a matter of record by the Federal Trade Commission that the 37 great flour-milling corporations at the very time the Grain Corporation

was limiting the price at which the farmer should sell his wheat were permitted to charge prices which in 1916 and 1917 enabled them to make 44.7 per cent profit and in 1917 and 1918 to make 32.7 per cent profit.

Another charge is that the present distress in agriculture is attributable to the farmers having bought high-priced land during the war. In the majority of cases these purchases were made on borrowed capital at a relatively high rate of interest. It is claimed the farmer's trouble is due to his effort to pay off his notes and maintain the interest, which requires an income greater than can legitimately be expected from land, and in order to do this he is asking the rest of the country to fix for him an artificially high price for his products.

No less a distinguished citizen than former Gov. Henry J. Allen made this charge in the Nation's Business, the official organ of the United States Chamber of Commerce. And, in the same breath, no less distinguished citizen than the present Governor of Iowa, John S. Hamill, proceeded to expose Mr. Allen's ignorance with official data showing that less than 7 per cent of the Iowa farmers are operating land that changed hands during the war or following the war and that, furthermore, the value of land, whether it be too low or too high, has nothing at all to do with the fact that the farmer is not getting the price for his products which he should get to be on a parity with other producers. In other words, there is nothing to the charge that the present distress of agriculture is due to the farmer having speculated in high-priced land.

But even if it were the case, who are eastern industrialists that they should cast the first stone? Are they without sin? They had a section placed in the tax law which provides that in the case of buildings, machinery, equipment, or other facilities, constructed, erected, installed, or acquired on or after April 6, 1917, for the production of articles which contributed to the prosecution of the war, there should be allowed a deduction for the amortization of such part of the cost of such facilities as has been borne by the taxpayer. And these same interests have succeeded in getting from the Bureau of Internal Revenue a ruling that in order to come within the scope of the phrase of the law "articles which contributed to the prosecution of the war," it is not necessary that the articles be "absolutely essential." If they contributed in an appreciable degree, they come within the meaning and the intent of the amortization section.

The Internal Revenue Bureau has made the further ruling that the termination of the war destroyed the value of all such property, and those who had built factories and installed equipment and machinery, etc., are entitled to make deductions from their income-tax returns covering a period of three consecutive years equal to in the aggregate the entire value of their investment. Because of this law and these rulings, those interests have been handed hundreds of millions of dollars in tax refunds and tax deductions, representing the cost of buildings and machinery and equipment which they erected or purchased at war-time prices. Most of the gentlemen who put their hands in the public till and have charged against the Government the entire cost of their war-time expenses are now assembling in public places and lifting their voices the loudest in denunciation of the proposition to subsidize agriculture!

Another charge can be best stated in the language of a resolution unanimously adopted by the New York Board of Trade which reads, in part, as follows:

"Perhaps one of the most objectionable features (of the McNary-Haugen plan) is the suggestion that the Government shall sell the products of our own country to foreign consumers at prices below those which domestic consumers may pay."

This same protest was registered in a formal statement by the United States Chamber of Commerce and by a number of other like organizations, as well as by individuals in sympathy with these organizations.

Yet only within the last 30 days we read of a combination of the copper-producing corporations in the United States, numbering 18, which has for its sole purpose the fixing of prices not only in the United States but throughout the world, with the avowed intention of selling copper abroad for less money than it is sold in the United States. In other words, the 18 large copper-producing corporations have combined for the purpose of dumping their goods abroad in the world market at whatever price they can obtain in order to secure that market and, at the same time, to maintain an absolute monopoly of the American market and fix the American price high enough to enable the combine to show a profit on the whole, despite its losses abroad. This has been done under the laws of the United States and, furthermore, it has received the blessings of the Federal Trade Commission. Less than two months ago we read of a proposed plan of like character in the steel industry. The last tariff law provided for an absolute embargo against importations of any dye or dyestuffs which would break the price fixing in this country by the Du Pont and American Analine companies which, on the whole, dictate the price of all dyes in the United States.

But none of these acts are known as price fixing. God save the mark! They are known by the euphonious and more refined and delicate appellation of "price stabilization." Moreover, when this point was raised against the McNary-Haugen plan the agricultural associations and their leaders were rude enough to ask the Department of Commerce to please make public what products made in this country were being sold abroad for less money than the price asked for the same products in this country. Up to date no answer has been forthcoming!

It will require a congressional resolution, which will undoubtedly be introduced at the coming session of Congress, to jimmy that piece of information out of the Department of Commerce. But when it is produced, it will knock to smithereens the arguments of such organizations as the New York Board of Trade!

The most powerful opposition to the McNary-Haugen plan of aiding agriculture comes from industrial interests and is based upon the very frank argument that the plan would be effective. Being effective, it would raise the price of agricultural products, which in turn would raise the cost of food to industrial employees; this in turn would necessitate an increase in wages and cost of production. It is also set forth that under the plan surplus food would be dumped in Europe at a very low price. Wage earners of Europe would be enabled to buy American-produced food for much less than the wage earners of the United States. The eastern industrialists argue from this that they would be severely handicapped in their competition with European manufacturers.

In other words, the McNary-Haugen plan would work. It would do exactly what the farmers say it would do—increase the price of their products to a parity with the price of the products of industries—make their dollar equal in buying power to the dollar of the manufacturer, the merchant, and the banker, and these three classes are opposing the plan for the very reason that it would work.

Nor is the farmer indulging in any illusions as to the character of the opposition to his program, nor the extreme measures he may have to take in order to win. As an individual, and collectively through his great organizations and associations, the American agriculturalist of the Mississippi Valley is preparing to obtain legislative enactment of the principle of the McNary-Haugen plan which will increase the price of his products, or he is going to tear down the prices of industrial products and wages of industrial employees by repealing legislation such as the protective tariff, immigration, etc., which has resulted in artificially and arbitrarily increasing prices and wages in other industries.

The attitude of the western agriculturalist is brutally frank. He insists that he be given his share, with the alternative that if he is not, he will then see to it that nobody has prosperity. He offers the eastern industrialist the alternative of bringing the price of farm products up to the level of prices of manufactured goods or submitting to a reduction in prices of manufactured goods to a level with the price of farm products.

If the eastern industrialist, the banker, and the business man value their prosperity enough to grant the farmer his request for a square deal, there will be no danger of the repeal of the tariff or any serious amendment of the immigration laws or the Federal reserve bank act or other laws which subsidize this or that activity.

But if the eastern industrialist, banker, and business man does not think it is worth while conceding the farmer what he wants, there is not the least doubt that within the next four years the Nation will witness revolutionary legislation in the Halls of Congress that will equalize conditions in the United States by the rather drastic process of leveling everything down!

Mr. FRAZIER. Mr. President, I think it is conceded by everyone that the farmers are in bad condition. Even the Senators from New England who have talked against this measure say that up in Massachusetts and other places in New England many of the sidehill farms have been abandoned, and the houses are tumbling down, and they blame the western farmers for putting New England farmers out of business. They are entirely mistaken in that. It is the manufacturing interests of New England that have put the farmers of that part of the country out of business.

I drove through New England a year ago last spring. I have a lot of relatives up in Massachusetts, and in Maine, especially, and I talked with a lot of them. Most of them have been on the farm at some time, but very few of them are on the farm now. They told me without exception that the reason they could not keep up the farms was because the boys and girls could get better wages, have shorter hours, more enjoyment, more pleasure, working in the factories, and living in town, than they could on the farms. They had to abandon the farms because they had no one to work them, because their people went into the factories, making more money than they could on the farms. I am satisfied that is the situation.

Mr. President, because the farmers produce the food products to feed the Nation, because they are not organized, is no reason why they should be penalized and not given prices equal to the cost of production for their products.

No business on earth can succeed in any other way than by getting prices equal to the cost of production, equal to the overhead expenses, and a fair profit on the business. The farmer is no exception to the rule. In order to put agriculture on a

paying basis, we must give the farmer a chance to get prices that will give him cost of production, plus a fair and reasonable profit for his work.

I believe that the McNary-Haugen bill will be a step in the right direction. It may not solve the problem, and yet I believe if the bill is passed and an honest attempt is made to administer it, it will, at least, give the board, whose duty it will be to put it into operation, a chance to test it out by actual experiments, there will be a chance to work out amendments, and to come before the next session of Congress asking for amendments to make the act more workable, and give the farmers what they need, honest marketing conditions.

Mr. RANSDELL obtained the floor.

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

Mr. RANSDELL. For what purpose?

Mr. HARRISON. I desire to offer two amendments, so that they may be printed.

Mr. MAYFIELD. Let us have the amendments read.

Mr. HARRISON. I offer two amendments, and ask that they be read.

The PRESIDING OFFICER. The amendments will be read for the information of the Senate, but the time will not be taken out of the time of the Senator from Louisiana.

The CHIEF CLERK. On page 10, after line 20, insert the following:

(i) No operations under this section shall be commenced by the board in respect of any basic agricultural commodity prior to the determination and imposition by the board of the equalization fee in respect of such commodity.

Mr. RANSDELL. Mr. President, when the McNary-Haugen bill was before the Senate last year I opposed it and made a brief speech against it. The present measure has been so greatly changed and improved that I shall vote for it. The bill of last year, as I construed it, was a price-fixing measure and objectionable to me on that ground, while the present bill does not attempt directly to fix prices, though in effect it is expected to increase the cost of commodities much the same way as the tariff increases the cost to the consumer of a great many articles of manufacture and of several agricultural products.

The old bill provided for an equalization fee on some commodities, but said there shall be no equalization fee on corn and cotton for three years, and not until Congress shall have passed a law providing for it. This seemed to be unfair discrimination in favor of these two products. If wheat were subjected to an equalization fee, then cotton, corn, rice, and other farm products should also pay a similar fee. In other words, all products of the farm should be placed on terms of parity as nearly as possible. The present bill provides an equalization fee for all five of the basic commodities included therein, to wit:

1. Wheat.
2. Corn.
3. Cotton.
4. Rice.
5. Hogs.

No discrimination is made for or against either of them. Moreover, the bill authorizes loans to the extent of $25,000,000 on other agricultural commodities not specifically named.

Paragraphs especially pleasing to me are:

A. That operations in a basic agricultural commodity shall not be commenced or terminated unless members of the Federal farm board appointed to administer the act, representing Federal land-bank districts, which in the aggregate produced during the preceding crop year more than 50 per cent of such commodity, vote in favor thereof.

B. That a commodity advisory council for each basic commodity is provided.

The old bill had no such provisions.

These two clauses place it in the power of the friends of the basic commodity to say whether or not the act shall apply to it and when its provisions shall cease to operate thereon.

I have always been opposed to the general idea of price fixing by law, and yet, many of the acts of Congress result more or less in enhancing prices. The first tariff acts, composed largely under the inspiration of Thomas Jefferson, imposed duties on articles of foreign manufacture with the avowed purpose of encouraging American manufacture and to enable our people to compete successfully with foreigners. From that date to this the duties on imports have caused the consumer of all products on which these duties rest to pay an increased price for them over and above what would be charged if there were no tariff. Our manufacturers of innumerable commodities have received very great benefit from these tariff laws, which, in many instances, have been applied also to products of the farm—like sugar, butter, milk, and so forth—and yet, at the present time few think that tariff legislation is uneconomic or price fixing in an improper sense.

The eight hour law for labor is another measure of recent enactment which resulted in higher prices for work performed by man, and a result was that labor unions throughout the land have induced general observance of this law. Moreover, during our recent Railroad Administration wages of labor were very greatly increased, and since then labor throughout the Nation has been receiving largely increased wages. The laboring people are prosperous, and I am glad of it, for the laborer is worthy of his hire. I have no quarrel with the eight hour law and other Federal provisions which enable a man or woman to receive better prices for their manual efforts. On the contrary, I approve them.

The transportation act of 1920 enables railroads to charge a sufficient sum for their services to earn 5½ per cent on their investments, which seems to be a reasonable rate. I believe the railroads are entitled to this reward, and hope nothing will be done to change the law, and yet, the effect of this law is certainly price fixing on the money invested in railroad properties.

Our Federal laws relating to banking are extremely favorable, and every inducement is held out to capital engaged in financing the business of our great Republic, which is as it should be.

Other illustrations might be given, but these four are sufficient. They demonstrate that Federal statutes have been passed and enforced to increase the price of innumerable articles of manufacture, to increase the price of labor, to increase the earnings of money invested in railroad properties, and to increase the value of bank investments. I fail to find any statute giving direct, immediate increase to the value of farm products. The most that can be said is that the Federal Government has been generous in the construction of good roads, which are used more by farmers than by others, but are available to every citizen, and through the farm land banks, which make loans at low rates, provided gilt-edge security is given therefor.

In connection with these farm loans, which have been so highly praised and which undoubtedly are very helpful to agriculture, I am reminded of the old distich about Madam Blaise, that good old soul who freely lent to all the poor who left a pledge behind. Our Federal Government lends freely to the farmers if they pay 5½ per cent and secure the loan by a first mortgage on real estate worth twice the amount thereof. It can not be said that these loans to agriculture on such security are in any way comparable to the vast benefits given to manufacture, to labor, to railroads, and to capital by the statutes in their interests.

It is contended by some that the equalization fee is unsound and will cause a production of a great surplus of the commodities to which it is applied. The exact reverse is true; when this equalization fee is collected on wheat, corn, hogs, cotton, or rice the farmer who produces same and pays the fee has it brought home to him in a forceful way that the purpose of this fee is to stabilize prices of his commodity and that the one sure way of keeping the prices stabilized is to hold down production in a reasonable way, so there will be no great surplus to struggle with during the coming year. To illustrate, if an equalization fee of $2 per bale on cotton be required to assist in withholding temporarily from the market and storing in warehouses a surplus of 4,000,000 bales of cotton, it is a simple matter of calculation which any farmer can understand that to withdraw from the market and hold 8,000,000 bales it would require double the equalization fee, or $4 per bale. Unless the surplus can be kept within bounds the equalization fee will continue to increase and get out of bounds. Hence, each and every farmer who pays this fee and has the facts brought to him in a personal manner will strive hard to so regulate production as to stabilize the price. This equalization fee requires the farmer to stand the loss resulting from the operations of the pending bill. The Government can lose nothing if the bill be carried out in the spirit of its conception, except the $250,000,000 revolving fund—a bagatelle, when compared to the total annual value of all the wheat, corn, hogs, rice, and cotton of this country. Any losses, if they accrue, must be met by the equalization fee, and this fee, let it be distinctly understood, attaches rigidly to and is collected from every unit of the commodity and no one can escape it. The wealthy producer, with his hundreds of thousands of bushels of wheat or corn, or thousands of bales of cotton, who feels independent and willing to take chances on marketing his individual crops in his own way, must cooperate with all the smaller producers and join in the common effort for the benefit of all.

In strong contrast with this wise equalization fee, making the farmers partners in a great cooperative effort, pulling together

as one man for the general benefit of all, we have the Curtis, Crisp, and Aswell bills, which each provide $250,000,000 for farm relief and promise big things, but offer no real incentive, as I understand them, to stabilize prices or prevent surpluses. If loss occurs in the operation of these bills, it must be met by all the citizens of the Republic and the farmers themselves will have no responsibility other than that attached to the general taxpayers. They can readily say, "Uncle Sam is footing the bill; what care I how the chips fall?"

There are so many farmers engaged in the production of each of the basic commodities named in the McNary-Haugen bill that heretofore it has been impossible for them to combine and unite their efforts toward a common purpose. Manufacturers and railroads being composed, comparatively speaking, of such small numbers have joined forces and met with great success from united efforts; labor has succeeded marvelously through its great voluntary unions, aided by Federal legislation, and there is a strong community of interests among the limited numbers in the banking world. Fully 43 per cent of our citizens are farmers and millions of men are engaged in producing each of the basic farm products. It is so hard for such vast numbers to organize and pool their interests. This bill drives a big entering wedge. Even if it does not work perfectly, it is a long step in the right direction. It may have serious defects and be difficult of enforcement, but it promises relief and a great many farmers believe in it. Their sufferings and losses have been so great for years and there is such a distressed condition throughout immense agricultural areas in every portion of the Republic that it is imperative for the Government to attempt something to relieve them.

Earnest, sincere studies have been made on this and similar measures for the past three years and it is my candid conviction that great benefits will result from its enactment. Beyond question, it is the best bill before us.

Mr. SMITH. Mr. President, I do not care so much to discuss the merits of the pending bill as to call the attention of the Senate to a point which, it seems to me, has not been emphasized as it should have been, and that is the fundamental difference between natural production and artificial production—in other words, manufactured production. Before I begin to discuss some of the differences, and what grows out of those differences, I wish to put into the RECORD some statistics, and I think these statistics will help the Senate to understand the comments I wish to make concerning the present effort to relieve the condition of agriculture.

I sent to the Department of Commerce and asked for tables showing the number of plants engaged in preparing for market the principal staple products included in the pending bill. Those statistics show that the number of meat-packing plants in America in 1923 was 1,397; the number of people employed therein was 166,000. The number of farms raising cattle—and I wish these statistics to be placed side by side for comparison purposes—the number of farms reported as raising cattle was 5,358,000. The number of farms reported as raising sheep was 538,000. The number reported as raising hogs was 4,850,000.

The number of flour mills in the United States in 1923, which were known as merchant mills, with a production of $5,000 or over, was 5,232.

The number of farms growing wheat was 2,225,134.

The number of cotton factories in the United States in 1925 was 1,375. The number of acres in cotton in 1926 was 48,000,000; the number of people employed in the production of cotton—I want that distinction kept in mind—was 6,600,000.

Mr. President, the point to which I wish to direct attention is that of all the hog production in the country it only requires 1,397 plants to cure, pack, and put on the market the production of 4,850,000 farms, with all the forces engaged in that production.

The number of flour mills is only 5,232, as against the number of farms growing wheat, 2,225,134. There are only 1,375 cotton factories to consume 7,000,000 bales of American cotton. Adding up the number of plants to process our meat, to process our bread, and to process our clothing does not make as many as one-fourth of 1 per cent of those engaged in cotton production alone.

When we consider that the amount invested in the 1,375 cotton factories is $2,000,000,000, that the amount invested in the processing of wheat is $1,000,000,000, and the amount invested in the processing of meats is $1,180,000,000, we can appreciate the reserve capital in the hands of these very few who are in charge of preparing for ultimate consumption the vast resources of our cattle ranches, our cotton farms, and our wheat farms. Therefore, Mr. President, we can all readily see that it is a very easy matter for these comparatively few, with their wonderful capitalistic resources, to organize themselves and to control their output.

Now I come, for only a few minutes, to what I consider should be the fundamental difference in the eyes of Congress to meet which the responsibility rests upon us.

The natural producer, the farmer, can not determine quantity or quality; neither can he determine nor control the hour and the day of the final finished product out of the factory of nature; in other words, the farmer has to depend upon forces outside of himself for both quantity and quality. When nature, through her processes, has finished a cotton crop or finished a wheat crop we have a 365 days' supply on the hands of the producer at once. Therefore, on account of the obligations he has incurred in production, he must find a market within 30 or 90 days for the sale of the 365 days' supply. His numbers are so great, his capital resources are so meager, the debts he has incurred in the long months that it takes nature to finish the products are so large, that he is forced by the very nature of his occupation to put on the market, within the time that he can pick it from the fields or reap it from the fields and have it put in the proper form, the product which it has taken nine months to perfect. I ask this body of legislators, how long could the Flour Trust, the Steel Trust, or any of our great combinations last if they were forced by the nature of their business to dispose of their entire 12 months' product within 30 or 90 days?

In sharp contrast to the method of marketing that is forced on the farmer let us consider that of the artificial producer, the manufacturer. Every day that his factory is running he produces an asset to meet the liabilities of the preceding 24 hours. He has his hand on the pulse of the markets of the world and the means in his control to increase or decrease production as he sees fit or as the market may justify. His numbers are so small, his capital per unit so great, that he can organize and partition off the world. By virtue of the similarity of the machinery he employs—for all cotton machinery is alike; all meat-packing machinery is alike; the processes are man made and are identical—he is in a position so to regulate his production as to meet the requirements of his market. He can make a contract to the yard, to the inch, to the pound, and fill that contract with certainty, whereas the producers of livestock, of wheat, of cotton, and other agricultural commodities have got to wait on the ultimate effect of nature before they know either quantity or quality.

Because manufacturers were so few in number and their capital was necessarily so great all that was needed in order to give the American market to them was to enact a tariff law and shut out the world; and the measure of the tariff was the measure of the profits or the bonus which the American Government granted them by legislative enactment.

Of course, constitutional complications were avoided by basing the imposition of protective rates on the right to raise revenue, and that has been distorted to the right of the manufacturers to raise revenue out of the remainder of the American people.

Now, I come to the last word which I care to say on this subject. Have we more concern in this body for a total number, together with their aids, of 751,000 engaged in meat packing and in manufacturing, especially in view of the fact that manufacturing is so advantageously situated as compared to natural production, than we have for 34,000,000, or one-third of the whole American population?

Mr. President, of course, we can not apply the same policy to agriculture which we apply to manufacturing, but we are in duty bound to apply the same principle wherever we may, and the time has come when agriculture must receive from the Government the same support that is given to manufacturing, or agriculture must cease to be in this country. You will have to do one of two things: You will have to raise by legislative enactment the market of the farmer to a parity with the market of the manufacturer, or you will have to lower the market of the manufacturer to the level of the natural condition of the farmer. It is your duty and my duty to see that this equity is done and preserved.

I do not know what will be the ultimate effect of this bill. The farmer has gotten to the point where, no matter what you do here, it can not hurt him. He has to look up now to see the bottom. That is his condition; and, no matter what we do, we can not hurt him. Eighty-seven per cent of the farms are under mortgage; and every day, even under the land bank that we established, the farmer is being dispossessed because he was foolish enough to produce more than some folks think he should have produced.

Mr. President, as I take it, the object of this bill is to enable the farmers not only to dispose of their surplus but to market their product 365 days in the year rather than to be forced to market it in 90 days. Nature has provided that the manufacturer may. Let us provide that the farmer shall.

Mr. CARAWAY. Mr. President, there are several groups in the Senate that are opposing the passage of this bill. They offer reasons that are inconsistent.

Two lawyers—who, I understand, were never in a courtroom except the day they went in to waive their examinations and be sworn in as members of the bar—who assure us with much vehemence that the bill is unconstitutional. There is another lawyer—whose name, I understand, has been attached to no case that has reached an appellate court—who likewise tells us that the bill is so unconstitutional that he has not words in which to say how unconstitutional it is.

There are other Senators who declare that they know the President's mind—and I concede that that is more than he himself knows—and they know that he is to veto the bill.

Then there is the frank group who say, "If you pass this bill you are going to raise the price of farm products so that the farmer will get not only what it costs him to produce them but a reasonable profit, and therefore make more costly our raw materials."

There is another group, whose motives everybody understands, who say, "We are for the bill, if you will defer for two years the equalization fee upon one product." Their position is more untenable than the positions of these others.

Here are the Senator from Connecticut [Mr. McLEAN] and the Senator from New Hampshire [Mr. MOSES] and the Senator from Massachusetts [Mr. GILLETT], who declare that the effect of this proposed legislation will be to make the cost of living higher, and they want cheap food and cheap clothing. In other words, they want to continue to have the farmers of this country feed and clothe them at 50 cents on the dollar of the cost of production. It is economically dishonest, but it is entirely within the comprehension of the people who stand for that system. And here is my friend, the distinguished Senator from Maryland [Mr. BRUCE], who gives utterance to the same sentiment. Why, they are perfectly understandable. They believe it seems that it is wise in this country to keep 34,000,000 people producing food and clothes for the city people at less than the cost of production. They are frank about it, though. Nobody needs misunderstand them.

But here is a proposition, now, to defer the equalization fee on cotton for two years.

Mr. BRUCE. Mr. President, will the Senator yield to me for just a moment?

Mr. CARAWAY. Yes; I yield.

Mr. BRUCE. I simply desire to register the statement that I think the Senator is pursuing a very offensive line of comment.

Mr. CARAWAY. Oh, it is doubtless so. Anybody who believes that the farmers ought not to be heard will always be offended when somebody says they have as much right as others. That is perfectly understandable in this body, and I am not trying to be offensive.

I started to speak about the deferment of the equalization fee. I want to discuss that for a minute.

If this bill be just and economically sound, if an equalization fee ought to be imposed and it is economically wise so to do, then under what theory do you say that in the case of one particular product it shall be deferred for two years? I could understand taking the position that some of us took a year ago when we said that we would vote for this bill if no equalization fee was imposed on cotton until further action of Congress. I do not think we were very wise, but we were, at least, consistent. We said that cotton had not the advantage of a tariff; and, therefore, ought to have this advantage in legislation. These very Senators who now seek to defer the equalization fee on cotton for two years voted against that bill with no equalization fee at all on cotton.

I say we were consistent then; but what do they say? They say to the wheat grower, to the tobacco grower, to the corn grower, to the producer of meat, "This is a good measure, and we are going to vote for it if you will let us defer the equalization fee on cotton for two years; and then, without further action of Congress, without any change in the economic structure, without any revision of the tariff, we are willing to let the equalization fee rest upon cotton."

Mr. President, that is open to but one construction. There is an election between this time and that, and it is expected that the cotton farmer is not to find out what you have done to him until you get his vote away from him. If the bill is bad, if I thought it never would be good for the cotton farmer, then I would not vote for the bill with a deferred equalization fee for two years, because the cotton farmer ought not to be hurt two years from now any more than he ought to be ruined now. If it is good, he ought to have the benefit of it now; and if you are doubtful about it you ought to vote "yes" or "no" on the bill, and you ought not to try to get his vote from him before he finds out what the effect of the legislation is to be; and that is all it is.

Suppose a man grows tobacco in this field and another cotton in that. You put the equalization fee on tobacco and defer it for two years on cotton. When the tobacco farmer asked you why you did that, what answer could you make to him except to say, "I am a little uncertain about how the cotton farmers are going to feel about it, and I want his vote before he finds out what the effect of the legislation may be."

That is the only answer you could make to him and be consistent and be honest, because you could not say there is to be a changed economic condition two years from now; you could not say, "Two years from now we are going to change the tariff," or "We are going to enact another law." You would have to say to him, "I am afraid if I put it on cotton now he will hold it against me two years from now, and therefore I will wait and get his vote and then let the thing fall on him after he has no power to punish me for putting it on."

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

Mr. CARAWAY. Yes; I yield.

Mr. GEORGE. I agree with the observations the Senator is now making on this feature of the bill; but let me ask the Senator, Why the effort here to levy the equalization fee as far away from the farmer as possible?

Mr. CARAWAY. Well, let us say it is dishonest; that ought to get some votes in the Senate.

Mr. GEORGE. But is that the purpose of it?

Mr. CARAWAY. No; that was not the purpose; but if anybody can get some consolation out of that, let us assume that it is. The purpose was to put it on something when it was in interstate commerce. Some thought it might change the constitutional question of the equalization fee. Now, any farmer knows—and the farmer has a little sense, although formerly some did not think so—any farmer who knows anything knows that freight, storage, insurance, and an equalization fee, if it must be levied, must follow the product. Anybody who would tell the farmer that it would not follow the product would not be honest with him, and anybody who would tell him that it would not follow the product would not get credit in many communities for being candid, because the farmer knows it.

Mr. GEORGE. Mr. President, the Senator is honest not only in his thought but in his statement. The effort here is to levy an equalization fee so far removed from the farmer as to leave him under the impression that the consumer is paying it.

Mr. CARAWAY. Oh, no. If that got into the Senator's head, he at least ought to read the bill.

Mr. GEORGE. I have read the bill.

Mr. CARAWAY. There is not anything of that kind in the bill.

Mr. GEORGE. I ask the Senator again: Why is the effort made to put the equalization fee as far away from the farmer as possible?

Mr. CARAWAY. In the first place, there is not any such effort. The effort is to put it on the product after it goes into commerce, because of the belief that under the commerce clause we have such a right.

Mr. GEORGE. I ask the Senator to read the amendments that are pending. He asked me to read the bill.

Mr. CARAWAY. If the Senator will let me have my time, I will do that.

I do not know a single farmer who objects to the equalization fee. The only people here who shed tears for the poor farmer who is about to be compelled to pay an equalization fee are the people who want farm products cheaper than they are. If we could have passed this bill at the last Congress instead of this, and had had an equalization fee, $20 a bale would have taken care of the surplus of cotton. Read the cotton market as it slumped as the surplus increased and you will find that we could have taken 2,500,000 bales of our cotton, piled them up in the streets of the towns of the South and burned them, and been $300,000,000 richer than we are to-day; and in addition to that we would not have had that surplus to hang over us and ruin us next year. We lost $670,000,000 because this Congress in its wisdom denied us the machinery to take care of our surplus in one crop—and that was cotton—last year.

I say, sir, that if we had had this bill on the statute books last year instead of this we could have taken our surplus off the market, we could have had 2,500,000 bales of cotton that would belong to the farmers of America in their warehouses, and we could have had $300,000,000 more in the pockets of

the producers of cotton than we have; and if that 2,500,000 bales of cotton could be sold at what cotton was worth a year ago, we would have had a product worth $370,000,000 in addition thereto. Now, if you think the farmer ought not to have it, why, God bless your soul, vote against this bill; but do it, and do it knowing that the farmer knows that you are doing it because you prefer that he shall feed and clothe you at half the cost of producing the things that you eat and wear. Let us be candid about it.

Going back to the question of the Senator from Georgia about an effort to remove the equalization fee farther from the farmer, I say that I do not find it in the bill; but let us say that it is there; then there is some chance, I judge, that the burden might be shifted to the other end of these two conflicting classes and the producer not have to pay it; I presume these objectors want to crowd it back so that the farmer must be charged with it. One inference is as fair as the other—that the Senators who are opposed to that want to be certain that the fee does land on the farmer.

But it is said that this is a price fixing bill. Well, let us concede that it is. There is always a price fixing somewhere, and heretofore the speculator has fixed the price for the farmer. The farmer has carried his products to the market and the other man has fixed the price. Let us change that and let the man who produces fix the price. Are you opposed to it? Are you?

My friend from Michigan [Mr. COUZENS] nods his head. He says he is. He is frank. He wants the consumer and not the farmer to fix the price. But at one time, when he was a partner in making "flivvers," he fixed the price. [Laughter.] Most people will confess that inasmuch as he piled up millions and millions of dollars on a shoestring investment that he fixed the price high enough.

Oh, it is a lofty sentiment to desire the power to fix the price on a Ford car, but to deny that right to the farmer, whose very existence depends upon fixing the price of the things he grows.

Mr. HEFLIN. Mr. President——

Mr. CARAWAY. I yield to the Senator.

Mr. HEFLIN. I thought the Senator had finished.

Mr. CARAWAY. Mr. President, I think I have said nearly as much as I should say. I am not like my distinguished friend on my left; I do not need an additional three minutes to tell what I do not know about the bill.

Mr. HEFLIN and Mr. GEORGE addressed the Chair.

The VICE PRESIDENT. The Senator from Alabama.

Mr. HEFLIN. Mr. President, I shall consume only about six minutes, because I have promised to yield part of my time to the Senator from Oregon [Mr. MCNARY].

Mr. GEORGE. Mr. President——

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Georgia?

Mr. HEFLIN. Just for a question. I am a member of the Committee on Agriculture, and I have not yet spoken on the bill. I promised to yield some time to the Senator from Oregon, the chairman of the committee.

Mr. GEORGE. I have not spoken on the bill either. I do not know that I wish to speak, but I wish to make a statement about the matter in regard to which I interrogated the Senator from Arkansas, that is all; and I have been on my feet for some minutes trying to get recognition.

Mr. HEFLIN. How long will it take the Senator?

Mr. GEORGE. Not over three or four minutes.

Mr. HEFLIN. I could not yield under those conditions. It will take five or six minutes for me to say what I want to say.

Mr. GEORGE. Very well.

Mr. HEFLIN. Mr. President, as already stated, I have promised to yield some of my time to the Senator from Oregon, and I am not going to use the 15 minutes which would be allowed me under the agreement. I have not discussed this measure at this session. In the outset I want to make an observation about the threat of one of the New England Senators. The Senator from New Hampshire [Mr. MOSES], I understand, has threatened the corn growers of the West that if conditions were made very attractive for corn producers the farmers of New England would go to producing corn on a large scale. They can not grow enough corn in New England to feed the squirrels on the Capitol Grounds for one winter. [Laughter.]

The Senator from Ohio [Mr. FESS], the Senator from Wisconsin [Mr. LENROOT], the Senator from Connecticut [Mr. MCLEAN], the Senator from New Hampshire [Mr. MOSES], and the Senator from Massachusetts [Mr. GILLETT] are all together in opposition to farm relief legislation. That ought to secure support for most of the provisions of the bill.

I read in the Washington newspapers about a banquet supposed to be given here in Washington this week by Mr. Work, of Pennsylvania, Secretary of the Interior, one of Mr. Mellon's very warm friends and ardent supporters. It was a kind of Belshazzar's feast, in a marble mansion to the money lords of the Nation, and the newspapers tell us that the few select men who sat about that festive board represented $5,000,000,000.

Mr. President, that is indeed interesting, in view of the fact that the circulating medium of the United States to-day, the entire money supply in circulation to meet the financial needs of more than 100,000,000 people amounts to only $4,712,945,000. So a half dozen of those who sat at the feast of the money kings at the Capital are worth more than the entire money supply permitted to circulate in the body of the business of the whole United States. That gives an idea as to just what this Nation is coming to under Republican rule; the legislative machinery is operated in the interests of a favored few, while it robs and impoverishes millions amongst the masses of the American people.

Congress ought to be fair and just to all interests. It should never help the strong to oppress the weak.

The senior Senator from Washington [Mr. JONES], able and clever Senator that he is, made a speech here yesterday favorable to a ship subsidy measure, the Government to spend millions and millions more of money to build up another fleet of merchant ships. I wondered in my mind why he would suggest that. We spent during the World War, to build a fleet of merchant ships, three thousand million dollars, and I saw passed through the Republican House of Representatives, and killed in the Senate—and I helped to kill it—a bill providing for the sale of that entire fleet of ships to the Ship Trust for $200,000,000, representing a loss to the Government of $2,800,000,000.

I never heard the Senator from Connecticut, the Senator from Massachusetts, the Senator from New Hampshire, any of those Senators, lifting their voices in opposition to that indefensible measure. None of them say anything when these big measures are going through in favor of the big interests of the country.

Not one of them has lifted his voice against the high-handed work of Mr. Mellon, Republican Secretary of the Treasury, in refunding to the favorites of the Republican Party nearly a billion dollars in taxes since he has been Secretary of the Treasury. Right now a bill is pending in Congress to refund $175,000,000 more to the big rich taxpayers of the country. I opposed it in this body, under the leadership of the Senator from Tennessee [Mr. MCKELLAR], and we held up that appropriation of $175,000,000, which Mr. Mellon is now refunding in the main to the big rich men in the Republican Party, $6,000,000 of it going to Mr. du Pont, Republican, of Delaware; $21,000,000 of it going to five immensely rich men in the United States. None of these Senators rose in opposition to that strange and ugly performance. One hundred and seventy-five million dollars handed out in special-favor packages to the favorites of the Republican Party is all right with you, but when we come to ask that the farmers who feed and clothe the people of the Nation, and who, under the grinding processes of the Republican Party, have been so stripped of their substance and so impoverished that they are reduced to a state of agricultural slavery, should be considered and aided you cry paternalism and otherwise enter your vigorous protest against any and all remedial legislation.

The only thing the grain farmers of the West can do now is to have their friends here resort to the passage of a desperate measure, in a very desperate agricultural situation, asking Congress to permit them to lay a fee upon their own produce, to gather a fund and set it aside, to enable them to fight the grain gamblers, whom the Republican Party has enabled to rob and plunder under laws which Republicans have passed through Congress.

Mr. President, I supported this McNary-Haugen farm relief bill as I helped to amend it at the last session of Congress. I voted for it with the equalization tax or fee on cotton stricken out, and I will vote for it again to-day under the same condition.

Cotton has no tariff upon it. We export half of the cotton crop. So cotton, in an import sense, is not in the same class with grain. In view of this fact it is not asking too much to have this equalization tax or fee on cotton left off until the cotton producers can have time to decide for themselves whether or not they want to have imposed upon them the proposed equalization tax or fee on cotton. I am willing for the grain-growing west to have the aid provided for in this bill. The farmers out there ask for it. They approve it. They have indorsed the equalization tax or fee on grain and I am willing to let them try out the plan now that they have so unanimously indorsed if the equalization tax or fee on cotton is postponed as I have suggested until the cotton farmers pass upon the matter. The bill provides that they may borrow on their cotton from the revolving fund. The Republican leaders can

not cite a single big deal that you have tried to put over where you have not granted just what the big Republican favorites wanted. But you are not willing to grant to the farmers of the country substantial relief from the Republican agencies that have pillaged and plundered them. Mr. President, I supported this measure before amended as I have suggested, with regard to cotton, and I shall support it again with that provision in it.

Mr. McNARY obtained the floor.

Mr. HARRISON. Mr. President, I ask unanimous consent that the Senator from Oregon may have 15 minutes. He is the chairman of the committee.

The VICE PRESIDENT. Is there objection?

Mr. McNARY. I object myself, because I made objection to others having an extension of time.

I have a parliamentary inquiry to propound. Is it necessary to propose amendments prior to 4 o'clock?

The VICE PRESIDENT. Amendments can be received after 4 o'clock, but will not be subject to debate after 4 o'clock.

Mr. McNARY. I have two amendments which I desire to have the clerk read, and I want to discuss them just for a moment.

Mr. WALSH of Montana. Mr. President, I did not hear the response of the Presiding Officer to the inquiry of the Senator from Oregon.

The VICE PRESIDENT. Amendments can be presented after 4 o'clock, but without debate.

Mr. McNARY. Mr. President, the amendments I offer are not contained in the bill now before the Senate for its consideration. They simply grant to the board new powers by permitting the board, under certain rules and plans, to be by them fashioned to grant insurance policies to the producers of basic agricultural commodities, to insure them against loss from the time of the harvest to the time of marketing, to prevent violent fluctuations during that period, the amount of the premiums to be decided upon by the board. The premiums in all cases are to cover any losses, so that before the time the farmer delivers his product or his commodity to the markets, or to the warehousemen, or to any other place for storage, he may hold the product for a period of time, and be assured against loss during the period that it is withheld.

Mr. President, with this very brief explanation, I desire to have the two amendments read. They are amendments to separate parts of the bill, and consequently they are embodied in two different amendments. But they reach the question of insurance against price fluctuations during the period between the harvesting and marketing, and I ask that the clerk may read them.

The VICE PRESIDENT. The clerk will read the amendments.

The CHIEF CLERK. On page 9, line 5, strike out down through line 5 on page 10, and insert in lieu thereof the following:

(d) During the continuance of such operations in any basic agricultural commodity, the board is authorized to enter into agreements, for the purpose of carrying out the policy declared in section 1, with any cooperative association engaged in handling the basic agricultural commodity, or with a corporation created by one or more of such cooperative associations, or with processors of the basic agricultural commodity.

(e) Such agreements may provide for (1) removing or disposing of any surplus of the basic agricultural commodity, (2) withholding such surplus, (3) insuring such commodity against undue and excessive fluctuations in market conditions, and (4) financing the purchase, storage, or sale or other disposition of the commodity. The moneys in the stabilization fund of the basic agricultural commodity shall be available for carrying out such agreements. In the case of any agreement in respect of the removal or disposal of the surplus of a basic agricultural commodity, the agreement shall provide both for the payment from the stabilization fund for the commodity of the amount of losses, costs, and charges, arising out of the purchase, storage, or sale or other disposition of the commodity or out of contracts therefor, and for the payment into the stabilization fund for the commodity of profits (after deducting all costs and charges provided for in the agreement) arising out of such purchase, storage, or sale or other disposition, or contracts therefor. In the case of agreements insuring such commodity against undue and excessive fluctuations in market conditions, the board may insure any cooperative marketing association against decline in the market price for the commodity at the time of sale by the association from the market price for such commodity at the time of delivery to the association.

On page 10, line 7, after "associations," insert ", or corporation created by one or more cooperative associations."

Mr. McNARY. I do not think it is necessary to read the other proposal, because it follows along the same line, and the same suggestion is contained in it that is found in the one just read.

I ask for the adoption of those amendments.

The VICE PRESIDENT. The pending question is on the amendment offered by the Senator from New Hampshire [Mr. MOSES].

Mr. McNARY. Before the clerk states that amendment, the Senator from Tennessee [Mr. MCKELLAR] has one or two amendments to offer, and the Senator from West Virginia [Mr. NEELY] has an amendment to offer, I should rather have those amendments before the Senate prior to the vote upon any one of the amendments. I yield to the Senator from Tennessee.

Mr. McKELLAR. Mr. President, I offer an amendment in regard to tobacco which I send to the desk.

The VICE PRESIDENT. Is there objection to the temporary laying aside of the amendment of the Senator from New Hampshire?

Mr. McNARY. It is not necessary to disturb the situation, so far as the amendment of the Senator from New Hampshire is concerned. I only desire the presentation of other amendments at this time and to have them read, but not to be acted upon.

The VICE PRESIDENT. Without objection, the clerk will read the amendment submitted by the Senator from Tennessee.

The Chief Clerk read as follows:

On page 7, line 25, after "rice," insert a comma and "tobacco"; and in line 26, strike out the period and insert a comma and the following: "except that the board may, in its discretion, treat one or more varieties or types of tobacco as a separate basic agricultural commodity."

On page 8, line 9, after "rice," insert a comma and "tobacco."

On page 8, line 11, after "rice," insert a comma and "tobacco."

On page 21, after line 9, insert the following:

"(4) In the case of tobacco, the term 'sale' means a sale or other disposition to any dealer in leaf tobacco or to any registered manufacturer of the products of tobacco."

On page 21, line 10, strike out "(4)" and insert in lieu thereof "(5)."

On page 21, line 12, strike out "(5)" and insert in lieu thereof "(6)."

On page 22, after line 13, insert the following:

"(4) The term 'tobacco' means leaf tobacco, stemmed or unstemmed."

On page 10, line 17, after "cotton," insert a comma and "or tobacco."

Mr. GLASS. Mr. President, may I ask if this is the amendment to which one of the Washington newspapers this morning referred as expected to get me to change my vote on the bill? [Laughter.]

Mr. McKELLAR. I offer another amendment and ask that it may be read.

The VICE PRESIDENT. The clerk will read the amendment sent to the desk by the Senator from Tennessee.

The CHIEF CLERK. On page 9, line 4, add the following:

and until the board shall become satisfied that a majority of the producers of such commodity favor such action.

Mr. McKELLAR. Immediately following that amendment I offer another amendment on behalf of the senior Senator from North Carolina [Mr. SIMMONS], who, though present, is not feeling well this afternoon.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 8, line 16, after the word "commodity," insert the following proviso:

Provided, That in any State where not as many as 50 per cent of the producers of the commodity are members of such cooperative associations or other organizations, an expression from the producers of the commodity shall be obtained through a State convention of such producers, to be called by the head of the department of agriculture of such State, under rules and regulations prescribed by him.

Mr. REED of Missouri. Mr. President, will the rules permit an inquiry of the Senator from Tennessee at this point? Does the last amendment read fix it so that if less than a majority are in favor of the scheme it may be adopted? Is it planned to call a State convention, a minority of which may be able to accomplish the result desired?

Mr. McKELLAR. No.

Mr. REED of Missouri. Then what does it mean?

Mr. McKELLAR. It means exactly what it says, that such a convention shall pass on it before it is put into operation.

Mr. GEORGE. Oh no, Mr. President.

The VICE PRESIDENT. Debate is not in order.

Mr. McKELLAR. On behalf of the senior Senator from North Carolina [Mr. SIMMONS], I present an amendment, which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 11, line 2, after the words "submitted by," insert the following:

The heads of the agricultural departments of the several States within the Federal land-bank district and from lists submitted by.

Mr. McKELLAR. Also on behalf of the senior Senator from North Carolina, I submit the amendment which I send to the desk.

Mr. BRUCE. Mr. President, has not the hour of 4 o'clock arrived?

The VICE PRESIDENT. The hour of 4 o'clock has arrived and debate is closed. The clerk will state the amendment submitted by the Senator from Tennessee on behalf of the Senator from North Carolina.

The CHIEF CLERK. Also, on page 2, line 16, after the words "consist of," strike out the word "five" and insert the word "seven," and on page 2, line 23, after the word "adjourn," insert the following:

Two of the members of the nominating committee in each district shall be elected by a majority vote of the heads of the agricultural departments of the several States of each Federal land-bank district at a meeting to be held in the same city and at the same time of the meeting of the convention of the bona fide farm organizations and cooperative associations in each district.

Mr. McKELLAR. I now offer another amendment in my own behalf.

Mr. McNARY. Mr. President, I have no objection to the amendments, because they attempt to give the producer a larger voice——

Mr. REED of Missouri. Oh, no, Mr. President, no debate is permissible.

Mr. KING. Regular order! We object because these amendments are intended to bludgeon men into farm organizations against their will.

The VICE PRESIDENT. The clerk will state the amendment submitted by the Senator from Tennessee.

The CHIEF CLERK. On page 20, line 22, strike out through line 2, on page 21, and insert in lieu thereof the following:

(2) In the case of cotton, the term "processing" means spinning, milling, or any manufacturing of cotton other than ginning; the term "sale" means a sale or other disposition in the United States of cotton for spinning, milling, or any manufacturing other than ginning, or for delivery outside the United States; and the term "transportation" means the acceptance of cotton by a common carrier for delivery to any person for spinning, milling, or any manufacturing of cotton other than ginning, or for delivery outside the United States; occurring after the beginning of operations by the board in respect of cotton.

On page 21, line 10, strike out the word "The" and insert in lieu thereof the following: "In the case of basic agricultural commodities other than cotton, the."

Mr. NEELY rose.

The VICE PRESIDENT. Senators will understand that these amendments will have to be offered formally from the floor. They will have to be offered again because there is an amendment now pending.

Mr. NEELY. In view of the statement of the Chair I shall withhold the amendment which I was about to offer and which has been accepted by the chairman of the committee.

The VICE PRESIDENT. The question is on the amendment of the Senator from New Hampshire [Mr. MOSES].

Mr. HEFLIN May the amendment be reported?

The VICE PRESIDENT. The pending amendment will be read.

The CHIEF CLERK. On page 7, line 25, after the word "rice," insert the words "hay, apples, potatoes, all dairy products."

On page 8, line 9, after the word rice," insert the words "hay, apples, potatoes, all dairy products."

On page 8, line 9, after the word "rice," insert the words "hay, apples, potatoes, all dairy products."

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from New Hampshire.

Mr. REED of Pennsylvania. Let us have the yeas and nays.

The yeas and nays were not ordered.

The amendment was rejected.

Mr. HARRISON. Mr. President, I think the next amendment to be considered is one which I offered, but I withhold that until the insurance proposition is disposed of.

Mr. McNARY. I now make formal offer of the amendments which I explained a moment ago.

The VICE PRESIDENT. The clerk will read the first amendment offered by the Senator from Oregon.

The Chief Clerk read as follows:

On page 9, line 5, strike out down through line 5 on page 10, and insert in lieu thereof the following:

"(d) During the continuance of such operations in any basic agricultural commodity, the board is authorized to enter into agreements, for the purpose of carrying out the policy declared in section 1, with any cooperative association engaged in handling the basic agricultural commodity, or with a corporation created by one or more of such cooperative associations, or with processors of the basic agricultural commodity.

"(e) Such agreements may provide for (1) removing or disposing of any surplus of the basic agricultural commodity, (2) withholding such surplus, (3) insuring such commodity against undue and excessive fluctuations in market conditions, and (4) financing the purchase, storage, or sale or other disposition of the commodity. The moneys in the stabilization fund of the basic agricultural commodity shall be available for carrying out such agreements. In the case of any agreement in respect of the removal or disposal of the surplus of a basic agricultural commodity, the agreement shall provide both for the payment from the stabilization fund for the commodity of the amount of losses, costs, and charges, arising out of the purchase, storage, or sale or other disposition of the commodity or out of contracts therefor, and for the payment into the stabilization fund for the commodity of profits (after deducting all costs and charges provided for in the agreement) arising out of such purchase, storage, or sale or other disposition, or contracts therefor. In the case of agreements insuring such commodity against undue and excessive fluctuations in market conditions, the board may insure any cooperative marketing association against decline in the market price for the commodity at the time of sale by the association, from the market price for such commodity at the time of delivery to the association."

On page 10, line 7, after "association," insert: ", or corporation created by one or more cooperative associations."

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Oregon.

Mr. REED of Missouri. I call for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. BROUSSARD (when his name was called). I have a general pair with the senior Senator from New Hampshire [Mr. MOSES], who is unavoidably absent. I had an understanding with him, however, that I could vote on this amendment. I vote "yea."

Mr. BRATTON (when the name of Mr. JONES of New Mexico was called). The senior Senator from New Mexico [Mr. JONES] is absent on account of illness. He is paired with the senior Senator from New York [Mr. WADSWORTH]. If the senior Senator from New Mexico were present he would vote "yea."

Mr. McMASTER (when Mr. NORBECK's name was called). The senior Senator from New Jersey [Mr. EDGE] has a general pair with the senior Senator from South Dakota [Mr. NORBECK]. Both Senators are unavoidably absent from the Senate. The Senator from South Dakota, having been in a serious automobile accident, is now confined to the hospital. I am authorized to state that if the senior Senator from New Jersey [Mr. EDGE] were present he would vote "nay," and if the senior Senator from South Dakota [Mr. NORBECK] were present he would vote "yea."

Mr. GLASS (when Mr. SWANSON's name was called). My colleague [Mr. SWANSON] is unavoidably absent. He is paired with the Senator from Delaware [Mr. DU PONT]. I do not now know how either Senator would vote on this question.

The roll call having been concluded the result was announced—yeas 54, nays 33, as follows:

YEAS—54

Ashurst	Harreld	Means	Simmons
Bratton	Harris	Neely	Smith
Broussard	Harrison	Norris	Stanfield
Cameron	Hawes	Nye	Steck
Capper	Heflin	Oddie	Stephens
Caraway	Howell	Overman	Stewart
Copeland	Johnson	Pine	Trammell
Deneen	Jones, Wash.	Pittman	Tyson
Dill	Kendrick	Ransdell	Underwood
Ferris	La Follette	Robinson, Ark.	Walsh, Mont.
Fletcher	McKellar	Robinson, Ind.	Watson
Frazier	McMaster	Schall	Wheeler
Gooding	McNary	Sheppard	
Gould	Mayfield	Shipstead	

NAYS—33

Bayard	Ernst	Keyes	Sackett
Bingham	Fess	King	Shortridge
Blease	George	Lenroot	Walsh, Mass.
Borah	Gerry	McLean	Warren
Bruce	Gillett	Metcalf	Weller
Couzens	Glass	Pepper	Willis
Curtis	Goff	Phipps	
Dale	Greene	Reed, Mo.	
Edwards	Hale	Reed, Pa.	

NOT VOTING—8

du Pont	Jones, N. Mex.	Norbeck	Swanson
Edge	Moses	Smoot	Wadsworth

So Mr. McNARY's amendment was agreed to.

Mr. McKELLAR. I offer the amendment which I send to the desk.

Mr. HARRISON. Will not the Senator permit to be first read the other amendment of the Senator from Oregon, which is right in line with the last one and carries out the insurance feature?

The VICE PRESIDENT. The clerk will read the second amendment offered by the Senator from Oregon.

Mr. McNARY. I offered two amendments.

The VICE PRESIDENT. The clerk will read the second amendment offered by the Senator from Oregon.

The CHIEF CLERK. On page 18 it is proposed to strike out lines 11 and 12, and to insert in lieu thereof the following:

(c) Any loan under subdivision (a) or (b) shall bear interest at the rate of 4 per cent per annum.

(d) The board may at any time enter into a contract with any cooperative marketing association engaged in marketing any basic agricultural commodity, insuring such association for periods of 12 months against decline in the market price for such commodity at the time of sale by the association from the market price for such commodity at the time of delivery to the association. For such insurance the association shall pay such premium, to be determined by the board, upon each unit of the basic agricultural commodity reported by the association for coverage under the insurance contract, as will cover the risks of the insurance.

On page 17, line 11, after "loans," insert "and insurance."

On page 15, line 13, after the comma, insert "premiums paid for insurance under section 12,".

On page 15, strike out line 16 through the comma in line 20 and insert "(b) the board, in anticipation of the collection of the equalization fees and the payment of premiums for insurance under section 12, and in order promptly to make the payments required by any agreement under section 6 or by the insurance contracts under section 12 and to pay salaries and expenses of experts,".

On page 16, line 11, strike out all after the word "only," down through the comma in line 14, and insert in lieu thereof the following: "(1) the payments required to be made by any agreement under section 6 or by an insurance contract under section 12,".

On page 19, line 1, after the parenthesis, strike out through the word "act" in line 3 and insert in lieu thereof the following: "including the payments required by any agreement under section 6 or by the insurance contracts under section 12."

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Oregon.

The amendment was agreed to.

Mr. McKELLAR obtained the floor.

Mr. HARRISON. I have offered an amendment, which, I think, should come first.

Mr. McKELLAR. The amendment I have offered is to correct the text, and I hope we may first have a vote on it.

The VICE PRESIDENT. The amendment offered by the Senator from Tennessee will be read.

The CHIEF CLERK. On page 7, line 25, after the word "rice," it is proposed to insert a comma and the word "tobacco"; and in line 26, to strike out the period and to insert a comma and the following:

except that the board may, in its discretion, treat as a separate basic agricultural commodity one or more of such classes or types of tobacco as are designated in the classification of the Department of Agriculture.

On page 8, line 9, after the word "rice," insert a comma and the word "tobacco."

On page 8, line 11, after the word "rice," insert a comma and the word "tobacco."

On page 21, after line 9, insert the following:

(4) In the case of tobacco, the term "sale" means a sale or other disposition to any dealer in leaf tobacco or to any registered manufacturer of the products of tobacco.

On page 21, line 10, strike out "(4)" and insert in lieu thereof "(5)."

On page 21, line 12, strike out "(5)" and insert in lieu thereof "(6)."

On page 22, after line 13, insert the following:

(4) The term "tobacco" means leaf tobacco, stemmed or unstemmed.

On page 10, line 17, after "cotton," insert a comma and the words "or tobacco."

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Tennessee.

The amendment was agreed to.

Mr. McKELLAR. I offer another amendment, which I ask that the clerk may read.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 9, line 4, it is proposed to insert the following:

and until the board shall become satisfied that a majority of the producers of such commodity favor such action.

Mr. HARRISON. Mr. President, I thought the Senator from Tennessee was going to offer a different amendment. I offered first my amendment in reference to the two years' deference of the payment of the equalization fee and think it should be first considered.

Mr. McKELLAR. My amendment is merely to correct the text.

Mr. HARRISON. No; that is not merely to correct the text.

Mr. McKELLAR. My amendment naturally comes first.

The VICE PRESIDENT. The Chair thinks that the amendment of the Senator from Mississippi was first offered and is entitled to be first voted on. The clerk will state the amendment offered by the Senator from Mississippi.

The CHIEF CLERK. On page 10, after line 20, it is proposed to insert the following:

(i) No operations under this section shall be commenced by the board in respect of any basic agricultural commodity prior to the determination and imposition by the board of the equalization fee in respect of such commodity.

On page 14, at the end of line 4, insert the following:

No equalization fee shall be imposed, collected, or paid in respect of cotton prior to the expiration of two years from the date of the approval of this act.

Mr. WALSH of Montana. I move to amend the amendment offered by the Senator from Mississippi by striking from the second paragraph thereof the words "in respect of cotton." I ask the Secretary to read the amendment as it would read with the amendment which I have offered.

The VICE PRESIDENT. The clerk will read as requested.

The CHIEF CLERK. With the words stricken out by the proposed amendment to the amendment it reads:

No equalization fee shall be imposed, collected, or paid prior to the expiration of two years from the date of the approval of this act.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Montana to the amendment of the Senator from Mississippi [Mr. HARRISON].

Mr. BORAH. Let us have the yeas and nays.

Mr. REED of Missouri. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. BROUSSARD (when his name was called). Making the same announcement as before, I vote "yea."

Mr. McMASTER (when Mr. NORBECK's name was called). I make the same announcement with reference to the general pair announced previously between my colleague the senior Senator from South Dakota [Mr. NORBECK] and the senior Senator from New Jersey [Mr. EDGE]. I am not advised as to how the senior Senator from New Jersey would vote, if present; but the senior Senator from South Dakota, if present, would vote "nay."

The roll call was concluded.

Mr. BRATTON. I desire to announce that my colleague the senior Senator from New Mexico [Mr. JONES] is absent on account of illness. He has a general pair with the senior Senator from New York [Mr. WADSWORTH]. If the Senator from New Mexico were present, on this question he would vote "nay."

Mr. GLASS. I desire to repeat the announcement with respect to the pair of my colleague [Mr. SWANSON] which I made on the previous vote.

The result was announced—yeas 35, nays 52, as follows:

YEAS—35

Ashurst	George	Lenroot	Shortridge
Bingham	Gerry	McLean	Stephens
Blease	Glass	Metcalf	Underwood
Borah	Goff	Overman	Walsh, Mass.
Broussard	Hale	Pepper	Walsh, Mont.
Dill	Harris	Phipps	Warren
Ernst	Harrison	Pittman	Weller
Fess	Jones, Wash.	Reed, Mo.	Willis
Fletcher	King	Reed, Pa.	

NAYS—52

Bayard	Frazier	McKellar	Sackett
Bratton	Gillett	McMaster	Schall
Bruce	Gooding	McNary	Sheppard
Cameron	Gould	Mayfield	Shipstead
Capper	Greene	Means	Simmons
Caraway	Harreld	Neely	Smith
Copeland	Hawes	Norris	Stanfield
Couzens	Heflin	Nye	Steck
Curtis	Howell	Oddie	Stewart
Dale	Johnson	Pine	Trammell
Deneen	Kendrick	Ransdell	Tyson
Edwards	Keyes	Robinson, Ark.	Watson
Ferris	La Follette	Robinson, Ind.	Wheeler

NOT VOTING—8

du Pont	Jones, N. Mex.	Norbeck	Swanson
Edge	Moses	Smoot	Wadsworth

So the amendment of Mr. WALSH of Montana to Mr. HARRISON's amendment was rejected.

Mr. REED of Missouri. Mr. President, I move to amend the amendment by striking out the words "in respect of cotton" and striking out the words "two years" and inserting in lieu thereof "one year."

The VICE PRESIDENT. The Secretary will state the amendment as proposed to be amended.

The Chief Clerk read as follows:

No equalization fee shall be imposed, collected, or paid prior to the expiration of one year from the date of the approval of this act.

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

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll; and Mr. ASHURST voted in the affirmative.

Mr. NEELY. Mr. President, a point of order. I make the point of order that the demand for the yeas and nays has not been sustained by one-fifth of the Senators present.

Mr. REED of Missouri. I make the point of order that the roll call has been ordered and started, and a response has been made.

The VICE PRESIDENT. The point of order is well taken. The Secretary will continue the calling of the roll.

The Chief Clerk resumed the calling of the roll.

Mr. BROUSSARD (when his name was called). I make the same announcement as before as to my pair and its transfer, and vote "yea."

Mr. BRATTON (when the name of Mr. JONES of New Mexico was called). I make the same announcement that I made on the preceding vote with respect to the pair between my colleague [Mr. JONES of New Mexico] and the Senator from New York [Mr. WADSWORTH]. If the Senator from New Mexico were present he would vote "nay."

The roll call was concluded.

Mr. GLASS. I repeat the announcement heretofore made that my colleague [Mr. SWANSON] is unavoidably absent. He is paired with the Senator from Delaware [Mr. DU PONT].

The result was announced—yeas 36, nays 51, as follows:

YEAS—36

Ashurst	Fess	King	Shortridge
Bingham	Fletcher	Lenroot	Simmons
Blease	George	McLean	Stephens
Borah	Gerry	Metcalf	Trammell
Broussard	Glass	Overman	Underwood
Bruce	Goff	Phipps	Walsh, Mass.
Dill	Hale	Pittman	Warren
Edwards	Harris	Reed, Mo.	Weller
Ernst	Harrison	Reed, Pa.	Willis

NAYS—51

Bayard	Gooding	McMaster	Sackett
Bratton	Gould	McNary	Schall
Cameron	Greene	Mayfield	Sheppard
Capper	Harreld	Means	Shipstead
Caraway	Hawes	Neely	Smith
Copeland	Heflin	Norris	Stanfield
Couzens	Howell	Nye	Steck
Curtis	Johnson	Oddie	Stewart
Dale	Jones, Wash.	Pepper	Tyson
Deneen	Kendrick	Pine	Walsh, Mont.
Ferris	Keyes	Ransdell	Watson
Frazier	La Follette	Robinson, Ark.	Wheeler
Gillett	McKellar	Robinson, Ind.	

NOT VOTING—8

du Pont	Jones, N. Mex.	Norbeck	Swanson
Edge	Moses	Smoot	Wadsworth

So the amendment of Mr. REED of Missouri to Mr. HARRISON's amendment was rejected.

The VICE PRESIDENT. The question is upon agreeing to the amendment of the Senator from Mississippi [Mr. HARRISON].

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

Mr. HEFLIN. Mr. President, a parliamentary inquiry. The amendment now pending simply defers the equalization fee on cotton?

The VICE PRESIDENT. The Secretary will state the amendment of the Senator from Mississippi.

The CHIEF CLERK. On page 10, after line 20, it is proposed to insert the following:

(i) No operations under this section shall be commenced by the board in respect of any basic agricultural commodity prior to the determination and imposition by the board of the equalization fee in respect of such commodity.

On page 14, line 4, at the end of the line, insert the following:

No equalization fee shall be imposed, collected, or paid in respect of cotton prior to the expiration of two years from the date of the approval of this act.

Mr. HARRISON and Mr. HEFLIN called for the yeas and nays, and they were ordered.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Mississippi. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. BROUSSARD (when his name was called). Making the same announcement as heretofore made, I vote "yea."

Mr. BRATTON (when the name of Mr. JONES of New Mexico was called). I desire to make the same announcement that I made on the previous vote respecting the pair between my colleague [Mr. JONES of New Mexico] and the Senator from New York [Mr. WADSWORTH]. If my colleague were present, he would vote "nay" on this question.

The roll call was concluded.

Mr. McMASTER. In reference to the general pair between my colleague [Mr. NORBECK] and the senior Senator from New Jersey [Mr. EDGE], I am informed that if both Senators were present, they would vote "nay."

Mr. GLASS. My colleague [Mr. SWANSON] is unavoidably absent and is paired with the junior Senator from Delaware [Mr. DU PONT]. If my colleague were present, on this question he would vote "nay."

The result was announced—yeas 17, nays 69, as follows:

YEAS—17

Ashurst	Harris	Overman	Trammell
Blease	Harrison	Pine	Underwood
Broussard	Heflin	Simmons	
Fletcher	King	Smith	
George	McKellar	Stephens	

NAYS—69

Bayard	Frazier	McLean	Schall
Bingham	Gerry	McMaster	Sheppard
Borah	Gillett	McNary	Shipstead
Bratton	Glass	Mayfield	Shortridge
Bruce	Goff	Means	Stanfield
Cameron	Gooding	Metcalf	Steck
Capper	Gould	Neely	Stewart
Caraway	Greene	Norris	Tyson
Copeland	Hale	Nye	Walsh, Mass.
Couzens	Harreld	Oddie	Walsh, Mont.
Curtis	Hawes	Pepper	Warren
Dale	Howell	Phipps	Watson
Deneen	Johnson	Ransdell	Weller
Dill	Jones, Wash.	Reed, Mo.	Wheeler
Edwards	Kendrick	Reed, Pa.	Willis
Ernst	Keyes	Robinson, Ark.	
Ferris	La Follette	Robinson, Ind.	
Fess	Lenroot	Sackett	

NOT VOTING—9

du Pont	Moses	Pittman	Swanson
Edge	Norbeck	Smoot	Wadsworth
Jones, N. Mex.			

So Mr. HARRISON's amendment was rejected.

Mr. McKELLAR. I now offer the amendment which I sent to the desk a moment ago.

The VICE PRESIDENT. The clerk will read the amendment.

The CHIEF CLERK. On page 9, line 4, insert:

And until the board shall become satisfied that a majority of the producers of such commodity favor such action.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Tennessee.

Mr. GEORGE. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state his inquiry.

Mr. GEORGE. I wish to have the amendment read again, as there was so much noise I could not understand it. I do not know whether the word "shall" or "may" was used.

The VICE PRESIDENT. The clerk will read the amendment again.

The Chief Clerk again read the amendment.

Mr. REED of Missouri. I would like to have the amendment read in connection with the text, so that we may understand it.

Mr. McKELLAR. I ask unanimous consent that that be done.

Mr. REED of Missouri. It ought to be done without unanimous consent.

The VICE PRESIDENT. The clerk will read the text as it would read if amended as proposed by the Senator from Tennessee.

The CHIEF CLERK. Starting to read on page 8, line 21, the bill as amended would read:

Any decision by the board relating to the commencement or termination of such operations shall require the affirmative vote of a majority of the appointed members in office, and the board shall not commence or terminate operations in any basic agricultural commodity unless members of the board representing Federal land-bank districts which in the aggregate produced during the preceding crop year, according to the estimates of the Department of Agriculture, more than 50 per cent of such commodity, vote in favor thereof, and until the

board shall become satisfied that a majority of the producers of such commodity favor such action.

Mr. REED of Missouri. How would they satisfy themselves? Is there any provision about that?

Mr. McKELLAR. Nothing but what is contained in the amendment.

Mr. REED of Missouri. They have just to guess at it.

The VICE PRESIDENT. The question is on agreeing to the amendment.

Mr. REED of Missouri. I ask for the yeas and nays.

The yeas and nays were not ordered.

The amendment was agreed to.

Mr. McKELLAR. I offer an amendment on behalf of the senior Senator from North Carolina [Mr. SIMMONS].

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. On page 8, line 16, after the word "commodity," insert:

Provided, That in any State where not as many as 50 per cent of the producers of the commodity are members of such cooperative associations, or other organizations, an expression from the producers of the commodity shall be obtained through a State convention of such producers, to be called by the head of the department of agriculture of such State under rules and regulations prescribed by him.

Mr. REED of Missouri. Mr. President, I do not desire to delay the Senate, but I ask for a record vote on these important amendments. I call for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. BROUSSARD (when his name was called). Making the same announcement as before, I vote "yea."

Mr. BRATTON (when the name of Mr. JONES of New Mexico was called). I repeat the announcement I made on the last vote respecting the pair between my colleague [Mr. JONES of New Mexico] and the senior Senator from New York [Mr. WADSWORTH]. If my colleague were present and voting, he would vote "yea" on this question.

The roll call was concluded.

Mr. McMASTER. I desire to announce that my colleague [Mr. NORBECK] would vote "yea" if he were present and voting, and the senior Senator from New Jersey [Mr. EDGE], with whom he is paired, would vote "nay."

Mr. BORAH (after having voted in the affirmative). Having had an opportunity to read the amendment, I vote "nay."

The result was announced—yeas 58, nays 29, as follows:

YEAS—58

Ashurst	Glass	Mayfield	Shipstead
Blease	Gooding	Means	Simmons
Bratton	Gould	Neely	Smith
Broussard	Harreld	Nye	Stanfield
Cameron	Harris	Oddie	Steck
Capper	Harrison	Overman	Stephens
Caraway	Hawes	Phipps	Stewart
Copeland	Heflin	Pine	Trammell
Curtis	Howell	Pittman	Tyson
Dill	Johnson	Ransdell	Walsh, Mont.
Ernst	Kendrick	Robinson, Ark.	Warren
Ferris	La Follette	Robinson, Ind.	Watson
Fletcher	McKellar	Sackett	Wheeler
Frazier	McMaster	Schall	
George	McNary	Sheppard	

NAYS—29

Bayard	Fess	King	Shortridge
Bingham	Gerry	Lenroot	Underwood
Borah	Gillett	McLean	Walsh, Mass.
Bruce	Goff	Metcalf	Weller
Couzens	Greene	Norris	Willis
Dale	Hale	Pepper	
Deneen	Jones, Wash.	Reed, Mo.	
Edwards	Keyes	Reed, Pa.	

NOT VOTING—8

du Pont	Jones, N. Mex.	Norbeck	Swanson
Edge	Moses	Smoot	Wadsworth

So Mr. McKELLAR's amendment was agreed to.

Mr. McKELLAR. I now formally offer another amendment on behalf of the senior Senator from North Carolina [Mr. SIMMONS].

The VICE PRESIDENT. The clerk will read the amendment.

The CHIEF CLERK. On page 11, line 2, after the words "submitted by," insert the following:

The heads of the agricultural departments of the several States within the Federal land-bank districts and from lists submitted by.

Mr. REED of Missouri. I ask that the amendment may be read in connection with the text.

The VICE PRESIDENT. The clerk will read the text in connection with the amendment.

The CHIEF CLERK. Beginning to read on page 10, line 25:

Members of each commodity advisory council shall be elected annually by the board from lists submitted by the heads of the agricultural departments of the several States within the Federal land-bank districts and from lists submitted by cooperative marketing associations and farm organizations determined by the board to be representative of the producers of such commodity.

The VICE PRESIDENT. The question is on the amendment submitted by the Senator from Tennessee in behalf of the Senator from North Carolina.

The amendment was agreed to.

Mr. McKELLAR. I now offer another amendment on behalf of the Senator from North Carolina [Mr. SIMMONS].

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 2, line 16, after the words "consist of," strike out the word "five" and insert the word "seven," and on page 2, line 23, after the word "adjourn," insert:

Two of the members of the nominating committee in each district shall be elected by a majority vote of the heads of the agricultural departments of the several States of each Federal land-bank district at a meeting to be held in the same city and at the same time of the meeting of the convention of the bona fide farm organizations and cooperative associations in each district.

Mr. REED of Missouri. Mr. President, I make the point of order that there are two amendments embraced in one. The undertaking is to amend the bill in two particulars in one amendment.

The VICE PRESIDENT. The Senator from Missouri has a right to have them separated and to have them voted on separately. The clerk will state the first amendment.

The CHIEF CLERK. On page 2, line 16, after the words "consist of," strike out the word "five" and insert the word "seven," so as to make the sentence read:

There is hereby established a nominating committee in each of the 12 Federal land-bank districts, to consist of 7 members.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The VICE PRESIDENT. The clerk will state the other part of the amendment submitted by the Senator from Tennessee on behalf of the Senator from North Carolina.

The CHIEF CLERK. On page 2, line 23, after the word "adjourn," insert:

Two of the members of the nominating committee in each district shall be elected by a majority vote of the heads of the agricultural departments of the several States of each Federal land-bank district at a meeting to be held in the same city and at the same time of the meeting of the convention of the bona fide farm organizations and cooperative organizations in each district.

Mr. REED of Missouri. I ask to have read the text which the amendment proposes to strike out, in order that the Senate may be informed.

The VICE PRESIDENT. The clerk will read the text in connection with the amendment.

The legislative clerk read as follows:

(b) There is hereby established a nominating committee in each of the 12 Federal land-bank districts, to consist of seven members. Four of the members of the nominating committee in each district shall be elected by the bona fide farm organizations and cooperative associations in such district at a convention of such organizations and associations, to be held at the office of the Federal land bank in such district, or at such other place in the city where such Federal land bank is located, to which the convention may adjourn.

Mr. REED of Missouri. Now, will the clerk please read the text that is to be changed?

The VICE PRESIDENT. It is merely an addition of language, not a change. The clerk will read the language to be added.

The legislative clerk read as follows:

On page 2, line 23, after the word "adjourn," insert:

"Two of the members of the nominating committee in each district shall be elected by a majority vote of the heads of the agricultural departments of the several States of each Federal land-bank district at a meeting to be held in the same city and at the same time of the meeting of the convention of the bona fide farm organizations and cooperative associations in each district."

Mr. REED of Missouri. Mr. President, a parliamentary inquiry. Does the amendment strike out the language in lines 23, 24, and 25, on page 2?

The VICE PRESIDENT. It strikes out nothing. The amendment is in addition to the language now in the bill.

Mr. REED of Missouri. It does not strike out the last sentence on page 2: "One of the members of the nominating committee in each district shall be appointed by the Secretary of Agriculture"?

The VICE PRESIDENT. It does not strike that out. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. McKELLAR. I offer a further amendment, which I ask may be read.

The VICE PRESIDENT. The clerk will read the amendment.

The CHIEF CLERK. On page 20 of the bill strike out lines 22 to 25, both inclusive, and on page 21 of the bill strike out lines 1 and 2, in the following language:

(2) In the case of cotton, the term "processing" means ginning, and the term "sale" means a sale or other disposition in the United States of cotton for milling or ginning for market, for resale, or for delivery by a common carrier—occurring after the beginning of operations by the board in respect of cotton.

And insert in lieu thereof the following:

(2) In the case of cotton, the term "processing" means spinning, milling, or any manufacturing of cotton other than ginning; the term "sale" means a sale or other disposition in the United States of cotton for spinning, milling, or any manufacturing other than ginning, or for delivery outside the United States; and the term "transportation" means the acceptance of cotton by a common carrier for delivery to any person for spinning, milling, or any manufacturing of cotton other than ginning, or for delivery outside the United States; occurring after the beginning of operations by the board in respect of cotton.

The VICE PRESIDENT. The question is on agreeing to the amendment.

On a division the amendment was agreed to.

Mr. McKELLAR. I offer the further amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 21, line 10, strike out the first word in the line, "The," and insert in lieu thereof the words "In the case of basic agricultural commodities other than cotton the," so as to make the paragraph read:

In the case of basic agricultural commodities other than cotton the term "transportation" means the acceptance of a commodity by a common carrier for delivery.

The VICE PRESIDENT. The question is on agreeing to the amendment.

Mr. REED of Missouri. Since we can not debate the amendment or ask anyone what it means, I ask for the yeas and nays on it.

The yeas and nays were not ordered.

The amendment was rejected.

The VICE PRESIDENT. The bill is still as in Committee of the Whole and open to amendment.

Mr. NEELY. Mr. President, I offer the amendment which I send to the desk.

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. Beginning on page 17, strike out all of paragraph (b) of section 12, and insert in lieu thereof the following:

(b) For the purpose of developing continuity of cooperative services, including unified terminal marketing facilities and equipment, the board is authorized, upon such terms and conditions and in accordance with such regulations as it may prescribe, to make loans out of the revolving fund to any cooperative association engaged in the purchase, storage, sale, or other disposition, or processing of any agricultural commodity, (1) for the purpose of assisting any such association in the acquisition, by purchase, construction, or otherwise, of facilities to be used in the storage, processing, or sale of such agricultural commodity, or (2) for the purpose of furnishing funds to such associations for necessary expenditures in federating, consolidating, or merging cooperative associations, or (3) for the purpose of furnishing to any such association funds to be used by it as capital for any agricultural credit corporation eligible for receiving rediscounts from an intermediate credit bank. In making any such loan the board may provide for the payment of such charge, to be determined by the board from time to time, upon each unit of the commodity handled by the association, as will within a period of not more than 20 years repay the amount of such loan, together with interest thereon. The aggregate amounts loaned under this subdivision and remaining unpaid shall not exceed at any one time the sum of $25,000,000.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from West Virginia.

On a division the amendment was agreed to.

Mr. FESS. Mr. President, I move to amend by striking out, on page 2, beginning in line 11, after the word "Senate," the balance of page 2, all of page 3, and all of page 4 down to and including line 20, being the nominating feature of the bill.

The VICE PRESIDENT. The question is on the amendment of the Senator from Ohio.

The amendment was rejected.

Mr. CURTIS. Mr. President, I propose the amendment which was printed a few days ago as a substitute for the bill.

The VICE PRESIDENT. The proposed substitute will be stated.

The CHIEF CLERK. The Senator from Kansas moves to strike out all after the enacting clause and insert a substitute.

Mr. CURTIS. Mr. President, unless some Senator desires to have the amendment read, I think the reading may be dispensed with at this time. The amendment was printed in the RECORD several days ago and has been fully explained. I do not care whether or not it is read again, unless some Senator desires to have it read.

The VICE PRESIDENT. In the absence of objection, the reading of the amendment will be dispensed with.

[For the substitute proposed by Mr. CURTIS see Senate proceedings of February 7, 1927, page 3125.]

Mr. CURTIS. I ask for the yeas and nays on the amendment.

Mr. FESS. Let us have the yeas and nays.

The VICE PRESIDENT. The question is on the amendment, in the nature of a substitute, proposed by the Senator from Kansas, on which the yeas and nays are demanded.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. BROUSSARD (when his name was called). I have a general pair with the senior Senator from New Hampshire [Mr. MOSES]. I do not know how he would vote on this question; and therefore, I withhold my vote.

Mr. BRATTON (when the name of Mr. JONES of New Mexico was called). I repeat the announcement made on previous votes of the pair between my colleague, the senior Senator from New Mexico [Mr. JONES] and the Senator from New York [Mr. WADSWORTH]. If my colleague were present and at liberty to vote he would vote "nay" on this question.

Mr. McMASTER (when Mr. NORBECK's name was called). My colleague, the senior Senator from South Dakota [Mr. NORBECK], is paired with the senior Senator from New Jersey [Mr. EDGE]. If my colleague were present, he would vote "nay" and the senior Senator from New Jersey would vote "yea."

Mr. GLASS (when Mr. SWANSON's name was called). I repeat the announcement heretofore made that my colleague [Mr. SWANSON] is paired with the Senator from Delaware [Mr. DU PONT]. Were my colleague present, on this question he would vote "yea."

The roll call having been concluded, the result was announced—yeas 32, nays 54, as follows:

YEAS—32

Bingham	Gerry	King	Reed, Pa.
Blease	Gillett	Lenroot	Sackett
Curtis	Glass	McLean	Shortridge
Edwards	Goff	Metcalf	Underwood
Ernst	Gould	Overman	Walsh, Mass.
Fess	Hale	Pepper	Warren
Fletcher	Harris	Phipps	Weller
George	Keyes	Reed, Mo.	Willis

NAYS—54

Ashurst	Frazier	McNary	Shipstead
Bayard	Gooding	Mayfield	Simmons
Borah	Greene	Means	Smith
Bratton	Harreld	Neely	Stanfield
Bruce	Harrison	Norris	Steck
Cameron	Hawes	Nye	Stephens
Capper	Heflin	Oddie	Stewart
Caraway	Howell	Pine	Trammell
Copeland	Johnson	Pittman	Tyson
Couzens	Jones, Wash.	Ransdell	Walsh, Mont.
Dale	Kendrick	Robinson, Ark.	Watson
Deneen	La Follette	Robinson, Ind.	Wheeler
Dill	McKellar	Schall	
Ferris	McMaster	Sheppard	

NOT VOTING—9

Broussard	Jones, N. Mex.	Norbeck	Swanson
du Pont	Moses	Smoot	Wadsworth
Edge			

So the amendment of Mr. CURTIS in the nature of a substitute was rejected.

The VICE PRESIDENT. If there be no further amendments to be offered, the bill will be reported to the Senate.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The VICE PRESIDENT. Having been read the third time, the question is, Shall the bill pass?

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

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. BROUSSARD (when his name was called). The Senator from New Hampshire [Mr. MOSES], with whom I have a general pair, was called away to-day. He is opposed to this bill; I favor it. Being unable to secure a transfer, I withhold my vote.

Mr. BRATTON (when the name of Mr. JONES of New Mexico was called). My colleague, the senior Senator from New Mexico [Mr. JONES], is paired on this question with the Senator from New York [Mr. WADSWORTH]. If my colleague were present, he would vote "yea," and I am informed that if the Senator from New York were present, he would vote "nay."

Mr. KEYES (when the name of Mr. MOSES was called). My colleague, the senior Senator from New Hampshire [Mr. MOSES], is unavoidably absent. If present, he would vote "nay."

Mr. McMASTER (when Mr. NORBECK's name was called). As heretofore stated, my colleague, the senior Senator from South Dakota [Mr. NORBECK], is paired with the senior Senator from New Jersey [Mr. EDGE]. If present, my colleague would vote "yea," and the senior Senator from New Jersey, if present, would vote "nay."

Mr. GLASS (when Mr. SWANSON's name was called). My colleague [Mr. SWANSON] has a pair with the Senator from Delaware [Mr. DU PONT]. If my colleague were present on this question he would vote "nay," and I am told that the Senator from Delaware would vote "yea."

The roll call having been concluded, the result was announced—yeas 47, nays 39, as follows:

YEAS—47

Ashurst	Gooding	Mayfield	Sheppard
Bratton	Gould	Means	Shipstead
Cameron	Harreld	Neely	Simmons
Capper	Hawes	Norris	Smith
Caraway	Howell	Nye	Stanfield
Copeland	Johnson	Oddie	Steck
Curtis	Jones, Wash.	Pine	Stewart
Deneen	Kendrick	Pittman	Trammell
Dill	La Follette	Rapsdell	Tyson
Ferris	McKellar	Robinson, Ark.	Watson
Fletcher	McMaster	Robinson, Ind.	Wheeler
Frazier	McNary	Schall	

NAYS—39

Bayard	George	Keyes	Sackett
Bingham	Gerry	King	Shortridge
Blease	Gillett	Lenroot	Stephens
Borah	Glass	McLean	Underwood
Bruce	Goff	Metcalf	Walsh, Mass.
Couzens	Greene	Overman	Walsh, Mont.
Dale	Hale	Pepper	Warren.
Edwards	Harris	Phipps	Weller
Ernst	Harrison	Reed, Mo.	Willis
Fess	Heflin	Reed, Pa.	

NOT VOTING—9

Broussard	Jones, N. Mex.	Norbeck	Swanson
du Pont	Moses	Smoot	Wadsworth
Edge			

So the bill was passed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 11768) to regulate the importation of milk and cream into the United States for the purpose of promoting the dairy industry of the United States and protecting the public health.

NATIONAL BANK BRANCHES

Mr. PEPPER. Mr. President, there is lying on the Vice President's table a motion that the Senate recede from certain amendments made by the Senate to House bill 2, the banking bill, and that the Senate concur in certain House amendments to certain Senate amendments to that bill. I move that the Senate proceed to the consideration of the motion in question so that it may be made the undisposed of business before the Senate.

The VICE PRESIDENT. The question is on the motion of the Senator from Pennsylvania.

Mr. WHEELER. Mr. President, I will state that I desire to discuss the motion, but on account of the lateness of the hour I dislike to start in with the discussion to-night. If the Senator from Pennsylvania has no objection, I should like to have the matter go over so that I may be able to discuss it to-morrow.

Mr. PEPPER. I shall defer to the views of the Senator from Kansas.

Mr. CURTIS. It was my intention to move a short executive session, and then to move to adjourn.

BELLE FOURCHE AND CHEYENNE RIVERS

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 4411) granting the consent of Congress to compacts or agreements between the States of South Dakota and Wyoming with respect to the division and apportionment of the waters of the Belle Fourche and Cheyenne Rivers and other streams in which such States are jointly interested, which was, on page 2, line 6, after the word "into," to insert:

Provided, That there is hereby authorized to be appropriated out of the reclamation fund $1,000, or so much thereof as may be necessary, to pay the expenses of such Federal participation.

Mr. KENDRICK. I ask unanimous consent that the Senate concur in the amendment of the House.

The VICE PRESIDENT. The Senator from Wyoming asks unanimous consent that the Senate concur in the amendment of the House.

Mr. JONES of Washington. I ask the Senator why this expense should come out of the reclamation fund. I understand that the amendment of the House is that it must come out of the reclamation fund.

Mr. KENDRICK. Yes; that is the House amendment.

Mr. JONES of Washington. But, I ask, why should that be done?

Mr. KENDRICK. I have no idea why the appropriation was to be taken from the reclamation fund. While it does not have to do directly with reclamation, it is at least incidentally related to that purpose. The amendment was made by the House, and I should like to have it concurred in by the Senate.

Mr. JONES of Washington. I do not like to see Congress invading the reclamation fund for anything except reclamation purposes. I have no objection to the amount coming out of the Treasury and having it carried out, but I do not want to see it come out of the reclamation fund.

Mr. KENDRICK. If the Senator prefers, I withdraw the request for the present.

Mr. JONES of Washington. I am glad the Senator has taken that course. That will give us an opportunity to look into it.

EXECUTIVE SESSION

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After six minutes spent in executive session the doors were reopened, and (at 5 o'clock and 36 minutes p. m.) the Senate adjourned until to-morrow, Saturday, February 12, 1927, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate February 11 (legislative day of February 9), 1927

FOREIGN SERVICE

MINISTER RESIDENT AND CONSUL GENERAL

James G. Carter, of Georgia, now a Foreign Service officer of class 7, assigned as consul at Tananarive, Madagascar, to be minister resident and consul general of the United States of America to Liberia.

SECRETARY IN THE DIPLOMATIC SERVICE

Allan Dawson, of Iowa, now a Foreign Service officer, unclassified, and a consular officer with the rank of vice consul of career, to be also a secretary in the Diplomatic Service of the United States of America.

UNITED STATES ATTORNEY

Lafayette French, jr., of Minnesota, to be United States attorney, district of Minnesota. A reappointment, his term having expired.

APPOINTMENTS IN THE OFFICERS' RESERVE CORPS OF THE ARMY

GENERAL OFFICERS

To be brigadier generals, reserve

Brig. Gen. Mortimer Drake Bryant, New York National Guard.

Brig. Gen. Harold Montfort Bush, Ohio National Guard.

Brig. Gen. George Rathbone Dyer, New York National Guard.

Brig. Gen. Charles Irving Martin, Kansas National Guard.

Brig. Gen. Edward Caswell Shannon, Pennsylvania National Guard.

Brig. Gen. Burke Haddan Sinclair, Wyoming National Guard.

Brig. Gen. Samuel Gardner Waller, Virginia National Guard.

POSTMASTERS

ALABAMA

Joseph S. Chambers to be postmaster at Talladega, Ala., in place of J. S. Chambers. Incumbent's commission expires March 3, 1927.

ARIZONA

Harry G. White to be postmaster at Glendale, Ariz., in place of H. G. White. Incumbent's commission expires March 3, 1927.

ARKANSAS

Lee W. McKenney to be postmaster at Black Rock, Ark., in place of L. W. McKenney. Incumbent's commission expires March 3, 1927.

James C. Russell to be postmaster at Camden, Ark., in place of J. C. Russell. Incumbent's commission expires March 3, 1927.

Arthur V. Cashion to be postmaster at Eudora, Ark., in place of A. V. Cashion. Incumbent's commission expires March 3, 1927.

John A. Borgman to be postmaster at Jonesboro, Ark., in place of J. A. Borgman. Incumbent's commission expires February 14, 1927.

Samuel G. Helm to be postmaster at Marianna, Ark., in place of S. G. Helm. Incumbent's commission expires March 3, 1927.

Arch B. Smith to be postmaster at Osceola, Ark., in place of A. B. Smith. Incumbent's commission expires March 3, 1927.

CALIFORNIA

James C. Tyrrell to be postmaster at Grass Valley, Calif., in place of J. C. Tyrrell. Incumbent's commission expires March 3, 1927.

Charles G. Brainerd to be postmaster at Loomis, Calif., in place of C. G. Brainerd. Incumbent's commission expires March 3, 1927.

Charles S. Graham to be postmaster at Pleasanton, Calif., in place of C. S. Graham. Incumbent's commission expires March 3, 1927.

William Junkans to be postmaster at Redding, Calif., in place of William Junkans. Incumbent's commission expires March 3, 1927.

Anna R. Armstrong to be postmaster at Woodland, Calif., in place of A. R. Armstrong. Incumbent's commission expires March 3, 1927.

COLORADO

Harry A. Cobbett to be postmaster at Cedaredge, Colo., in place of H. A. Cobbett. Incumbent's commission expires March 3, 1927.

CONNECTICUT

Edwin H. Keach to be postmaster at Danielson, Conn., in place of E. H. Keach. Incumbent's commission expires March 3, 1927.

GEORGIA

Ralph A. Waters to be postmaster at Alpharetta, Ga., in place of R. A. Waters. Incumbent's commission expires March 3, 1927.

John L. Callaway to be postmaster at Covington, Ga., in place of J. L. Callaway. Incumbent's commission expires March 2, 1927.

Huram R. Hancock to be postmaster at Maysville, Ga., in place of H. R. Hancock. Incumbent's commission expires March 3, 1927.

George H. Ray to be postmaster at Norwood, Ga., in place of G. H. Ray. Incumbent's commission expires March 3, 1927.

Marie E. Harrell to be postmaster at Pearson, Ga., in place of Loduskie Sutton. Incumbent's commission expired March 10, 1926.

William B. Smith to be postmaster at Tennille, Ga., in place of C. W. Gunnels. Incumbent's commission expired September 7, 1926.

Will C. Woodall to be postmaster at Woodland, Ga., in place of W. C. Woodall. Incumbent's commission expires March 3, 1927.

Samuel J. Padgett to be postmaster at Coffee, Ga. Office became presidential July 1, 1926.

HAWAII

William I. Wells to be postmaster at Haiku, Hawaii, in place of W. I. Wells. Incumbent's commission expired November 2, 1925.

Kenichi Masunaga to be postmaster at Kealia, Hawaii, in place of Kenichi Masunaga. Incumbent's commission expires February 24, 1927.

Carl H. F. Spillner to be postmaster at Makaweli, Hawaii, in place of C. H. F. Spillner. Incumbent's commission expired June 3, 1926.

Lee Loon to be postmaster at Pahala, Hawaii, in place of Lee Loon. Incumbent's commission expired July 1, 1926.

Douglas E. Baldwin to be postmaster at Kahuku, Hawaii. Office became presidential July 1, 1926.

Paul Kaelemakule, jr., to be postmaster at Kohala, Hawaii, in place of E. D. Quinn, removed.

Alexander Moir to be postmaster at Papaikou, Hawaii, in place of A. O. Henderson, resigned.

IDAHO

Burton D. Fox to be postmaster at Challis, Idaho, in place of B. D. Fox. Incumbent's commission expires March 4, 1927.

ILLINOIS

John R. Funkhouser to be postmaster at Albion, Ill., in place of H. J. Glover. Incumbent's commission expired December 28, 1926.

Robert B. Marshall to be postmaster at Capron, Ill., in place of R. B. Marshall. Incumbent's commission expires March 3, 1927.

William S. Brownlow to be postmaster at Chapin, Ill., in place of W. S. Brownlow. Incumbent's commission expires March 3, 1927.

Levi H. Perryman to be postmaster at Cowden, Ill., in place of L. H. Perryman. Incumbent's commission expires March 3, 1927.

Samuel H. Lawton to be postmaster at Delavan, Ill., in place of S. H. Lawton. Incumbent's commission expires March 3, 1927.

William M. Karr to be postmaster at Flora, Ill., in place of W. M. Karr. Incumbent's commission expires March 3, 1927.

Edward S. Breithaupt to be postmaster at Gifford, Ill., in place of E. S. Breithaupt. Incumbent's commission expires March 3, 1927.

John E. Nelson to be postmaster at Hamburg, Ill., in place of J. E. Nelson. Incumbent's commission expires March 3, 1927.

Fannie Hicks to be postmaster at Ivesdale, Ill., in place of Fannie Hicks. Incumbent's commission expires March 3, 1927.

Edward F. Davis to be postmaster at New Berlin, Ill., in place of E. F. Davis. Incumbent's commission expires March 3, 1927.

Herman Meyer to be postmaster at Niles Center, Ill., in place of Herman Meyer. Incumbent's commission expires March 3, 1927.

Davis S. Cossairt to be postmaster at Potomac, Ill., in place of D. S. Cossairt. Incumbent's commission expires March 3, 1927.

Mary A. Barkmeier to be postmaster at San Jose, Ill., in place of M. A. Barkmeier. Incumbent's commission expires March 3, 1927.

William A. Bussert to be postmaster at Sheldon, Ill., in place of W. A. Bussert. Incumbent's commission expires March 3, 1927.

George A. Roberts to be postmaster at Staunton, Ill., in place of G. A. Roberts. Incumbent's commission expires March 3, 1927.

George J. Duncan to be postmaster at Villa Grove, Ill., in place of G. J. Duncan. Incumbent's commission expires March 3, 1927.

Emery S. Waid to be postmaster at Winchester, Ill., in place of E. S. Waid. Incumbent's commission expires March 3, 1927.

Sylvester H. DePew to be postmaster a Zion, Ill., in place of S. H. DePew. Incumbent's commission expires March 3, 1927.

Bahne E. Cornilsen to be postmaster at Chicago Heights, Ill., in place of John Mackler, resigned.

Walter C. Yunker to be postmaster at Forest Park, Ill., in place of H. F. Maiwurm, deceased.

Fred L. McCraken to be postmaster at Lake Forest, Ill., in place of F. G. Berger, resigned.

INDIANA

Andrew G. Kauffman to be postmaster at Atlanta, Ind., in place of A. G. Kauffman. Incumbent's commission expires March 3, 1927.

Lewis A. Graham to be postmaster at Decatur, Ind., in place of Harry Fritzinger. Incumbent's commission expired September 22, 1926.

John M. Sweeney to be postmaster at Dugger, Ind., in place of J. M. Sweeney. Incumbent's commission expires March 3, 1927.

John Stahl to be postmaster at Lawrenceburg, Ind., in place of John Stahl. Incumbent's commission expires March 2, 1927.

William G. Hays to be postmaster at Terre Haute, Ind., in place of J. A. Austermiller. Incumbent's commission expired January 9, 1927.

Addison N. Worstell to be postmaster at Valparaiso, Ind., in place of A. N. Worstell. Incumbent's commission expires March 3, 1927.

Dehn P. Keller to be postmaster at Warren, Ind., in place of D. P. Keller. Incumbent's commission expires March 2, 1927.

IOWA

Lloyd M. Poe to be postmaster at Blockton, Iowa, in place of W. A. Holland. Incumbent's commission expired March 24, 1926.

Judson P. Holden to be postmaster at Delhi, Iowa, in place of J. P. Holden. Incumbent's commission expires March 3, 1927.

Wesley L. Damerow to be postmaster at Dows, Iowa, in place of W. L. Damerow. Incumbent's commission expires March 3, 1927.

Russell E. Metcalf to be postmaster at Hawarden, Iowa, in place of R. E. Metcalf. Incumbent's commission expires March 3, 1927.

Isaac J. Phillips to be postmaster at Hiteman, Iowa, in place of I. J. Phillips. Incumbent's commission expires March 3, 1927.

Benjamin H. Todd to be postmaster at Ida Grove, Iowa, in place of B. H. Todd. Incumbent's commission expires March 3, 1927.

Charles B. Abbott to be postmaster at Imogene, Iowa, in place of C. B. Abbott. Incumbent's commission expires March 3, 1927.

Albert L. Clark to be postmaster at Lanesboro, Iowa, in place of A. L. Clark. Incumbent's commission expires March 3, 1927.

Karl J. Baessler to be postmaster at Livermore, Iowa, in place of K. J. Baessler. Incumbent's commission expires March 2, 1927.

Arthur C. Schnurr to be postmaster at New Hampton, Iowa, in place of A. C. Schnurr. Incumbent's commission expires March 3, 1927.

Edgar A. Greenway to be postmaster at Pleasantville, Iowa, in place of E. A. Greenway. Incumbent's commission expires March 2, 1927.

Silas L. McIntire to be postmaster at Pocahontas, Iowa, in place of S. L. McIntire. Incumbent's commission expires March 2, 1927.

Calvin L. Sipe to be postmaster at Sioux Rapids, Iowa, in place of C. L. Sipe. Incumbent's commission expires March 3, 1927.

Hiram E. Morrison to be postmaster at Seymour, Iowa, in place of H. E. Morrison. Incumbent's commission expires March 3, 1927.

Paul F. Wilharm to be postmaster at Sumner, Iowa, in place of P. F. Wilharm. Incumbent's commission expires March 3, 1927.

Kate R. Weston to be postmaster at Webster City, Iowa, in place of K. R. Weston. Incumbent's commission expires March 3, 1927.

KANSAS

Isaac A. Robertson to be postmaster at Alma, Kans., in place of F. C. Stuewe. Incumbent's commission expired December 8, 1926.

Robert T. Smith to be postmaster at Caldwell, Kans., in place of R. T. Smith. Incumbent's commission expires March 3, 1927.

Jesse M. Foster to be postmaster at Clifton, Kans., in place of J. M. Foster. Incumbent's commission expires March 3, 1927.

Edward R. Dannefer to be postmaster at Cuba, Kans., in place of E. R. Dannefer. Incumbent's commission expires March 3, 1927.

Albert J. Deane to be postmaster at Fowler, Kans., in place of Grant Taylor. Incumbent's commission expired January 23, 1924.

Melvin F. Gardner to be postmaster at Greenleaf, Kans., in place of M. F. Gardner. Incumbent's commission expires March 3, 1927.

John Irving to be postmaster at Jetmore, Kans., in place of John Irving. Incumbent's commission expires March 2, 1927.

Abe K. Stoufer to be postmaster at Liberal, Kans., in place of A. K. Stoufer. Incumbent's commission expires March 3, 1927.

Walter S. Wright to be postmaster at Mineola, Kans., in place of W. S. Wright. Incumbent's commission expires March 3, 1927.

Louis T. Miller to be postmaster at Ness City, Kans., in place of L. T. Miller. Incumbent's commission expires March 2, 1927.

Charles N. Wooddell to be postmaster at Nickerson, Kans., in place of C. N. Wooddell. Incumbent's commission expires March 3, 1927.

George S. Robb to be postmaster at Salina, Kans., in place of G. S. Robb. Incumbent's commission expires March 3, 1927.

William H. Dittemore to be postmaster at Severance, Kans., in place of W. H. Dittemore. Incumbent's commission expires March 3, 1927.

Herbert M. Bentley to be postmaster at Sterling, Kans., in place of H. M. Bentley. Incumbent's commission expires March 3, 1927.

Alta A. McCutcheon to be postmaster at Little River, Kans., in place of N. F. Troy, deceased.

Minnie E. Brown to be postmaster at Wilsey, Kans., in place of W. T. Brown, resigned.

KENTUCKY

Jewell S. Webb to be postmaster at Earlington, Ky., in place of J. S. Webb. Incumbent's commission expires March 3, 1927.

Samuel W. Crump to be postmaster at Glasgow Junction, Ky., in place of S. W. Crump. Incumbent's commission expires March 3, 1927.

Carl B. Marshall to be postmaster at Lewisburg, Ky., in place of C. B. Marshall. Incumbent's commission expires March 3, 1927.

Walter W. Crick to be postmaster at Madisonville, Ky., in place of W. W. Crick. Incumbent's commission expires March 3, 1927.

LOUISIANA

Charles E. Burch to be postmaster at Roseland, La., in place of C. E. Burch. Incumbent's commission expires March 3, 1927.

MAINE

John A. Babb to be postmaster at Dixfield, Me., in place of J. A. Babb. Incumbent's commission expired December 4, 1926.

MARYLAND

Irving S. Biser to be postmaster at Frederick, Md., in place of I. S. Biser. Incumbent's commission expires March 3, 1927.

MASSACHUSETTS

Joseph V. Curran to be postmaster at Attleboro, Mass., in place of J. V. Curran. Incumbent's commission expires March 3, 1927.

Nathaniel P. Coleman to be postmaster at Hyannis, Mass., in place of N. P. Coleman. Incumbent's commission expired February 10, 1927.

Henry T. Maxwell to be postmaster at Millbury, Mass., in place of H. T. Maxwell. Incumbent's commission expires March 3, 1927.

Elizabeth B. Flint to be postmaster at North Attleboro, Mass., in place of E. B. Flint. Incumbent's commission expires March 3, 1927.

Howard M. Douglas to be postmaster at Plymouth, Mass., in place of H. M. Douglas. Incumbent's commission expires March 2, 1927.

Josephine E. Dempsey to be postmaster at South Ashburnham, Mass., in place of J. E. Dempsey. Incumbent's commission expires March 3, 1927.

MICHIGAN

Elmer R. Fate to be postmaster at Bellaire, Mich., in place of E. R. Fate. Incumbent's commission expires March 3, 1927.

Orin T. Mallory to be postmaster at Blissfield, Mich., in place of O. T. Mallory. Incumbent's commission expires March 3, 1927.

Charles S. Wilcox to be postmaster at East Lansing, Mich., in place of C. S. Wilcox. Incumbent's commission expires March 3, 1927.

Frank A. Miller to be postmaster at Gladstone, Mich., in place of F. A. Miller. Incumbent's commission expires March 3, 1927.

Lottie E. Bultman to be postmaster at Hermansville, Mich., in place of L. E. Bultman. Incumbent's commission expires March 3, 1927.

Charles B. Curtis to be postmaster at Houghton Lake, Mich., in place of C. B. Curtis. Incumbent's commission expires March 3, 1927.

Frank E. Darby to be postmaster at Kalkaska, Mich., in place of F. E. Darby. Incumbent's commission expires March 3, 1927.

Olive F. Gowans to be postmaster at Mackinaw, Mich., in place of O. F. Gowans. Incumbent's commission expires March 3, 1927.

Albert Sanders, jr., to be postmaster at Stephenson, Mich., in place of Albert Sanders, jr. Incumbent's commission expires March 3, 1927.

Webb W. Walter to be postmaster at Three Rivers, Mich., in place of W. W. Walter. Incumbent's commission expires March 3, 1927.

Charles S. Sisson to be postmaster at White Pigeon, Mich., in place of C. S. Sisson. Incumbent's commission expires March 3, 1927.

MINNESOTA

Mary E. Stark to be postmaster at Buffalo, Minn., in place of M. E. Stark. Incumbent's commission expires March 3, 1927.

Claus H. Lepler to be postmaster at Clara City, Minn., in place of C. H. Lepler. Incumbent's commission expires March 3, 1927.

Lottie A. Samuelson to be postmaster at Grasston, Minn., in place of L. A. Samuelson. Incumbent's commission expires March 3, 1927.

Edwin H. Anderson to be postmaster at Monticello, Minn., in place of E. H. Anderson. Incumbent's commission expires March 3, 1927.

MISSISSIPPI

Robert B. Cox to be postmaster at Batesville, Miss., in place of R. B. Cox. Incumbent's commission expires March 3, 1927.

Ida E. Roberts to be postmaster at Cleveland, Miss., in place of I. E. Roberts. Incumbent's commission expires March 1, 1927.

Henry B. Edwards to be postmaster at Shuqualak, Miss., in place of H. B. Edwards. Incumbent's commission expires March 3, 1927.

MISSOURI

J. Orville Gochnauer to be postmaster at Belton, Mo., in place of J. O. Gochnauer. Incumbent's commission expires March 2, 1927.

I. Scott Jones to be postmaster at Bonne Terre, Mo., in place of I. S. Jones. Incumbent's commission expires March 3, 1927.

Abraham B. Peters to be postmaster at Bonnots Mill, Mo., in place of A. B. Peters. Incumbent's commission expires March 3, 1927.

Willis M. Wallingford to be postmaster at Carthage, Mo., in place of L. L. Ashcraft. Incumbent's commission expired September 22, 1926.

William R. Lytle to be postmaster at Fredericktown, Mo., in place of W. R. Lytle. Incumbent's commission expires March 3, 1927.

Owen S. Randolph to be postmaster at Gideon, Mo., in place of O. S. Randolph. Incumbent's commission expires March 2, 1927.

Thomas J. Richardson to be postmaster at Koshkonong, Mo., in place of T. J. Richardson. Incumbent's commission expires March 2, 1927.

Albert R. Lebold to be postmaster at Lawson, Mo., in place of A. R. Lebold. Incumbent's commission expires March 3, 1927.

Melvin Lutes to be postmaster at Lutesville, Mo., in place of Melvin Lutes. Incumbent's commission expires March 2, 1927.

Lewis M. Gamble to be postmaster at Mexico, Mo., in place of L. M. Gamble. Incumbent's commission expires March 3, 1927.

Fred A. Grebe to be postmaster at New Florence, Mo., in place of F. A. Grebe. Incumbent's commission expires March 3, 1927.

Charles Litsch to be postmaster at Perryville, Mo., in place of Charles Litsch. Incumbent's commission expires March 3, 1927.

Joseph V. Forst to be postmaster at Silex, Mo., in place of J. V. Forst. Incumbent's commission expires March 3, 1927.

Alpha De Berry to be postmaster at Stoutland, Mo., in place of Alpha De Berry. Incumbent's commission expires March 2, 1927.

William F. Meier to be postmaster at Wentzville, Mo., in place of W. F. Meier. Incumbent's commission expires March 3, 1927.

MONTANA

George R. Moshier to be postmaster at Baker, Mont., in place of G. R. Moshier. Incumbent's commission expires March 3, 1927.

Jennie W. Chowning to be postmaster at Ennis, Mont., in place of J. W. Chowning. Incumbent's commission expires March 3, 1927.

Andrew Kolnitchar to be postmaster at Geraldine, Mont., in place of Andrew Kolnitchar. Incumbent's commission expires March 2, 1927.

Harvey St. J. Cannon to be postmaster at Kalispell, Mont., in place of H. St. J. Cannon. Incumbent's commission expires March 3, 1927.

Wilfred J. Hazelton to be postmaster at Townsend, Mont., in place of W. J. Hazelton. Incumbent's commission expires March 3, 1927.

Samuel P. Eagle to be postmaster at West Yellowstone, Mont., in place of S. P. Eagle. Incumbent's commission expires March 2, 1927.

John W. Calfee to be postmaster at Frazer, Mont. Office became presidential July 1, 1926.

NEBRASKA

Edwin D. Gideon, jr., to be postmaster at Ainsworth, Nebr., in place of E. D. Gideon, jr. Incumbent's commission expires March 3, 1927.

Robert W. Finley to be postmaster at Bradshaw, Nebr., in place of R. W. Finley. Incumbent's commission expires March 3, 1927.

Edward H. Springer to be postmaster at Brady, Nebr., in place of E. H. Springer. Incumbent's commission expires March 3, 1927.

George Beardsley to be postmaster at Clarks, Nebr., in place of George Beardsley. Incumbent's commission expires March 3, 1927.

James M. Fox to be postmaster at Gretna, Nebr., in place of J. M. Fox. Incumbent's commission expires March 3, 1927.

Arthur H. Babcock to be postmaster at North Loup, Nebr., in place of A. H. Babcock. Incumbent's commission expires March 2, 1927.

Claude A. Barker to be postmaster at Pawnee City, Nebr., in place of C. A. Barker. Incumbent's commission expires March 3, 1927.

Frederick H. Crook to be postmaster at Paxton, Nebr., in place of F. H. Crook. Incumbent's commission expires March 3, 1927.

William E. Brogan to be postmaster at Tilden, Nebr., in place of W. E. Brogan. Incumbent's commission expires March 3, 1927.

George F. McMullen to be postmaster at Walthill, Nebr., in place of G. F. McMullen. Incumbent's commission expires March 3, 1927.

George W. Howe to be postmaster at Wisner, Nebr., in place of G. W. Howe. Incumbent's commission expires March 3, 1927.

NEW JERSEY

William G. Z. Critchley to be postmaster at Allendale, N. J., in place of W. G. Z. Critchley. Incumbent's commission expired December 12, 1926.

Marcus Cramer to be postmaster at Gloucester City, N. J., in place of Marcus Cramer. Incumbent's commission expires March 3, 1927.

Isaac E. Bowers to be postmaster at Groveville, N. J., in place of I. E. Bowers. Incumbent's commission expires March 2, 1927.

Robert E. Bromley to be postmaster at Haddon Heights, N. J., in place of R. E. Bromley. Incumbent's commission expires March 3, 1927.

Wilbert F. Branin to be postmaster at Medford, N. J., in place of W. F. Branin. Incumbent's commission expired February 10, 1927.

Mina A. Crowell to be postmaster at Minotola, N. J., in place of M. A. Crowell. Incumbent's commission expires March 3, 1927.

Herman H. Wille to be postmaster at Orange, N. J., in place of H. H. Wille. Incumbent's commission expires March 3, 1927.

Arthur Knowles to be postmaster at Phillipsburg, N. J., in place of Arthur Knowles. Incumbent's commission expires February 24, 1927.

NEW MEXICO

Claud E. Herndon to be postmaster at Cloudcroft, N. Mex., in place of C. E. Herndon. Incumbent's commission expired March 29, 1926.

John H. Doyle, jr., to be postmaster at Mountainair, N. Mex., in place of J. H. Doyle, jr. Incumbent's commission expired June 28, 1926.

NEW YORK

William J. Leighton to be postmaster at Avon, N. Y., in place of W. J. Leighton. Incumbent's commission expires March 3, 1927.

Earl J. Franklin to be postmaster at Belfast, N. Y., in place of E. J. Franklin. Incumbent's commission expires March 1, 1927.

Roy W. Munson to be postmaster at Brasher Falls, N. Y., in place of R. W. Munson. Incumbent's commission expires March 3, 1927.

Nicholas Reilly to be postmaster at Brentwood, N. Y., in place of Nicholas Reilly. Incumbent's commission expires March 3, 1927.

Charles H. Brown to be postmaster at Corfu, N. Y., in place of C. H. Brown. Incumbent's commission expires March 3, 1927.

Beulah H. Kelly to be postmaster at Lisbon, N. Y., in place of B. H. Kelly. Incumbent's commission expires March 3, 1927.

Alexander Hickey to be postmaster at St. Bonaventure, N. Y., in place of Alexander Hickey. Incumbent's commission expired August 12, 1926.

Edwin P. Bouton to be postmaster at Trumansburg, N. Y., in place of E. P. Bouton. Incumbent's commission expires March 3, 1927.

Guy R. Dodson to be postmaster at Wyoming, N. Y., in place of G. R. Dodson. Incumbent's commission expires March 3, 1927.

William T. Williamson to be postmaster at Troy, N. Y., in place of C. V. Collins, deceased.

NORTH CAROLINA

Theophilus H. McLeod to be postmaster at Buies Creek, N. C., in place of T. H. McLeod. Incumbent's commission expires March 3, 1927.

Robert D. Herndon to be postmaster at Chapel Hill, N. C., in place of R. D. Herndon. Incumbent's commission expires March 2, 1927.

Walter G. Gay to be postmaster at Farmville, N. C., in place of W. G. Gay. Incumbent's commission expired December 13, 1926.

Eli D. Byrd to be postmaster at Ronda, N. C., in place of E. D. Byrd. Incumbent's commission expired January 5, 1926.

Samuel W. Watts to be postmaster at Southport, N. C., in place of S. W. Watts. Incumbent's commission expires March 3, 1927.

Lunda V. Owen to be postmaster at Winton, N. C., in place of L. V. Owen. Incumbent's commission expired December 13, 1926.

David E. Penland to be postmaster at Weaverville, N. C., in place of L. H. Michael, resigned.

NORTH DAKOTA

Mina H. Aasved to be postmaster at Carson, N. Dak., in place of M. H. Aasved. Incumbent's commission expires March 2, 1927.

Hugh C. Corrigan to be postmaster at Fargo, N. Dak., in place of H. C. Corrigan. Incumbent's commission expires March 3, 1927.

Martin E. Larson to be postmaster at Marion, N. Dak., in place of M. E. Larson. Incumbent's commission expires March 2, 1927.

Alexander R. Wright to be postmaster at Oakes, N. Dak., in place of A. R. Wright. Incumbent's commission expires March 4, 1927.

William F. Legler to be postmaster at Robinson, N. Dak., in place of W. F. Legler. Incumbent's commission expires March 3, 1927.

OHIO

T. Howard Sapp to be postmaster at Bainbridge, Ohio, in place of T. H. Sapp. Incumbent's commission expires March 3, 1927.

Herbert O. Tinlin to be postmaster at Carrollton, Ohio, in place of H. R. Kemerer. Incumbent's commission expired December 21, 1926.

Alexander M. Renick to be postmaster at Chillicothe, Ohio, in place of A. M. Renick. Incumbent's commission expires March 3, 1927.

Harry A. McConnell to be postmaster at Dorset, Ohio, in place of H. A. McConnell. Incumbent's commission expires March 3, 1927.

James W. McHenry to be postmaster at Elyria, Ohio, in place of J. W. McHenry. Incumbent's commission expires March 3, 1927.

John P. Cramer to be postmaster at Fredericksburg, Ohio, in place of J. P. Cramer. Incumbent's commission expires March 3, 1927.

Henry W. Gruver to be postmaster at Miamisburg, Ohio, in place of H. W. Gruver. Incumbent's commission expires March 3, 1927.

Hylas L. Vesey to be postmaster at Perry, Ohio, in place of H. L. Vesey. Incumbent's commission expires March 2, 1927.

John M. Washington to be postmaster at Sabina, Ohio, in place of J. M. Washington. Incumbent's commission expired August 11, 1925.

Pearl H. Cheney to be postmaster at South Charleston, Ohio, in place of P. H. Cheney. Incumbent's commission expires March 3, 1927.

Clyde S. Perfect to be postmaster at Sunbury, Ohio, in place of C. S. Perfect. Incumbent's commission expires March 3, 1927.

William S. Kindle to be postmaster at Thornville, Ohio, in place of W. S. Kindle. Incumbent's commission expires March 8, 1927.

OKLAHOMA

John W. Comer to be postmaster at Chickasha, Okla., in place of J. W. Comer. Incumbent's commission expires March 3, 1927.

James G. Sprouse to be postmaster at McCurtain, Okla., in place of J. G. Sprouse. Incumbent's commission expires March 3, 1927.

Dixon L. Lindsey to be postmaster at Marlow, Okla., in place of D. L. Lindsey. Incumbent's commission expires March 2, 1927.

George D. Graves to be postmaster at Norman, Okla., in place of G. D. Graves. Incumbent's commission expires March 3, 1927.

J. Ward McCague to be postmaster at Ralston, Okla., in place of J. W. McCague. Incumbent's commission expires March 3, 1927.

George F. Benge to be postmaster at Tahlequah, Okla., in place of G. F. Benge. Incumbent's commission expires March 3, 1927.

William C. Wallin to be postmaster at Watts, Okla., in place of W. C. Wallin. Incumbent's commission expires March 3, 1927.

Orland H. Park to be postmaster at Wright City, Okla., in place of O. H. Park. Incumbent's commission expires March 3, 1927.

OREGON

Robert N. Torbet to be postmaster at Albany, Oreg., in place of R. N. Torbet. Incumbent's commission expires March 3, 1927.

Claude E. Ingalls to be postmaster at Corvallis, Oreg., in place of C. E. Ingalls. Incumbent's commission expires March 3, 1927.

Darwin E. Yoran to be postmaster at Eugene, Oreg., in place of D. E. Yoran. Incumbent's commission expires March 3, 1927.

PENNSYLVANIA

George R. Steiger to be postmaster at Albion, Pa., in place of G. R. Steiger. Incumbent's commission expires March 2, 1927.

George C. Noblit to be postmaster at Brockway, Pa., in place of G. C. Noblit. Incumbent's commission expires March 3, 1927.

William Z. Mahon to be postmaster at Carlisle, Pa., in place of W. Z. Mahon. Incumbent's commission expires March 3, 1927.

Charles E. Taylor to be postmaster at Columbia, Pa., in place of C. E. Taylor. Incumbent's commission expired January 22, 1927.

William D. First to be postmaster at Conneaut Lake, Pa., in place of W. D. First. Incumbent's commission expires March 3, 1927.

William E. Mutthersbough to be postmaster at Driftwood, Pa., in place of W. E. Mutthersbough. Incumbent's commission expires March 2, 1927.

Joseph A. Hanley to be postmaster at Erie, Pa., in place of J. A. Hanley. Incumbent's commission expires March 3, 1927.

Edwin W. Dye to be postmaster at Lawrenceville, Pa., in place of E. W. Dye. Incumbent's commission expires March 3, 1927.

George B. Stevenson to be postmaster at Lock Haven, Pa., in place of G. B. Stevenson. Incumbent's commission expires March 2, 1927.

Ira A. Dinger to be postmaster at Mayport, Pa., in place of I. A. Dinger. Incumbent's commission expires March 3, 1927.

Walter V. Dingman to be postmaster at Milford, Pa., in place of W. V. Dingman. Incumbent's commission expires March 3, 1927.

George D. Claassen to be postmaster at Natrona, Pa., in place of G. D. Claassen. Incumbent's commission expires March 3, 1927.

John D. Williams to be postmaster at Shoemakersville, Pa., in place of J. D. Williams. Incumbent's commission expires March 3, 1927.

Wallace C. Dobson to be postmaster at Southampton, Pa., in place of W. C. Dobson. Incumbent's commission expires March 3, 1927.

Hugh T. Williams to be postmaster at Union Dale, Pa., in place of H. T. Williams. Incumbent's commission expires March 3, 1927.

Russell C. Parry to be postmaster at Walnutport, Pa., in place of R. C. Parry. Incumbent's commission expires March 3, 1927.

SOUTH CAROLINA

Fred Mishoe to be postmaster at Greelyville, S. C., in place of Fred Mishoe. Incumbent's commission expires March 3, 1927.

Julia E. D. Tolbert to be postmaster at Ninety Six, S. C., in place of J. E. D. Tolbert. Incumbent's commission expires March 3, 1927.

Carl G. Schoenberg to be postmaster at North, S. C., in place of C. G. Schoenberg. Incumbent's commission expires March 3, 1927.

Jacob M. Bedenbaugh to be postmaster at Prosperity, S. C., in place of J. M. Bedenbaugh. Incumbent's commission expires March 3, 1927.

SOUTH DAKOTA

Claud I. Force to be postmaster at Clear Lake, S. Dak., in place of C. I. Force. Incumbent's commission expires March 3, 1927.

Leo D. Houk to be postmaster at Colome, S. Dak., in place of L. D. Houk. Incumbent's commission expires March 3, 1927.

Ernest F. Roth to be postmaster at Columbia, S. Dak., in place of E. F. Roth. Incumbent's commission expires March 3, 1927.

James E. McLaughlin to be postmaster at Onida, S. Dak., in place of J. E. McLaughlin. Incumbent's commission expires March 3, 1927.

Israel R. Krause to be postmaster at Java, S. Dak., in place of I. R. Krause. Incumbent's commission expires March 3, 1927.

Charles E. Smith to be postmaster at Lemmon, S. Dak., in place of C. E. Smith. Incumbent's commission expires March 3, 1927.

Joseph Matt to be postmaster at Vivian, S. Dak., in place of Joseph Matt. Incumbent's commission expires March 3, 1927.

TENNESSEE

Ella M. Hill to be postmaster at Adams, Tenn., in place of E. M. Hill. Incumbent's commission expires March 3, 1927.

Joel F. Ruffin to be postmaster at Cedar Hill, Tenn., in place of J. F. Ruffin. Incumbent's commission expires March 3, 1927.

Daniel L. Hyder to be postmaster at Elizabethton, Tenn., in place of D. L. Hyder. Incumbent's commission expires March 4, 1927.

William T. Starbuck to be postmaster at Hohenwald, Tenn., in place of W. T. Starbuck. Incumbent's commission expires March 3, 1927.

Rufus C. Thompson to be postmaster at Milan, Tenn., in place of R. C. Thompson. Incumbent's commission expires March 3, 1927.

TEXAS

Lucy D. Campbell to be postmaster at Brazoria, Tex., in place of L. D. Campbell. Incumbent's commission expires March 3, 1927.

Harry B. Strong to be postmaster at Iredell, Tex., in place of H. B. Strong. Incumbent's commission expires March 3, 1927.

William H. Mallory to be postmaster at Port Lavaca, Tex., in place of W. H. Mallory. Incumbent's commission expires March 3, 1927.

Harry Reast to be postmaster at Whitesboro, Tex., in place of Harry Reast. Incumbent's commission expires March 3, 1927.

Charles A. Andrews to be postmaster at Wolfe City, Tex., in place of C. A. Andrews. Incumbent's commission expires March 3, 1927.

Andrew J. Nelson to be postmaster at Meadow, Tex. Office became presidential July 1, 1926.

UTAH

Annie Palmer to be postmaster at Farmington, Utah, in place of Annie Palmer. Incumbent's commission expires March 2, 1927.

VERMONT

William B. Needham to be postmaster at Bridgewater, Vt., in place of W. B. Needham. Incumbent's commission expires March 3, 1927.

Margaret I. Southgate to be postmaster at Concord, Vt., in place of M. I. Southgate. Incumbent's commission expires March 3, 1927.

Ruth S. Sheldon to be postmaster at Pawlet, Vt., in place of R. S. Sheldon. Incumbent's commission expires March 3, 1927.

VIRGINIA

Francis A. Haynes to be postmaster at Barboursville, Va., in place of F. A. Haynes. Incumbent's commission expires March 3, 1927.

Blodwyn R. Jones to be postmaster at Cambria, Va., in place of B. R. Jones. Incumbent's commission expires March 2, 1927.

Henry P. Holbrook to be postmaster at Castlewood, Va., in place of H. P. Holbrook. Incumbent's commission expires March 2, 1927.

Mary I. Wight to be postmaster at Charlotte Court House, Va., in place of M. I. Wight. Incumbent's commission expires March 3, 1927.

John W. Delaplane to be postmaster at Delaplane, Va., in place of J. W. Delaplane. Incumbent's commission expires March 2, 1927.

John D. Williamson to be postmaster at Fries, Va., in place of J. D. Williamson. Incumbent's commission expires March 2, 1927.

Margaret I. Lacy to be postmaster at Halifax, Va., in place of M. I. Lacy. Incumbent's commission expires March 2, 1927.

Lawrence L. Jacobs to be postmaster at Hanover, Va., in place of L. L. Jacobs. Incumbent's commission expires March 2, 1927.

Charles F. Flanary to be postmaster at Jonesville, Va., in place of C. F. Flanary. Incumbent's commission expires March 2, 1927.

Benjamin B. Parker to be postmaster at Middletown, Va., in place of B. B. Parker. Incumbent's commission expires March 3, 1927.

George H. McFarland to be postmaster at Reedville, Va., in place of G. H. McFarland. Incumbent's commission expires March 2, 1927.

John J. Kivlighan to be postmaster at Staunton, Va., in place of J. J. Kivlighan. Incumbent's commission expires March 3, 1927.

Dandridge W. Marston to be postmaster at Toano, Va., in place of D. W. Marston. Incumbent's commission expires March 2, 1927.

WASHINGTON

Mary G. Wilkinson to be postmaster at Auburn, Wash., in place of M. G. Wilkinson. Incumbent's commission expires March 3, 1927.

Alonzo E. Emerson to be postmaster at Ellensburg, Wash., in place of A. E. Emerson. Incumbent's commission expires March 3, 1927.

Egbert K. Field to be postmaster at Ferndale, Wash., in place of E. K. Field. Incumbent's commission expires March 3, 1927.

Cecil E. Haasze to be postmaster at Grandview, Wash., in place of P. W. Thiele. Incumbent's commission expired April 25, 1926.

Charles R. Bockmier to be postmaster at Granite Falls, Wash., in place of C. R. Bockmier. Incumbent's commission expires March 3, 1927.

John H. Gibson to be postmaster at Issaquah, Wash., in place of J. H. Gibson. Incumbent's commission expires March 3, 1927.

Arthur Bailey to be postmaster at Monroe, Wash., in place of Arthur Bailey. Incumbent's commission expires March 3, 1927.

Jessie A. Knight to be postmaster at Shelton, Wash., in place of J. A. Knight. Incumbent's commission expires March 3, 1927.

Clyde J. Backus to be postmaster at Tacoma, Wash., in place of C. J. Backus. Incumbent's commission expires March 3, 1927.

Augustus B. Eastham to be postmaster at Vancouver, Wash., in place of A. B. Eastham. Incumbent's commission expires March 3, 1927.

WEST VIRGINIA

Paul C. Freeman to be postmaster at Adrian, W. Va., in place of O. G. Casto. Incumbent's commission expired December 4, 1926.

John B. Hilleary to be postmaster at Buckhannon, W. Va., in place of J. L. Heavner. Incumbent's commission expired January 10, 1927.

Ruth Lewis to be postmaster at Buffalo, W. Va., in place of Ruth Lewis. Incumbent's commission expires March 3, 1927.

William M. Kidd to be postmaster at Burnsville, W. Va., in place of W. M. Kidd. Incumbent's commission expires March 3, 1927.

Carl A. Dehner to be postmaster at Chester, W. Va., in place of C. A. Dehner. Incumbent's commission expires March 3, 1927.

Cecil B. Dodd to be postmaster at Follansbee, W. Va., in place of C. B. Dodd. Incumbent's commission expires March 3, 1927.

Ruth L. McClung to be postmaster at Cedar Grove, W. Va., in place of W. C. Whaley, removed.

Walter O. Deacon to be postmaster at Hurricane, W. Va., in place of D. L. Martin, resigned.

WISCONSIN

Harry T. Ketcham to be postmaster at Abbotsford, Wis., in place of H. T. Ketcham. Incumbent's commission expires March 2, 1927.

Elizabeth Croake to be postmaster at Albany, Wis., in place of Elizabeth Croake. Incumbent's commission expired April 11, 1926.

Darryl V. Lampman to be postmaster at Augusta, Wis., in place of B. E. Fredrick. Incumbent's commission expired April 7, 1926.

Nicholas Hubing to be postmaster at Belgium, Wis., in place of Nicholas Hubing. Incumbent's commission expires March 2, 1927.

Leon F. Pallister to be postmaster at Brandon, Wis., in place of L. F. Pallister. Incumbent's commission expires March 3, 1927.

Ambrose M. Steinwand to be postmaster at Colby, Wis., in place of A. M. Steinwand. Incumbent's commission expires March 3, 1927.

Anton J. Hertz to be postmaster at Edgar, Wis., in place of A. C. Wagner. Incumbent's commission expired November 19, 1925.

Albert L. Marsh to be postmaster at Elroy, Wis., in place of A. L. Marsh. Incumbent's commission expires March 2, 1927.

Dean J. Hotchkiss to be postmaster at Foxlake, Wis., in place of D. J. Hotchkiss. Incumbent's commission expires March 2, 1927.

Edward Schroeder to be postmaster at Granton, Wis., in place of Edward Schroeder. Incumbent's commission expires March 2, 1927.

Stephen S. Summers to be postmaster at Milton, Wis., in place of S. S. Summers. Incumbent's commission expires March 2, 1927.

George B. Keith to be postmaster at Milton Junction, Wis., in place of G. B. Keith. Incumbent's commission expires March 2, 1927.

Carl V. Dahlstedt to be postmaster at Port Wing, Wis., in place of C. V. Dahlstedt. Incumbent's commission expires March 2, 1927.

Wilbur H. Bridgman to be postmaster at Stanley, Wis., in place of W. H. Bridgman. Incumbent's commission expires March 3, 1927.

Joseph E. Kuzenski to be postmaster at Stetsonville, Wis., in place of J. E. Kuzenski. Incumbent's commission expires March 3, 1927.

Adolph C. Sveen to be postmaster at Westby, Wis., in place of A. C. Sveen. Incumbent's commission expires March 3, 1927.

George T. Classon to be postmaster at Weyauwega, Wis., in place of T. R. Peterson. Incumbent's commission expired April 13, 1926.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 11 (legislative day of February 9), 1927

COLLECTOR OF CUSTOMS

Harry C. Whitehill to be collector of customs, collection district No. 2, St. Albans, Vt.

POSTMASTERS

IDAHO

George F. McMartin, Coeur d'Alene.

KANSAS

James G. Frazer, Halstead.
Raymond R. Norris, Marquette.
Walter S. Bradford, McLouth.
Jessie I. Dickson, Neosho Falls.
Luella Tapley, Quenemo.

KENTUCKY

James A. Leach, Beaver Dam.
Ward H. Metcalfe, Brooksville.
James W. Burns, Catlettsburg.
William M. Maffett, Cynthiana.
Sue C. Beardsley, Harrodsburg.
John B. Searcy, Lawrenceburg.
Squire F. Nelson, Lynch.
Newell R. Downing, Mays Lick.
Tom H. Brown, Millersburg.
H. Greene Hicks, Olive Hill.
Lewis A. McCoy, Owingsville.
Fountain S. Aynes, Pleasureville.
Burton Roberts, Richmond.
Lottie P. Thompson, Sadieville.
Edward S. Crawford, Science Hill.

MINNESOTA

Frank L. Lane, Bigelow.
Nellie M. Watkins, Clinton.
Frank A. Lindbergh, Crosby.
George W. Kiefer, Lewiston.
Samuel A. Nystrom, Watertown.

NEBRASKA

William A. Gibson, Cedar Rapids.
Gustav A. Koza, Clarkson.
Hiram B. Cameron, Herman.
Frank E. Crawford, Wymore.

NEVADA

Annie J. Christensen, Fernley.

NEW YORK

Frank O. Persons, East Aurora.
Roof D. Miller, Fort Plain.
William D. Shepard, Geneseo.
Charles J. Lansing, New Woodstock.
Dennis Lamarche, Plattsburg.
Brainard W. Russell, Windsor.

NORTH DAKOTA

James E. Galehouse, Carrington.
James R. Meagher, Velva.

OREGON

Arlington B. Watt, Amity.
Chester G. Coad, Dallas.
Harry A. Cool, Drain.
Oscar C. Maxwell, Elgin.
Thomas W. Angus, Gardiner.
Nellie G. Reed, Gold Hill.

PENNSYLVANIA

William S. Behanna, Connellsville.

TENNESSEE

Ira L. Presson, Camden.

TEXAS

Carlton A. Dickson, Cleburne.
Mildred A. Wilder, George West.
Fred L. Brown, Plainview.
George Ireland, Victoria.

VIRGINIA

Blanche M. E. Harris, Crozet.
Willie A. Roach, Durmid.
Robert A. Anderson, Marion.
Tivy E. Jenkins, Wilder.
Percy Bradshaw, Zuni.

WEST VIRGINIA

Noah W. Russell, Lewisburg.
Oliver A. Locke, Milton.
Robert E. L. Holt, Princeton.

WISCONSIN

Henry J. S. Hanson, Bayfield.
George C. Dobbs, Conover.
Frederick N. Lochemes, St. Francis.

HOUSE OF REPRESENTATIVES

FRIDAY, *February 11, 1927*

The House met at 12 o'clock noon.

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

Oh Lord, our Lord, we are drawn toward Thy throne, which is established for ever and ever. It is our defense and the rock of our redemption. How much we need a sense of Thy nearness, for we are humanly weak in the things that are divinely strong. Oh come, Thou, and guide us in all our ways. As for the difficulties and labors of life, let them chasten our hearts and broaden our minds. By the light of every morning Thou dost say, I am with thee. Oh, words are too poor for Thy praise. Do Thou give us the fearlessness of honesty and the patience of earnest industry. Let Thy love be our strength and Thy service our joy; be as real to us as the very earth itself. Amen.

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

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, its principal clerk, announced that the Senate had passed with amendments House bill of the following title, in which the concurrence of the House is requested:

H. R. 16863. An act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1928, and for other purposes.

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

S. 5259. An act granting permission to Maj. Charles Beatty Moore, United States Army, to accept the following decorations, namely, the Legion of Honor, tendered him by the Republic of France, and the officers' cross of the order, Polonia Restituta, tendered him by the Republic of Poland; and

S. 5596. An act granting the consent of Congress to Dauphin Island Railway & Harbor Co., its successors and assigns, to construct, maintain, and operate a railroad bridge and approaches thereto and/or a toll bridge across the water between the mainland at or near Cedar Point and Dauphin Island.

The message also announced that the Senate had agreed to the amendments of the House of Representatives to the bill (S. 4727) to provide for the widening of Nichols Avenue between Good Hope Road and S Street SE., in the District of Columbia.

The message also announced that the Vice President appointed Mr. COUZENS and Mr. CARAWAY members of the joint select committee on the part of the Senate as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments," for the disposition of useless papers in the Department of Labor.

ENROLLED HOUSE BILLS SIGNED

Mr. CAMPBELL, from the Committee on Enrolled Bills, announced that that committee had examined and found truly enrolled House bills of the following titles, when the Speaker signed the same:

H. R. 4553. An act authorizing the President to restore Commander George M. Baum, United States Navy, to a place on the list of commanders of the Navy, to rank next after Commander David W. Bagley, United States Navy;

H. R. 14242. An act to authorize the Secretary of the Navy to proceed with the construction of certain public works at Quantico, Va.; and

H. R. 11421. An act to provide for conveyance of certain lands in the State of Alabama for State park and game preserve purposes.

SENATE BILLS REFERRED

Under clause 2 of Rule XXIV Senate bills of the following titles were taken from the Speaker's table and referred as indicated below:

S. 5596. An act granting the consent of Congress to Dauphin Island Railway & Harbor Co., its successors and assigns, to construct, maintain, and operate a railroad bridge and approaches thereto, and/or a toll bridge across the water between the mainland at or near Cedar Point and Dauphin Island; to the Committee on Interstate and Foreign Commerce.

S. 4682. An act granting permission to Lieut. Col. Harry N. Cootes, United States Army, to accept certain decorations tendered him; to the Committee on Military Affairs.

S. 4683. An act granting permission to Commander Jules James, United States Navy, to accept the decoration of the Legion of Honor tendered him by the Republic of France; to the Committee on Naval Affairs.

JUDGE FRANK COOPER

Mr. GRAHAM. Mr. Speaker, I present a privileged resolution, which I send to the Clerk's desk.

The SPEAKER. The gentleman from Pennsylvania offers a resolution, which the Clerk will report.

The Clerk read as follows:

House Resolution 415

Resolved, That the Committee on the Judiciary, and any subcommittee that it may create or appoint, is hereby authorized and empowered to act by itself or its subcommittee to hold meetings and to issue subpœnas for persons and papers, to administer the customary oaths to witnesses, and to sit during the sessions of the House until the inquiry into the charges against Hon. Frank Cooper, United States district judge for the northern district of New York is completed, and to report to this House.

That said committee be, and the same is hereby, authorized to appoint such clerical assistance as they may deem necessary, and all expenses incurred by said committee or subcommittee shall be paid out of the contingent fund of the House of Representatives on vouchers ordered by said committee and signed by the chairman of said committee.

Mr. MACGREGOR. Mr. Speaker, may I inquire solely for information, how much this is anticipated to cost?

Mr. GRAHAM. I do not know, sir.

Mr. MACGREGOR. What clerical assistance is going to be engaged?

Mr. GRAHAM. I have not any idea of engaging anyone at this time.

Mr. MACGREGOR. I know the gentleman will be economical in the matter.

Mr. BLANTON. Mr. Speaker, this is a very important matter——

The SPEAKER. Does the gentleman from Pennsylvania yield?

Mr. BLANTON. I would like to have five minutes on this resolution.

Mr. GRAHAM. Mr. Speaker, I must decline to yield because there is nothing involved in this matter but a little formality.

Mr. BLANTON. There is something very serious involved in it.

Mr. GRAHAM. I decline to yield.

Mr. BLANTON. Mr. Speaker, may I propound a parliamentary inquiry? Is this a privileged resolution from the Committee on the Judiciary?

The SPEAKER. It is privileged because it relates to impeachment proceedings.

Mr. BLANTON. I think we ought to have a quorum before we proceed, and I make the point of order there is not a quorum present.

Mr. GRAHAM. Mr. Speaker, before we have this obstruction, and that is all it is——

Mr. BLANTON. That is exactly what it is. When the gentleman can not yield five minutes to discuss a matter of this seriousness, it is very proper that there should be some obstruction.

Mr. GRAHAM. I will yield for five minutes to the gentleman from Texas.

Mr. BLANTON. Thank you.

Mr. DOWELL. Mr. Speaker, I make the point of order there is not a quorum of the House present.

Mr. TINCHER. Is this a filibuster against the Haugen bill?

Mr. DOWELL. If the gentleman from Texas is only going to consume five minutes, I withdraw the point.

Mr. BLANTON. Mr. Speaker, the present situation before the Committee on the Judiciary is one of the most remarkable that I have ever witnessed.

Mr. HILL of Maryland. Mr. Speaker, may we have order so we can hear the gentleman?

Mr. BLANTON. The gentleman from Maryland will hear me before I get through. And all the other "wets" here will hear me, because this is nothing in the world but a "wet" persecution of a "dry" judge who has been strictly enforcing the law and the Constitution.

This is a most remarkable situation. The distinguished chairman of this Judiciary Committee [Mr. GRAHAM], who is a very distinguished lawyer and one whom we all love as a friend, ruled Wednesday in committee that no one could call upon Judge Cooper to make a statement until the one who preferred the charges against him had made out a prima facie case; and when the one who had preferred the charges had made out nothing, had not produced a syllable of evidence against this man, when he left the matter before the committee just exactly where he left it when he presented his charges before the House, the committee, through its chairman, called both the witness Merrick and the judge to testify. The gentleman from New York [Mr. LAGUARDIA] fell down. The able chairman attempted to come to his rescue.

Mr. GRAHAM. Will the gentleman pardon an interruption for a second?

Mr. BLANTON. Certainly; but do not take it out of my time.

Mr. GRAHAM. We did not call upon him to testify. He was neither requested by the chairman nor by the committee to testify. He voluntarily made a statement.

Mr. BLANTON. Oh, I know what happened.

Mr. GRAHAM. I do, too.

Mr. BLANTON. And the committee chairman himself called a witness against him. Is not that true?

Mr. GRAHAM. No.

Mr. BLANTON. Well, I will submit the record as to what happened. This man Merrick made a statement before the committee and he backed up the judge in his statement. Both Merrick and Judge Cooper showed that the only purpose on God's earth that this judge had was to try to reach the "higher

ups" in the commission of crime and not to punish simply the little, insignificant bootleggers who operate under these big liquor kings in the country.

I think it is an outrage that provision is not made in this resolution to pay the expenses of this judge. I have investigated the matter and I happen to know he is a poor man. He has been forced to come down here before the committee, several hundred miles away from his home, and to pay his own expenses and to employ counsel.

Mr. CELLER. Will the gentleman yield?

Mr. BLANTON. I regret I have not the time. And this is another attempt to bring him back down here on expenses, and no provision is attempted to be made to pay any of his expenses, which he should not have to bear himself.

I ask unanimous consent, Mr. Speaker, to revise and extend my remarks, because I want to put in exhibits which I have in connection with this matter.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BLANTON. Now, I want to ask my friend this question: Is the committee one day to rule one way and the next day to rule another? This committee ruled that this judge did not have to open his mouth; this committee ruled he did not have to bring a witness here until the gentleman from New York made out a prima facie case. When did the committee change this ruling?

I was present in the committee room and heard the distinguished chairman properly rule that that was the law in the case. Since then there has been a reaction upon the part of the committee chairman; since then something has transpired to induce the chairman himself to have witnesses testify; to let the chairman himself have the judge testify, and he is working right in with this Tammany bunch [laughter]; and with the gentleman from New York [Mr. LAGUARDIA]; with this unholy alliance that has been formed between the Socialist Member from New York and the "wet" Tammany bunch to discredit a man because he has done his duty.

Mr. CELLER. Will the gentleman yield at that point?

Mr. BLANTON. Oh, I know all about it. I wish I had a photograph of the two Tammanyites who sat at the table persecuting this man with the gentleman from New York [Mr. LAGUARDIA]. I would like to have a picture of that, and I would like to put it in every newspaper in the United States to show what is behind this unholy persecution of a righteous and upright judge.

WHAT ACTUALLY HAPPENED BEFORE COMMITTEE

What happened before the Judiciary Committee during its hearing of the charges preferred by the gentleman from New York [Mr. LAGUARDIA] is a matter of record and can not be denied. From the official transcription made by the official stenographer reporting the proceedings before said Judiciary Committee in its first meeting, held February 9, 1927, I quote the following excerpts. The distinguished gentleman from Pennsylvania [Mr. GRAHAM], chairman of the Judiciary Committee, said:

> It is our duty to hear what will be advanced in support of the resolution and what may be said in answer to that presentation. * * * The plan of procedure, therefore, will be to hear Mr. LAGUARDIA make a statement and produce anyone that he desires to be heard, and Judge Cooper is invited, likewise, to make a statement or to be represented by counsel in making a statement. Those who appear before the committee will be open to questioning by the committee for the information of the committee, but there will be no cross-examination of one side by the other.

Then, without offering to produce any witness against Judge Frank Cooper, the gentleman from New York [Mr. LAGUARDIA], aided and abetted by his two "wet" colleagues from New York, Mr. CELLER and Mr. BLACK, who were seated at the table with him, proceeded to read what purported to be the ex parte memorandum printed over the name of R. Q. Merrick, appearing on page 3 of Senate Document No. 198. Whereupon the following colloquy occurred:

> Mr. HERSEY. I just want to ask one question. You can produce Mr. Merrick, as the best evidence that you know?
>
> Mr. LAGUARDIA. He is obtainable. We have the right to subpœna him.
>
> The CHAIRMAN (Mr. GRAHAM). You stated, Mr. LAGUARDIA, that you would be heard and that you would produce one witness, Mr. Merrick, and would make a statement yourself before the committee. That is what I expected you were going to do.

And then on the suggestion of the ranking majority member of said committee, Mr. DYER, of St. Louis, Mr. LAGUARDIA proceeded to read what was contained in said purported statement of said R. Q. Merrick.

The only reference to any action taken by Judge Frank Cooper was in a 25-line memorandum purported to be signed by said R. Q. Merrick, appearing on page 3 of said Senate document. It was not a sworn statement. It was an ex parte unsworn statement. And the additional memorandums purported to be signed by said R. Q. Merrick, appearing on the balance of said page 3 and on pages 4 and 5 of said Senate document, do not pretend to show that said Judge Frank Cooper had any connection whatever with same, yet when making his charges on the floor of the House and when reading what purported to be said Merrick's statement concerning Cooper before said Judiciary Committee, the gentleman from New York [Mr. LAGUARDIA] did not call attention to the fact that he was reading from two separate memorandums, each signed by said Merrick, when only one of which referred to any action taken by said Judge Frank Cooper. However, when he presented the statements he had read to the stenographer for incorporation in the hearings, they do show that they are two separate instruments and separately signed.

And after the gentleman finished reading same, their judicial minds caused the following members of the Judiciary Committee to exclaim as follows:

> Mr. TUCKER. There seems to be nothing here indicating that that statement was sworn to.
>
> Mr. HERSEY. How does that bind the judge who is accused in any way, with respect to the evidence against him?
>
> Mr. LAGUARDIA. It does in this way: Mr. Merrick was called to Albany by Judge Cooper. Judge Cooper stated to him that he was tired. * * *
>
> The CHAIRMAN (Mr. GRAHAM). Where does that appear, except in Mr. Merrick's statement?
>
> Mr. LAGUARDIA. In Merrick's statement.
>
> The CHAIRMAN. Do you not think that Mr. Merrick ought to be here so that we can hear at first hand what he has to say and know exactly what took place?

And then when the gentleman from New York tried to excuse himself for not having any witness present, the distinguished gentleman from Pennsylvania very justly said:

> The CHAIRMAN. Mr. LAGUARDIA, do you not see that the committee is no wiser after reading this report than before? The committee ought to have something submitted to it in the way of a sustainment of the charges against the judge.

And then when it appeared that Judge Frank Cooper had gone to the trouble and expense of arranging his docket and having some one to hold court for him, and making a long, expensive trip here from Albany, N. Y., under assurances that witnesses would testify against him that no witnesses whatever were offered against him, but an attempt was made to have Judge Cooper himself subjected to examination before any witnesses had testified against him, and that so shocked the judicial mind of the former president of the American Bar Association [Mr. TUCKER] that he exclaimed:

> It seems to me that will not do.

Then the following colloquy occurred:

> Mr. BOWLING. What will not do, Mr. TUCKER? I did not hear your statement.
>
> Mr. TUCKER. To call Judge Cooper before this committee to defend himself against these charges. We ought to have the man (Mr. Merrick) present and cross-examine him closely * * *. I do not think it would be fair to the judge. He is entitled to know what he is charged with, and if we rest that upon this man's statement we ought to have the man here.

And then the following horse play occurred:

> Mr. LAGUARDIA. Then, may I call my first witness? Judge Cooper, take the stand.
>
> Mr. MICHENER. Wait a minute. We are getting into a position where we are either holding a hearing or we are not holding a hearing. Judge Cooper has certain rights here. * * * I hardly think it is ethical, and it certainly does not follow any procedure in court or any theory of American justice to invite a man charged with these serious offenses into court and then let the prosecutor immediately put him on the stand for cross-examination.

And then, when the chairman asked Mr. LAGUARDIA if he persisted in calling Judge Cooper, the following occurred:

> Mr. LAGUARDIA. No; the judge having expressed a desire not to take the stand at this time, I shall not press him.
>
> The CHAIRMAN (Mr. GRAHAM). He has not said a word.
>
> Mr. LAGUARDIA. I will ask the judge if he desires to take the stand at this time.
>
> Mr. BOWLING. I do not think we ought to take any action here or say a word that would put Judge Cooper in the attitude of refusing to

state his case. I think it is the wrong time, so far as I am personally concerned, for him to be called up either to refuse to say anything or to say anything. We have not gotten to that point in the procedure yet.

And then, with regard to there being no cross-examination of Judge Cooper by Mr. LAGUARDIA, the following occurred:

Mr. LAGUARDIA. The Chair just decided that there would be no cross-examination of witnesses?

The CHAIRMAN (Mr. GRAHAM). We did.

And then, after an executive session, the committee permitted the gentleman from New York [Mr. LAGUARDIA] to make a long argument, presenting what he claimed to be the law and facts of the case, which argument of Mr. LAGUARDIA covers 30 typewritten pages of the hearings and then the committee adjourned.

The next meeting of the Committee on the Judiciary was held yesterday, Thursday morning, at 11 o'clock, when the committee permitted one of the attorneys for Judge Cooper to make a statement. This attorney delivered to Chairman GRAHAM a letter from Hon. Roscoe Irwin, the attorney of Albany, N. Y., who represented the principal defendants who were tried before Judge Cooper, concerning whose trials Mr. LAGUARDIA claims Judge Cooper was guilty of action warranting his impeachment.

If anyone on earth had a grievance against Judge Cooper it would surely be the attorney whose clients were tried and convicted before Judge Cooper, yet this attorney for said defendants denounces the attacks Mr. LAGUARDIA has been making upon Judge Cooper, and eulogizes Judge Cooper not only as a fair, impartial, hard-working, conscientious, and upright judge, but also as a good man. The following is the letter:

FEBRUARY 9, 1927.

Hon. GEORGE S. GRAHAM,
Chairman Committee on the Judiciary,
United States House of Representatives, Washington, D. C.

MY DEAR SIR: From press reports I learned that certain charges had been made by Congressman LAGUARDIA against Hon. Frank Cooper, United States district court judge for the northern district of New York, and that such cases were based upon matters and things connected with the prosecution of certain conspiracy cases based upon violation of the national prohibition act and customs laws.

The press reports of these charges purport to accuse Judge Cooper of unfairness and partiality in connection with the trial of the conspiracy cases in question. I was retained as counsel in two of these cases and actually participated in the trial of the same before Judge Cooper, and knowing the manner in which Judge Cooper presided over these trials I am of the opinion that the charges presented by Congressman LAGUARDIA are without foundation either in fact or in theory.

Feeling that an injustice was being done to Judge Cooper, I felt it was my duty, as a member of the bar, to submit to your committee such information as I had regarding these alleged charges. In accordance with this sense of duty, I came to Washington and attended the hearing on the alleged charges had before your committee this morning and listened to the statements and arguments presented by Congressman LAGUARDIA. Several of the statements and arguments presented by Congressman LAGUARDIA are not in accordance with the facts, particularly in relation to the cases of the United States *v.* Albion and Mary LaFountain and the United States *v.* Harry C. Hartson and Barney Duken, these being two cases mentioned by Congressman LAGUARDIA in his argument before your committee. In the two cases mentioned I was retained as counsel for the defendants and actually participated in the trial thereof before Judge Cooper.

In Congressman LAGUARDIA'S argument to your committee I understood him to say that the issue of entrapment was not raised in the cases mentioned. The fact is that such issue was raised in both of these cases. In the La Fountain case entrapment was presented to the circuit court of appeals. In the trial before Judge Cooper, Albion La Fountain was convicted and the jury disagreed as to the defendant Mary La Fountain. The circuit court of appeals affirmed the judgment of conviction rendered against Albion La Fountain. In the Hartson and Duken case Judge Cooper in his charge presented to the jury the issue of entrapment and the jury returned a verdict of guilty against both defendants. The case was reviewed in the circuit court of appeals, and that court affirmed the conviction of Hartson and reversed the judgment of conviction as to Duken, but this reversal did not involve the issue of entrapment.

I have before me at the present time a transcript of these cases which was presented to the circuit court of appeals, and after carefully reviewing this transcript I am submitting to your committee the facts set forth in this communication.

In the trial of the two cases mentioned Judge Cooper was manifestly fair and impartial, and in my opinion each of the defendants in the cases mentioned had a fair trial, and there was nothing done by Judge Cooper during these trials which in any way prejudiced the rights or interests of any of the defendants.

I have tried many cases before Judge Cooper, and have observed the trial of many others, and I desire to state to your committee that Judge Cooper, in my opinion, has at all times given due weight and consideration to the various rights and interests presented to him in the litigation had in his court, and that he is a hard-working, conscientious, and upright judge.

If your committee desires my personal appearance at any time in respect to these matters, I will gladly attend at such time and place as you may designate.

My address is 91 State Street, Albany, N. Y.

Respectfully,

ROSCOE IRWIN.

And concerning the foregoing letter, the following occurred:

The CHAIRMAN (Mr. GRAHAM). Mr. Hanson, is the writer of the letter that you handed to me in the room?

Mr. HANSON. Yes, sir. Mr. Irwin is right here.

Is not this a most remarkable situation? Here is Mr. LAGUARDIA attempting to impeach Judge Cooper because of unfairness to defendants, and we find the attorney of such defendants leaving his home in Albany, N. Y., and coming to Washington in person to defend Judge Cooper's good name and to uphold him as a fair, impartial, conscientious, upright judge, and saying that he felt it his duty as a member of the bar to protect this judge from such persecution. And before said committee in such hearing he stood ready and willing to be interrogated by Mr. LAGUARDIA.

CHAIRMAN GRAHAM HIMSELF CALLS MERRICK

After the attorney for Judge Cooper had concluded his statement, it was Chairman GRAHAM himself who called Mr. Merrick as a witness, and there was no attempt on the part of Mr. LAGUARDIA to have Mr. Merrick testify; and to show this, I quote from the official record the following:

The CHAIRMAN (Mr. GRAHAM). Is Mr. Merrick in the room?

Mr. HANSON (Judge Cooper's attorney). I think that he is about here, Judge.

Mr. LAGUARDIA. At this time I want to inquire for the purpose of record—— [Mr. Hanson interrupts.] I merely want to state, Mr. Chairman, that Mr. Merrick is not my witness.

The CHAIRMAN. He is my witness. I am calling him. Will Mr. Merrick come forward, please?

That the chairman, Mr. GRAHAM, of the Judiciary Committee, proceeded to examine the witness, R. Q. Merrick, on his own initiative, as shown by the following:

The CHAIRMAN. What is your full name?

Mr. MERRICK. Romain Q. Merrick.

The CHAIRMAN. What is your occupation?

Mr. MERRICK. I am a Federal prohibition administrator.

The CHAIRMAN. In what district?

Mr. MERRICK. In the seventh district, comprising Virginia and North Carolina.

The CHAIRMAN. That is your present employment?

Mr. MERRICK. Yes, sir.

The CHAIRMAN. Were you formerly employed in the northern district of New York?

Mr. MERRICK. Yes, sir; for the entire State of New York and upper New Jersey.

The CHAIRMAN. When was that?

Mr. MERRICK. From March 1, 1923, until August 31, 1925.

And at this juncture we find the probable source of the present resolution asking the House to grant the Judiciary Committee the power to swear witnesses:

Mr. LAGUARDIA. Mr. Chairman, I ask to have this witness sworn.

The CHAIRMAN. We have no power to swear any witnesses. This is the preliminary stage.

Mr. LAGUARDIA. Then I ask that the committee obtain that power from the House.

Mr. CHAIRMAN. Very well; you have made your request.

Now, Mr. Merrick, will you please state when you left the New York district?

Mr. MERRICK. I left there September 1, 1925, for Buffalo. As acting administrator I was there until October 15, 1925, when I went to Chicago as assistant administrator. I left Chicago in November—I think the 11th—and came to Washington and took charge of the Virginia district on September 1, 1926.

The CHAIRMAN. How did you come to be in Washington at this time?

Mr. MERRICK. I received orders from Major White, administrator for this district, to appear here yesterday for a conference. I had a conference with him and Director Jones yesterday.

The CHAIRMAN. You voluntarily came here this morning?

Mr. MERRICK. I was called.

The CHAIRMAN. How did you come to be here?

Mr. MERRICK. I was told by Major White yesterday to stay over, that I might be needed as a witness to-day. I remained over.

The CHAIRMAN. Are you the person that made this report to the Treasury dated January 15, 1927, which report was submitted to the Senate and was made a part of a Senate document?

Mr. MERRICK. I am, sir.

The CHAIRMAN. Will you go on and tell this committee in your own way all about the conference with Judge Cooper, if there was one, which you had concerning the securing of evidence and prosecuting offenses against the Volstead Act?

Mr. MERRICK. Yes, sir. Would you allow me to tell how I happened to write that memorandum?

The CHAIRMAN. You may make your own statement. That memorandum is before the committee.

Mr. MERRICK. I was in Washington on January 13 and 14. About 4 o'clock on the afternoon of the 14th Mr. Simonton, who is the chief investigator for the Prohibition Unit, saw me in the prohibition department and he said that he had just received a message from General Andrews for me to submit a memorandum of the cases we made by our undercover agents in the northern district of New York during the winter of 1924–25.

I immediately went to Mr. Simonton's office and dictated this memorandum from memory only. It took me about 20 or 30 minutes. The office closed at 4.30. The young lady waited probably until 4.35 to get through taking my dictation.

And to show what was in the mind of Judge Cooper and what advice Judge Cooper really gave this prohibition agent, I quote from the testimony of Mr. Merrick in the committee's official record the following:

Mr. MERRICK. * * * The judge on a previous occasion had told me about the young men who were being brought before him; young fellows whom our agents and State officers would catch transporting liquor; young fellows 18 or 20 years old who were employed by the higher-ups to transport this stuff. But we never got any of the big fellows. All we got were the little rum runners. It seemed to worry the judge a good deal that these young fellows were induced to go into this business by the men with the money. He thought that we should do something to get the higher-ups, and I took this procedure.

Mr. BOWLING. Had that been a subject of conversation between you and Judge Cooper prior to this letter that he wrote you?

Mr. MERRICK. Yes, sir. It was because of the receipt of that letter that I took Parks with me. I finally got Parks off some other important work that he had been on. He had been at Waterloo watching a distillery up there. I took Parks up there so that he would know the judge and the judge would know him and recognize his voice if he called him over the 'phone and said that he was arrested. That was the reason for bringing Parks up.

Mr. TUCKER. Mr. Merrick, following your letter or statement in this memorandum which is contained in Senate Document No. 198, which is signed by you—have you read that?

Mr. MERRICK. Yes, sir; I read it as it appeared in the CONGRESSIONAL RECORD.

Mr. TUCKER. I suppose it is the same. The first was a letter from you to Mr. Andrews and the second is merely a memorandum signed by you.

Mr. MERRICK. Yes, sir.

Mr. TUCKER. I just wanted to know if you had seen the memorandum and whether you indorsed that statement also.

Mr. MERRICK. I made two memorandums, sir. The first part of that is marked—I marked it "Personal—confidential." That is, the first part of that memorandum.

Mr. TUCKER. It was a very confidential matter.

Mr. MERRICK. The second was not marked "Personal—confidential." The first part I marked "Personal—confidential." The last I submitted and just marked "Memorandum."

Mr. MICHENER. Mr. Chairman, may I ask a question?

The CHAIRMAN. Yes.

Mr. MICHENER. Mr. Merrick, you stated that you visited Judge Cooper on this particular occasion in response to his letter.

Mr. MERRICK. Yes, sir.

Mr. MICHENER. You also stated that you had had several conferences previous to this time with the judge in reference to the enforcement of the prohibition law.

Mr. MERRICK. Yes, sir.

Mr. MICHENER. In those conferences did the judge direct you as to any specific manner in which you were to proceed?

Mr. MERRICK. No, sir.

When the witness had finished answering all of the questions propounded to him by members of the Judiciary Committee, the following occurred:

Mr. LAGUARDIA. May I be permitted to ask questions of the witness?

The CHAIRMAN (Mr. GRAHAM). No. The committee has decided that there is to be no cross-examination. The ground for that, I think, is perfectly obvious. The papers which you submitted were papers that were not submitted under examination or under oath. This is simply a statement that this witness, not under oath and not subject to cross-examination, is making, giving his explanation of the paper that you presented to us. We think that we can only go as far at this time as to hear these statements. I am going to hear the statement of the judge.

Note that just as soon as the chairman of the Judiciary Committee, Mr. GRAHAM, had called Mr. Merrick as a witness, and had interrogated Mr. Merrick, he got through with Mr. Merrick, and then stated that he was "going to hear the statement of the judge." And the judge was then called around, and interrogation began as follows:

The CHAIRMAN. Will you state your name?

Judge COOPER. My name is Frank Cooper.

The CHAIRMAN. And your residence?

Judge COOPER. Albany, N. Y.

The CHAIRMAN. Your judicial district?

Judge COOPER. The northern district of New York.

The CHAIRMAN. Judge, you have heard the statement of Mr. Merrick. You heard the statement made yesterday with relation to these charges. You have expressed a desire to make a statement in reply. You are at liberty to do so, and the committee will hear you.

Judge COOPER. I heard only a portion of Mr. Merrick's statement. I was invited to come here and was glad to come and accept the invitation of the committee. In the limited time at my disposal, I prepared a little statement of the facts in these matters. I had to adjourn a court and had very little time.

Mr. Chairman and gentlemen of the committee: I thought that if I could very briefly describe to you the northern district of New York, over which I preside and the work of the court, it might make the situation clearer.

This district comprises 29 counties, containing approximately one-half of the area of the State of New York, and extends from the Canadian border on the north to the Pennsylvania line on the south. It has a population of more than 2,000,000 people, and includes such cities as Albany, Troy, Schenectady, Utica, Syracuse, Oswego, Auburn, Binghamton, Watertown, Ogdensburg, Plattsburg, and many others. The greater part of the main highway from Montreal to New York is within this district.

Besides this main highway, there are a great many roads running from the Province of Quebec into the State of New York. There are also water approaches to this district through Lake Champlain, the St. Lawrence River, and Lake Ontario. This will make clear to you the conditions under which the illegal smuggling and traffic of liquor along the extensive frontier can be carried on.

In the State of New York we have no State prohibition enforcement law, consequently all the prohibition cases are brought into the Federal court.

Without attempting to speak of the civil work, but to give you some idea of the volume of the prohibition work, I might say that during the fiscal year ended June 30, 1926, 1,840 prohibition cases were disposed of. Of these 1,840 cases, 1,595 persons pleaded guilty and about 240 were dismissed for various reasons.

So, gentlemen, you will readily understand that with this volume of business, it would be almost impossible for me to remember the details of any particular case. In the limited time at my disposal since the summons to come down here to-day, I have tried to get together as much information as I could as to the three specific cases upon which these charges seem largely to be based.

And then after Judge Cooper had reviewed and given the facts of all the cases concerning which Mr. LAGUARDIA had made complaint, he was interrupted, and the following occurred:

Mr. WELLER. Mr. Chairman, if I may be permitted to interrupt, I believe that most of us want to go over to the floor of the House to vote. There has been a call for the yeas and nays.

The CHAIRMAN. Judge, would you kindly do this? Your discussion of the law is a matter which will appear in your written statement and a matter about which there may be no dispute in the committee. The real point that you must answer, I think, or that you ought to answer—I will not say "must"—is this: You were a judicial officer. You were charged with the trial of every one that came before you, and you were to do it with impartiality and without participation on either side, either the prosecution or the defense. Did you have any conversations with Mr. Merrick in which he outlined the plan and procedure of his work, and did you approve of that plan of procedure and become a party to it, and then afterwards sit on the trial of the persons who, in pursuance of that plan, were apprehended and brought before you?

Judge COOPER. Mr. Merrick did tell me he was going to send agents up there who were unknown in that territory He told me in a general way the line of procedure they were going to follow. He told me, however, that they might be arrested, and if they were arrested and exposed, what they had done would be lost and they could do no more. He said that he thought I ought to protect him and while

I do not pretend to give you the exact words, I asked him how, and he said that I ought to provide in some way, if these agents were arrested, that word could be gotten to me and so that I could communicate with the commissioners and tell them to release these agents on their own recognizance, so that their identity would not be disclosed and they could go on with the work. I told him that I thought that was reasonable and that I would do it.

The CHAIRMAN. Had you any further connection with originating, directing, or approving the plan of procedure adopted by the officers, other than this agreement to release on bail any agent that might be arrested?

Judge COOPER. I told Mr. Merrick that they were bringing in a lot of boys of almost tender years before the court. Most of them were caught somewhere between Plattsburg and south, with Packard and Cadillac cars, with substantial loads which were worth, if they were ale, hundreds of dollars, and if they were wines or whiskies or gin, thousands of dollars, and that it was very evident to me and to everybody else that those boys were not the owners of those cars and those loads, because unless they were young Crœsuses, they could not have such money, and somebody was sending them out.

The CHAIRMAN. Judge, did you direct in any manner, or participate in the work of officers, or advise or counsel with them as to how they should proceed?

Judge COOPER. Not any further than I have told you.

The CHAIRMAN. That is to try and get the higher-ups?

Judge COOPER. Yes, sir.

The CHAIRMAN. And that was the whole extent of your advice and counsel to them?

Judge COOPER. That is my recollection of all the advice and counsel I gave Mr. Merrick.

The CHAIRMAN. I would suggest that the rest of your statement be submitted and printed in the record.

Judge COOPER. I can submit the rest of it. I wonder if you will bear with me just a moment? I wanted to point out that no crime was committed by these agents.

The CHAIRMAN. That is not material to us.

Judge COOPER. It is material to the public. It may not be material to you.

The CHAIRMAN. Only as you participated in it and had knowledge of it and approved of it. The agents are not on trial.

Mr. CHRISTOPHERSON. Mr. Chairman, I should like to say that I, for one, am of the opinion that Mr. LAGUARDIA should be given the right to propound questions to the judge.

The CHAIRMAN. That was decided in committee to-day. It is res adjudicata.

And the committee adjourned, Judge Cooper understanding that the committee was through with him, and he and his wife made their preparations to leave on the afternoon train for their return to Albany, N. Y., and just about the time he was to embark on the train he was notified by his attorney that Chairman GRAHAM had requested that he come back before the committee for cross-examination by Mr. LAGUARDIA. It therefore occurs to me that the chairman of said committee has one policy on one day and another policy on another day. That on one day he ruled that there is to be no cross-examination, and on the next day he ruled that there will be cross-examination.

ASSOCIATION AGAINST THE PROHIBITION AMENDMENT

Now, let me show you just what is behind this persecution of Judge Frank Cooper. He has been enforcing the prohibition laws, both the Constitution and the statute law of the land. He has been after the higher-ups. He has been after the princes as well as the paupers. He has been giving jail sentences and terms in the penitentiary for the ringleaders, and they do not like it. The following is one of their "organization" letters they have been sending out over the country:

[William H. Stayton, national chairman; G. C. Hinckley, national secretary and treasurer; office of Charles S. Wood, national campaign manager, 1202 Liberty Building, Philadelphia]

THE ASSOCIATION AGAINST THE
PROHIBITION AMENDMENT (INC.),
SUITE 409, LENOX BUILDING, 1523 L STREET NW.,
Washington, D. C., February 3, 1927.

DEAR SIR: In a recent communication to the United States Senate, Mr. Andrew W. Mellon, Secretary of the Treasury, transmitted to that body a report made to him by Mr. R. Q. Merrick, prohibition administrator, detailing the steps he had taken to check rum running from Canada.

The prohibition administrator states that, with the knowledge and approval of United States District Judge Frank Cooper, of the northern district of New York, Prohibition Commissioner Haynes, and Chief of General Prohibition Agents E. C. Yellowley, he employed, on or about December 1, 1924, other agents who made purchases of liquor in Canada and ran the liquor in automobiles to Albany, Troy, and Plattsburg, where they sold it to bootleggers, who were afterwards prosecuted and convicted for conspiracy to violate the national prohibition act.

In the opinion of this association the employment of men by the Government to break the law and thereby entice others to break it is an abominable practice and not to be tolerated in a civilized country.

We are anxious to secure more detailed information as to the practices outlined above, and should much appreciate hearing from you whether you have any personal knowledge of the connection of any Government officials either in the prohibition enforcement service, the judiciary, or the offices of the district attorney, or others, with matters of this kind.

We should particularly like to have the names and addresses of any persons who in your opinion would be likely to be able to give us reliable testimony as to this.

We shall keep your name out of the matter entirely unless we receive specific permission from you to use it.

We sincerely hope that you may be able to do us this service in the cause of orderly and decent government, and beg for the favor of a prompt reply, as the matter is already in the hands of the Judiciary Committee of the House of Representatives for investigation.

Very truly yours,

ASSOCIATION AGAINST THE PROHIBITION AMENDMENT,
CHARLES S. WOOD, *National Campaign Manager.*

I have omitted the name of the addressee in the above letter for obvious reasons. This association against the prohibition amendment is after every judge who has been enforcing the law. They are after Judge Cooper. They have caused to be written letters to members of the bar who practice before Judge Cooper, and have had parties go to such attorneys, seeking statements of misconduct on the part of Judge Cooper, hoping to comb up something to use against him in this LaGuardia impeachment.

HOPE TO BREAK DOWN THE LAW

Their hope is that they will break down the law. They have been trying to get Congress to help them. They have caused appropriations for this work to be denied by this Congress, when they know that such action will cripple and handicap the prohibition enforcement department.

APPEAL FROM THE SECRETARY OF THE TREASURY

Every posted man knows that Andrew W. Mellon, the Secretary of the Treasury, is not a prohibitionist. He does not believe in it. He is fundamentally wet. Yet the enforcement of prohibition laws has been placed in his hands, and he must make some show at least to uphold such law. And he knows that the action of Congress in cutting off the appropriation for under-cover work will cripple and handicap his department.

On yesterday, February 10, 1927, there was received by the Speaker of the House of Representatives the following appeal from the Secretary of the Treasury:

THE SECRETARY OF THE TREASURY,
Washington, D. C., February 8, 1927.

The honorable the SPEAKER OF THE
HOUSE OF REPRESENTATIVES, UNITED STATES,
Washington, D. C.

MY DEAR MR. SPEAKER: Beginning with the fiscal year 1922 Congress, in the appropriation act for each fiscal year, has authorized the Treasury Department to use a designated portion of the moneys appropriated as an advance fund in securing evidence of violations of the Harrison narcotic law, as amended, the narcotic drug import and export act, and the national prohibition laws. This provision was stricken from the appropriation act for the next fiscal year on a point of order. This leaves the department without authority to use any portion whatever of the appropriation for securing evidence in this manner.

The use of certain funds as advance moneys is absolutely essential to the successful enforcement of these laws. This was explained as follows in a recent communication from the department to the President of the Senate:

"This brings us to a consideration of the whole subject of law enforcement, as regards the national prohibition laws.

"The enforcement of these laws presents a problem which the public and the Congress must consider. Unlike other criminal laws, violations are not specific and limited to individual cases where only at most a small group is concerned. The country is faced with numerous, vast, and continuing conspiracies. It must be recognized that violations are nationwide in their occurrence and almost without number. To meet this condition the Federal Government must concentrate its efforts upon the large, well-organized, illegal operations that develop and maintain the sources of supply and the wholesale distribution. Illegal traffic of this character and on such a scale is a menace to the stability of well-ordered society and to the common welfare. The men engaged in this illegal work have practically unlimited financial resources from the tremendous profits their trade offers; they are, therefore, able to get skilled assistance, both legal and chemical, and to practice corruption of public offi-

cials where corruptible officials can be found. They employ criminals who often do not hesitate at murder to assure the success of their operations.

"The advance of civilization means constant warfare between well-ordered society and the lawless elements. When society is aroused, aggressive and well organized, the criminal class is driven to cover and becomes more or less innocuous; when public opinion is indifferent the suppression of the criminal classes becomes ineffective until the law-abiding classes are aroused to the danger threatening their social order, and the laws are again enforced.

"This is a fair picture of the conditions to-day facing the executive department charged with the enforcement of the prohibition laws. Conspiracies are nation-wide in extent, in great numbers, organized, well financed, and cleverly conducted. No parallel of this situation exists in normal times. It is similar, rather, to war. Our efforts must be nation-wide and as thoroughly organized. We are in particular need of a highly developed department of intelligence to keep the forces of society informed as to the personnel and methods used by the lawbreakers. We can not defeat a force as to whose numbers, organization, and methods we are in the dark. Secret Service work is as necessary to the successful enforcement of these laws as it is for the enforcement of the laws against counterfeiting or similar crimes. Even more important is the existence of a public opinion which will sustain the morale of the Government agents.

"It is neither necessary nor desirable that these agents engage in any illegal practices or entice others to do so, but it is necessary that agents be employed who are qualified and do act as spies with the opposing forces. No one likes the idea, but it is as essential here as it is in war in order to gain necessary intelligence. Secret-service methods and under-cover men are absolutely necessary if the prohibition law is to be enforced. This is a fact which the public and their representatives must face. The alternative is lax and ineffective enforcement of the law. A limited number of Government employees, every one of them known to the criminal element, operating in broad daylight and in the view of all, can not hope to defeat unknown, intelligent, and unscrupulous men, not only highly organized, but constantly developing new channels and methods, and whose operations are necessarily enshrouded in darkness. Without meaning to justify the individual cases reported where agents have resorted to questionable methods in order to obtain the organization secrets and the methods of operation of bootleggers, it should be frankly stated that without the employment of undercover methods and the willingness of Government servants to become identified with the law violators in order to unearth their secrets, prohibition enforcement will be handicapped almost to the point of failure."

Congress not having provided authority for this use of funds in the next fiscal year, the department has had prepared, and forwarded herewith, a proposed act which will remedy this situation by providing that the Secretary of the Treasury, with the approval of the President, may make available for advances for this purpose, from appropriations already made, such sums as he deems necessary. This act is recommended by the department in the belief that the Congress does not intend to leave the executive department thus seriously handicapped in the matter of law enforcement.

An identical letter has been addressed to the President of the Senate.

A. W. MELLON, *Secretary of the Treasury.*

And Secretary Mellon transmitted a bill to Congress which he states is absolutely necessary, if his department is to enforce the law, and shows us that unless we pass such bill allowing him to use funds for under-cover purposes, it will be impossible for him to enforce the law.

And it will be remembered that this is the same Andrew W. Mellon who contributed $25,000 himself, and whose brother contributed $25,000, and whose nephew contributed $25,000, to to the campaign of a candidate for the United States Senate last year who was not acceptable to the prohibition forces of the United States. And this is the same Secretary of the Treasury, Andrew W. Mellon, who with his brother and nephew, supported in the last general election our colleague Mr. VARE, than whom there is no one more "wet," and when Mr. VARE from practically every housetop in Pennsylvania promised light wines and beer if he were elected. And yet, wet as he is, Secretary Mellon tells us that the prohibition law has been broken down because we have taken from him the funds to carry on this undercover work.

The attorney for Judge Cooper presented before the Committee on the Judiciary the following explanation of the LaGuardia charges:

Mr. LAGUARDIA, in his statements before the committee and in his statements on the floor, gave out the inference that these men whose conviction in Judge Cooper's court he criticizes were innocent persons enticed into the commission of crime. With respect to La Fountain the records of the court show that prior to his indictment in this particular case he had pleaded guilty and paid a fine on a charge of violation of the Volstead Act.

The record on appeal shows the following:

That on the trial of the indictment in question the prohibition agents testified that La Fountain boasted to the prohibition agents of his successful bootlegging, as follows:

The agents went to the Canada hotel, just across the line. Maschon, the manager, gave one of them a card and told them to take it to La Fountain. They went to La Fountain's house, about 2 miles away, and told him that they had a card from Maschon and wanted to see him with reference to buying Canadian ale. La Fountain answered, "All right; how much do you want?" The agents told him they had had previous dealings with Plattsburg dealers and were up looking around to see if they could get cheaper ale. La Fountain said, "We can sell you ale cheaper than the Plattsburg dealers can, but if you load with us up here you do not want to let the Plattsburg dealers know that you are loading up here, because a certain amount of jealousy exists between the Champlain dealers and the Plattsburg dealers, and they will get you caught if they know you are loading up here. Keep this under your hat." La Fountain further said, "I have been piloting cars from Champlain down to Plattsburg for the last five years and I have never lost one car." He said that he had a car loaded with ale in one of his garages for a New York man and he would leave that night for New York, and if he got safely to New York he would make $500 on the run. "I always know how the roads are before I put my cars out or put you on the roads."

"If you are really going to deliver any beer in New York you should buy it in carload lots. We can load you 300 cases, the smallest car we ship, and not more than 500 cases, into New York at $11 per case f. o. b. New York. All you have to do is to place the money in the bank and this car of ale will be shipped to you at New York or wherever you say, and we will have a man check this stuff in to you in New York, and if everything is all right then you O. K. the bill of lading and this man wires back to the bank and the money is then paid over to us."

La Fountain also asked if the agent would need any hard whisky, and named over Peter Dawson, Gordon Dry Gin, Johnny Walker, and two other brands of whisky, ranging from $45 to $55 per case.

THE HARTSON AND DUKEN CASES

Counsel might raise the question why Mr. LAGUARDIA based his charge against Judge Cooper in part on the so-called Hartson and Duken cases and then refrained from submitting the records in these cases to the committee. The facts are that Hartson and Duken were convicted in the trial court before Judge Cooper. Duken was convicted on only one count in the trial court, and that was of knowingly and unlawfully receiving, concealing, etc., intoxicating liquors when he knew that such intoxicating liquors had been unlawfully imported and brought into the United States from the Dominion of Canada. The circuit court of appeals held, with respect to Duken, that there should have been specification as to these liquors under the customs laws and the nature of the unlawfulness of Duken in handling them. On this technicality the case, with respect to him, was reversed. The conviction of Hartson on other counts, however, was affirmed and the record in his case is one of the most remarkable ones that could have been presented to this committee had Mr. LAGUARDIA not refrained from presenting it.

Hartson, Duken, and a man by the name of Lyons were jointly indicted. Lyons went before Judge Cooper and, through his attorney, filed an affidavit of prejudice and asked a severance. Judge Cooper granted this severance.

Now let us take up, first, what happened to Hartson and then what happened to Lyons. Hartson was tried; he was convicted; the plea of entrapment was raised in the trial court and the plea of entrapment was raised in the circuit court of appeals. The circuit court of appeals in its decision said:

"Parks was a Government agent investigating conditions in Plattsburg, near the Canadian border. He was introduced to Hartson by Lyons in the latter's barroom café. But it was more than a mere introduction. Lyons, according to Parks's testimony, first had to ask him for his name. He was a stranger. Then Lyons asked Hartson if he could supply Parks with 15 cases of William Dow ale, a Canadian ale, saying, 'He is up here after a load of ale and he is all right and fix him up.' A deal for the sale was promptly made by Hartson. Subsequently the liquor, bearing the Canadian label, was delivered and paid for at a nearby garage.

"This evidence, in our judgment, suffices to sustain the charge of conspiracy by Lyons and Hartson that Hartson should sell the imported liquors to Parks."

When the circuit court of appeals affirmed the conviction of Hartson it had before it the full record of testimony by the Government agents that they had purchased, transported, and sold liquor as Government agents in an effort to detect crime among criminals whom they suspected of being guilty of violating the law. Not only that, but the circuit court of appeals had before it the plea of Hartson that he had been entrapped by this procedure on the part of the Government agents, and it thought so little of the plea of entrapment that in its decision it ignored it.

Now, what happened to Lyons? As has been stated, Lyons filed an affidavit of prejudice against Judge Cooper and asked for a severance, so that he might be tried under another judge. The severance was granted. But notwithstanding the fact that this man Lyons accused Judge Cooper of prejudice, at a later time he came back into Judge Cooper's court and pleaded guilty. He did not stand trial.

HAYES AND DE FRANZO CASES

Now, with respect to Hayes and De Franzo, whose case likewise was appealed to the circuit court of appeals and can be found in 14 Federal (2d) 561 and on, the Government agents testified as in the other cases. They did not conceal any of the facts about their activities. In this case the defendants pleaded entrapment and requested an instruction of the trial judge. The judge, none other than Judge Cooper, instructed the jury as follows:

"If a person is entirely innocent, has no thought of committing a crime, no means of committing a crime, no desire to commit a crime, no such thing is in his mind—if a person, thus innocent, having no thought or intention or desire to commit or violate any law or commit any crime, is induced to do so by the solicitation and entreatment, the persuasion and insistence planted in the mind of the person, the desire and the intention to do it and he does it which except for said insistence and persuasion he would not otherwise have done, that is entrapment.

"Now, having that definition in mind, the defendant Hayes says that he would not have had any ale in his premises, sold any ale, or had anything to do with any ale or intoxicating liquors of any kind except for the solicitation, the entreatment, the persuasion, the insistence of Agent Parks. If that be so, then he is not guilty of the crime of conspiracy and he is not guilty of any of the offenses here charged. But if he was a willing seller; if he was engaged in the business, or if he only awaited an opportunity to sell, and all that Agent Parks and the other agents did was to give him an opportunity to sell, why, then, he is guilty of such offenses as the evidence warrants you in finding him guilty of."

The jury convicted; the case was appealed to the circuit court of appeals, which again, as in the preceding case, took its affirmative action without even referring to the issue of entrapment which was one of the principal pleas raised before it.

If ever there was an instance where the rule of res adjudicata could be applied, that is more outstanding than these cases, counsel has not heard of it. But the facts of record were not submitted to this committee for its consideration as they should have been by the one who brought these charges against Judge Cooper.

Mr. LAGUARDIA has tried to raise a question in the mind of this committee as to whether the entrapment of individuals suspected of engaging in criminal acts in violation of Federal law by Government officers, specifically directed by their superior officers to detect crime, is of itself a violation of the law, when the acts of these agents include the purchase, transportation, and sale of intoxicating liquors. This question was raised on the appeal in these three cases and the circuit court of appeals for the second circuit, after reviewing the testimony, the record of the trial, the instructions to the jury, decided that the Government agents in these particular cases about which Mr. LAGUARDIA has complained did not violate any law, but were performing their duty as they should have done.

All of these things complained about by Mr. LAGUARDIA, Mr. CELLER, and Mr. BLACK of New York happened back in 1924. But it affords an opportunity for the "wets" to harass and make weak-kneed certain judges who are enforcing the prohibition laws, despite the drawbacks and handicaps the States of New York, Maryland, and others have hampered them with. It is so seldom that we find a judge in New York who is strictly enforcing the prohibition law, that I am going to see that this one gets a fair deal and that he is properly defended before this Congress.

Mr. GRAHAM. Mr. Speaker, I do not suppose it is necessary to reply to this fiery oration by the distinguished gentleman from Texas. He has drawn upon his imagination for the facts to a degree most astonishing. One would suppose that he was guide, counsellor, and friend of the committee, taking the deliberations into his care as to what should be done, and that he was the special guardian of the judge, and that the committee was not looking after his interests in the slightest degree.

I wish to say to the House that this matter is being as carefully guarded in the proceedings as if the gentleman from Texas were the real counsel for the judge from Albany. [Laughter and applause.] Your committee is simply asking that they be permitted to swear witnesses who come before them rather than to go through the farce of having a man stand there not under oath and making a statement. In other words, the gentlemen who presented the articles of charges have themselves demanded the right of cross-examination. Our committee had declared, following, as we understood it, the plan which the gentleman from New York [Mr. LAGUARDIA] had outlined, that he was to make a statement, and then if the judge cared to make a statement he would be permitted to do so, and then the committee would take into consideration the matter and dispose of it.

It seems that when the gentleman from New York came before the committee he made nothing but a legal argument and presented documents from the Treasury Department, which had been submitted to it by the prohibition agent. He promised to produce the prohibition agent before the committee, but he failed to do it. I called the prohibition agent to the stand in order that we might examine him and force the gentleman to conduct his case in accordance with the original outline. In point of fact, the ruling of the committee was carefully guarded, and never at any stage of the proceedings was it decided that Judge Cooper should be compelled to testify. Such an unheard-of proceeding never entered the mind of anybody on the committee. It was after the hearing was closed and after we said that Judge Cooper could not be called to the stand by the gentleman from New York that he himself came to the chairman of the committee and asked permission to make a statement. That statement was made by him voluntarily, without coercion or any intimation from the committee itself.

Now, then, the demand was made on the committee for cross-examination. Rather than have it go out to the country and the world or to this House that anybody was being denied the privilege which they might have a legal right to demand, we considered what we would do in executive session, and we decided to close the mouths of those who might make such an assertion by giving to those who desired it the right to cross-examine persons presented as witnesses. We were notified by the gentleman presenting the charges that there would be four or five witnesses called. Do you think we wanted to sit there like mummies and let them make statements not under oath?

This committee will take care of the judge's reputation and character, with the closest scrutiny and guardianship, until there is disclosed something that may be made the basis of charges other than the frivolous things thus far asserted. [Applause.]

Mr. LAGUARDIA. Will the gentleman yield me three minutes?

Mr. GRAHAM. I do not think there is any necessity of further debate.

Mr. LAGUARDIA. But the gentleman has characterized the charges as frivolous.

Mr. GRAHAM. I will yield the gentleman three minutes.

Mr. LAGUARDIA. Mr. Speaker, I think the country and the world and this House, to which the distinguished gentleman from Pennsylvania has just referred, can get a pretty good notion of what the gentleman from New York is up against when the chairman of the committee takes an official document submitted by the Secretary of the Treasury to the United States Senate and describes it as a frivolous thing. My charges are based on that report. The gentleman criticizes the gentleman from Texas [Mr. BLANTON] for seeking to be the counsel for the defense, and yet he has put the gentleman from New York [Mr. LAGUARDIA] on trial rather than the judge who is before him for trial.

Mr. BLANTON. Well, he has gotten the right man all right. [Laughter.]

Mr. LAGUARDIA. The gentleman from Texas danced attendance upon the judge, but the judge brushed him aside and said that he would not want to be contaminated with the help of the gentleman from Texas.

Mr. BLANTON. That is not so.

Mr. LAGUARDIA. Did not the gentleman dance around him yesterday?

Mr. BLANTON. No. I never spoke to him in my life. However, he did ring me up over long-distance telephone, but he has never yet seen me to know me. We have never met personally.

Mr. LAGUARDIA. Then how did the gentleman know so much about it?

Mr. BLANTON. Because I investigated the gentleman's charges.

Mr. LAGUARDIA. How?

Mr. BLANTON. Oh, I have means of doing it, just the same as the gentleman has, except that they are more reliable and authentic.

Mr. LAGUARDIA. The gentleman did not take that sort of attitude when he was after Fenning. Mr. Speaker, I presented to the committee an official document from the Secretary of the Treasury, and it is not upon me to call the witness before the Committee on the Judiciary. That witness was in town at the very time that I was being upbraided for not producing him before the committee. I welcome this opportunity of presenting witnesses under oath, but I ask the chairman in all

fairness not to draw conclusions in advance and close his mind to an impartial and fair investigation of these very serious charges.

Mr. CELLER. Mr. Speaker, I ask the gentleman from Pennsylvania to yield me two minutes.

Mr. GRAHAM. Mr. Speaker, I call for a vote.

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

The resolution was agreed to.

EXTENSION OF REMARKS

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD upon the subject of the contemplated impeachment against Judge Cooper.

The SPEAKER. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

Mr. GRAHAM. Mr. Speaker, I object.

Mr. CELLER. Mr. Speaker, I ask the gentleman from Pennsylvania to withdraw his objection. I want to put into the RECORD some American and English precedents on impeachment.

The SPEAKER. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD by inserting therein certain precedents on the subject of impeachment. Is there objection?

Mr. WILLIAMSON. Mr. Speaker, I object.

Mr. BLANTON. Mr. Speaker, I rise to prefer a unanimous-consent request concerning charges that the gentleman from Massachusetts [Mr. TREADWAY] made that the National Tribune was collecting money from veterans of the Civil and Spanish-American Wars concerning its petitions that had been placed in the RECORD. I have a letter that I wrote to the Tribune demanding that they furnish a statement of what moneys they have collected, and I have their reply. I ask unanimous consent to put those in the RECORD.

The SPEAKER. Is there objection?

Mr. CELLER. Mr. Speaker, I object.

Mr. GRIFFIN. Mr. Speaker, I ask unanimous consent to print an editorial from the Iron Age on the bill H. R. 3846.

The SPEAKER. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD by printing an article which appeared in the Iron Age. Is there objection?

Mr. WILLIAMSON. Mr. Speaker, I object.

IMPORTATION OF MILK AND CREAM

Mr. HAUGEN. Mr. Speaker, I call up from the Speaker's table the bill (H. R. 11768) to regulate the importation of milk and cream into the United States for the purpose of promoting the dairy industry of the United States and protecting the public health, with Senate amendments thereto, and move to concur in the Senate amendments.

The SPEAKER. The gentleman from Iowa moves to take from the Speaker's table the bill H. R. 11768 and recede and concur in the Senate amendments.

Mr. BLACK of New York. Mr. Speaker, I make the point of order against the motion upon the ground that the amendments inserted in the bill by the Senate are such that must be considered in Committee of the Whole.

The SPEAKER. The Clerk will report the Senate amendments.

The Clerk read as follows:

Page 4, after line 12, insert:

"The Secretary of Agriculture is directed to waive the requirements of paragraphs 2 and 5 of section 2 of this act in so far as the same relate to milk when issuing permits to operators of, or to producers for delivery to, creameries and condensing plants in the United States within 20 miles of the point of production of milk, and who import no raw milk except for Pasteurization or condensing: *Provided*, That if milk imported when the requirements of paragraphs 2 and 5 of section 2 have been so waived is sold, used, or disposed of in its raw state, or otherwise than as Pasteurized, condensed, or evaporated milk by any person, the permit shall be revoked and the importer shall be subjected to fine, imprisonment, or other penalty prescribed by this act."

Page 4, line 20, strike out all after "cream," down to and including "time," in line 2, page 5, and insert: ": *Provided, however*, That unless and until the Secretary of Agriculture shall provide for inspections to ascertain that paragraphs 1, 2, and 3 of section 2 have been complied with, the Secretary of Agriculture shall issue temporary permits to any applicants therefor to ship or transport milk and/or cream into the United States."

Page 5, line 6, after "has," insert: "failed to comply with the provisions of or has."

The SPEAKER. The Chair will hear the gentleman from New York.

Mr. BLACK of New York. Mr. Speaker, these amendments clearly go to the financial features of the bill. In the first amendment the Secretary of Agriculture may cut down the revenues by waiving certain requirements in respect to the issuance of permits, and at the same time in the proviso in that amendment may add to the cost of inspection by creating a new penalty and a new violation. The same is true of the second amendment, which also cuts down the requirement for permits. In the bill on page 3 the Secretary of Agriculture is permitted to issue regulations prior to the issuance of permits in compliance with those regulations. It is the usual thing for the Secretary of Agriculture vested with this power to require that money be paid for these permits, and anything that goes to the number of permits, to the increase of inspection, goes to the revenue features of the legislation.

I call the attention of the Speaker, though I presume it is not necessary to do so, to section 843 of the Manual, which requires that:

All motions or propositions involving a tax or charge upon the people; all proceedings touching appropriations of money, or bills making appropriations of money or property, or requiring such appropriations to be made, or authorizing payments out of appropriations already made, or releasing any liability to the United States for money or property, or referring any claim to the Court of Claims, shall be first considered in a Committee of the Whole.

This bill does not make an appropriation. It authorizes an appropriation. Through this blanket power given to the Secretary of Agriculture by page 3 of the bill, it authorizes him to draw up his own regulations, and it authorizes the making of license fees.

These amendments do affect the revenue from such licenses and applications for they dispense with permits in certain cases, and on the other hand in certain cases of adding to the cost of carrying the provisions on.

Mr. LAGUARDIA. In other words, it involves an expenditure?

Mr. BLACK of New York. Involves an expenditure of public moneys.

Mr. SNELL. Mr. Speaker, under paragraph 860 of the Manual—

House bills with Senate amendments which do not require consideration in a Committee of the Whole may be at once disposed of as the House may determine, as may also Senate bills substantially the same as House bills already favorably reported by a committee of the House, and not required to be considered in Committee of the Whole, be disposed of in the same manner on motion directed to be made by such committee.

As a matter of fact the amendments to which the gentleman from New York [Mr. BLACK] refers are entirely in accordance with provision of the rule just read and do not come under the provisions of section 843 at all, and the provision read by him in no way applies to the question in hand. The amendments of the Senate are simply limiting amendments, and they simply affect in a very minor degree the main provisions of the bill, or merely affect the administration or working out of the bill, and in no way affect the revenue produced by the bill. The House bill is changed only to a slight degree, and there is absolutely nothing in the amendments which involve consideration by the Committee of the Whole House, in regard to which, the gentleman from Iowa proposes to concur at this time.

Mr. LAGUARDIA. It collects a substantial sum, bringing it within the rule——

Mr. SNELL. That is a violent conclusion. The amendments do not affect the general purposes of the Senate bill in any way, shape, form, or manner, and in no way affect the revenue collected under the bill.

Mr. LAGUARDIA. It gives a greater latitude.

Mr. SNELL. You might say in one way that it does, but the main purpose of the bill is not changed.

Mr. BLACK of New York. As a matter of fact, do not the Senate amendments extend to the number of permits to be issued?

Mr. SNELL. I think so.

Mr. BLACK of New York. Then it does affect the revenues?

Mr. SNELL. It does not affect the revenues in any way, shape, or manner, for the permits have nothing whatever to do with the revenue collected under the bill. They are simply a matter of regulation provided for under the main bill.

The SPEAKER. The Chair is ready to rule.

A very recent decision of the House itself holds that if any amendment or provision makes a charge upon the Treasury it must appear upon the face of the bill itself. The House went so far even as to hold that the Speaker might not make use of any knowledge he might possess that a charge on the Treas-

ury would necessarily follow. The effect of the decision of the House is that any provision must show on its face beyond any possibility of speculation or doubt that a charge upon the Treasury is in fact created. The Chair is unable to see language in these amendments on their face which would cause the Chair to be certain of there being a charge on the Treasury and overrules the point of order.

Mr. BLACK of New York. Mr. Speaker, I have an amendment——

The SPEAKER. Does the gentleman from Iowa yield the floor for the purpose of allowing the gentleman from New York to offer an amendment?

Mr. BLACK of New York. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BLACK of New York. The gentleman from Iowa moves to recede and concur in the Senate amendment. The only thing before the House now is his motion. I want to offer an amendment to the motion——

The SPEAKER. The gentleman from Iowa has the floor for one hour, and the motion of the gentleman from Iowa is preferential.

Mr. TABER. Mr. Speaker, the gentleman from Iowa [Mr. HAUGEN] yielded to me.

The SPEAKER. The gentleman from New York is recognized.

Mr. TABER. Mr. Speaker, the amendments adopted by the Senate to this bill liberalize the bill a little bit, so that Pasteurizing plants on this side of the line may receive milk that is produced on the other side of the line within 20 miles of the plant under certain conditions. That amendment was said by the Sheffield farm people and other large distributers of milk to make the bill satisfactory to them. It does not hurt the bill any, in so far as keeping out their milk is concerned, because the milk which is so imported is subsequently Pasteurized, and the importer will still be liable and subject to the penalties prescribed by the act if it is not Pasteurized. The other amendments are amendments of detail and have no substantial effect.

I want to say this one word with reference to the New York City situation and to show the House just how far afield some of their statements have been. The total importations of milk during June, July, and August, 1926, according to the statistics of the Department of Agriculture and the Department of Commerce, are only 3,600,000 quarts.

Mr. LAGUARDIA. Was that more than the usual consumption?

Mr. TABER. That was more than the usual importation. The total consumption in New York City per day is 3,000,000 quarts, so that at the peak of the season the importation is only as much as 3 per cent of the total consumption in New York City, and the effect of this bill making those people who import comply with the regulations of a sanitary nature that are required in this act can not be serious, so far as New York City is concerned.

Mr. BRIGHAM. Mr. Speaker, will the gentleman yield there?

Mr. TABER. Yes.

Mr. BRIGHAM. Can the gentleman tell us the amounts imported in November and December?

Mr. TABER. Somewhere between 400,000 and 500,000 gallons, or 2,000,000 quarts, per month. The large importation is in the summer.

Mr. LAGUARDIA. In the other months there is a sufficient domestic supply?

Mr. TABER. Yes; in all the months there is a sufficient domestic supply. By the provisions of the bill the supply will not be cut off. It simply means that the Canadian producers will clean up.

Mr. NEWTON of Minnesota. Mr. Speaker, will the gentleman yield there?

Mr. TABER. Yes.

Mr. NEWTON of Minnesota. What the gentleman has said with reference to the Senate amendment would apply not only in New York, but it would not harm the situation anywhere throughout the country?

Mr. TABER. It would not. Unless they tried to bring in dirty milk.

Mr. HAUGEN. Mr. Speaker, I yield five minutes to the gentleman from New York [Mr. BLACK].

The SPEAKER. The gentleman from New York is recognized for five minutes.

Mr. BLACK of New York. Mr. Speaker and gentlemen of the House, this bill has only one purpose in view. It is not in the interest of the health of the people of the city of New York at all. This bill is for the purpose of giving to the Secretary of Agriculture the power to raise the price of milk for the people of the city of New York. It gives him the power of embargo over the milk coming into the city of New York. It gives him the power to deprive the people of the city of New York of milk.

The health commissioner of New York City, Doctor Harris, is opposed to this bill. He is a man whose regard for the health of the people of the city of New York has been confirmed by statements not only from his own party but from Republicans of the State of New York.

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

Mr. BLACK of New York. Yes.

Mr. GRIFFIN. Does not the amendment affect other cities along the northern border?

Mr. BLACK of New York. Yes; the gentlemen who are guardians of the cows and have been for a number of years are coming down to protect our people.

Mr. GRIFFIN. Would not the amendment affect all the other cities along the southern side of the Canada border?

Mr. BLACK of New York. Yes.

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

Mr. BLACK of New York. Yes.

Mr. SNELL. In what respect does it change the specifications in regard to the milk coming into New York—anything that would interfere with Doctor Harris's regulations?

Mr. BLACK of New York. Doctor Harris might be satisfied with certain milk, but the Secretary of Agriculture may prevent the same milk coming into New York; milk that otherwise would come in. It is not in the interest of the people of the city of New York, but in the interest of the farmers of the gentleman's district. You never worry about the children of the city of New York.

Mr. TABER. Does the gentleman object to the people in New York City having pure milk?

Mr. BLACK of New York. I object to the people of the city of New York not having milk unless they have to get it from you folks up the State. You people all your lives never gave a thought to the people of the city of New York until the last campaign.

Mr. BROWNE. The gentleman seems to differ with that distinguished Senator from New York City, DOCTOR COPELAND, who believes that this is a health measure for the benefit of the people of New York.

Mr. BLACK of New York. Oh, I disagree with COPELAND so much that I begin to think I am a consistent contradicter of COPELAND. When he lines up with TABER and SNELL, then he does not go along with me. [Laughter.]

Mr. BROWNE. I am sure the Senator would change his views if he knew where you stand. [Laughter.]

Mr. BLACK of New York. I am not particularly interested in straightening him out. This is a pure graft proposition, not a sanitary proposition. The alibi is health.

Mr. WAINWRIGHT. How does the Governor of New York stand on this pure-milk proposition as it affects the city of New York?

Mr. BLACK of New York. The Governor of the State of New York has already been for pure milk for the people of the city of New York. He has always been for a reasonable cost of living for the people of the city of New York. He has been one of the best friends of the farmers of the State of New York; and it does not behoove the Secretary of Agriculture, with such a governor in New York, to be doing a little bit of manipulation.

Mr. WAINWRIGHT. That is not an answer to my question. I asked the gentleman what the attitude of the Governor of the State of New York was on this bill.

Mr. BLACK of New York. I will not go to jail if I do not answer the gentleman.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. HAUGEN. Mr. Speaker, I yield one minute to the gentleman from New York [Mr. LAGUARDIA].

Mr. LAGUARDIA. Mr. Speaker, I fired all the ammunition I had on this bill when it was before the House. I know I can not stop it now, because it is going to pass in a very few minutes. I simply want to reiterate what I said before: This is an embargo bill. I am sure we are going to have a shortage of milk in New York City, which is going to enhance the price of milk, and I will be here next session to give you the information, and in all fairness I want the gentleman who offered it to be here at that time.

Mr. HAUGEN. Mr. Speaker, I yield three minutes to the gentleman from Kansas [Mr. TINCHER].

Mr. TINCHER. Mr. Speaker, I suppose every Member of the House remembers what this bill is. Most every State of the United States has imposed the tuberculin test upon dairy herds and have imposed certain sanitary regulations that must be

complied with by the dairymen of America. Canada will not comply with those regulations so long as they can bring their milk in without that compliance. Placing human life above the ambitions of Canadian dairymen in not testing their herds your Committee on Agriculture reported this bill, and so far as I know they are still supporting it.

Mr. HAUGEN. Mr. Speaker, I move the previous question.

Mr. BLACK of New York. Mr. Speaker, I have an amendment pending, but I withdraw my amendment in view of the tactics of the gentleman from Iowa in not giving me a chance to offer it.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Iowa to concur in the Senate amendments.

The Senate amendments were concurred in.

THE M'NARY-HAUGEN FARM RELIEF BILL

Mr. HAUGEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 15474) to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities.

The motion was agreed to.

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

The Clerk read the title of the bill.

Mr. HAUGEN. Mr. Chairman, I ask the gentleman from Kentucky [Mr. KINCHELOE] to use a part of his time.

Mr. KINCHELOE. Mr. Chairman, I yield myself 30 minutes. [Applause.]

Mr. ANDRESEN. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Minnesota makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and twenty-one Members are present, a quorum, and the gentleman from Kentucky is recognized for 30 minutes.

Mr. KINCHELOE. Mr. Chairman and gentlemen of the committee, I voted against the so-called McNary-Haugen bill on two occasions in this House on account of many objectionable features in that bill, which I have not the time and shall not undertake here to state, but what I want to do, if the House will indulge me awhile, is to try to explain the so-called McNary-Haugen bill that is now before you for consideration.

In a speech I made in the last session of the Congress on the bill, I tried to state my ideas for helping agriculture. If I had my way about it, and my party were in power, I would not be for any one of these bills now pending before Congress. If I had my way about remedying the helpless condition of agriculture, I would go to a different committee than the Committee on Agriculture. I realize that at this hour agriculture in this country, from ocean to ocean and from the Gulf to the Lakes, has creeping paralysis. Regardless of the products or regardless of the organizations the farmers have come about to their end.

As a member of the Agricultural Committee for four years, I have sat around the table and heard the wailing cry of agriculture throughout this country on every commodity, and whenever a man says to me that there is no problem in agriculture of this country, I do not think he knows what he is talking about. I say to you as a Democrat that I think this condition has been brought about largely by discriminatory legislation in behalf of other businesses and other industries in this country, which have levied a sad toll on the agricultural interests of this country. [Applause.] If I had my way about it, I would go to the Ways and Means Committee first, as this Democratic minority has tried to do in this Congress. I would reduce the tariff, prohibitive in many respects as to the necessaries of life, in a way that all manufactured articles which the farmer has to buy would cost him less. In that way I would increase the purchasing power of his dollar. I would make it possible for the manufacturers of Europe to come to this country and sell their products in open competition with the manufacturers of this country, whereby they could get American money with which to buy the surplus products of the American farmer and take them back to Europe, where they are so much needed. And I am no free trader nor do I want to hurt any legitimate business in this country.

I would go before the Committee on Interstate and Foreign Commerce and seek to have brought in a bill which would reduce the almost prohibitive freight rates upon the agricultural products of this country. I would develop Muscle Shoals so that the American farmer could buy his fertilizer cheaper. [Applause.] I would continue developing the inland waterways of this country, which will do more toward solving the problem of freight rates in this country than anything else. [Applause.]

But I realize that as long as this Republican administration is in power this can not be done. I agree in principle with the speech which the gentleman from Alabama, Mr. HUDDLESTON, made the other day; but when it comes to the point where I know this can not be done, and when I know that over 700,000 farmers of this Nation in the last four years have gone into bankruptcy and have been forced from their homes and from the farms where they once enjoyed prosperity and happiness to other pursuits in life, representing a population of over two and a half million people who were once happily engaged in agricultural pursuits on the farm, and who in this period of time have gone into bankruptcy by reason of conditions over which they had no control; and in view of the further fact that these other remedial legislative measures which I have enumerated can not be enacted under this Republican administration, as a Member of Congress, I am going to forego some of my opinions about the McNary-Haugen bill, resolve the doubt in favor of the bill, and give American agriculture and the American farmer a chance on this proposition. [Applause.]

I realize that in the debate yesterday we had some facetious talks, some unkind criticisms, but I am sorry to say the House was without any further information after that was done. [Laughter and applause.]

Now, what does the Haugen bill provide? The most autocratic Haugen bill ever introduced here since I have been in Congress was the first McNary-Haugen bill. The gentleman from Kansas, who is a great agriculturalist, says that one Member of Congress once said that there comes a time in a man's life when he should rise above principle, and when he refers to a man rising above principle, I presume he refers to the man who is going to support this bill. The first man who ever rose above principle in respect to this McNary-Haugen bill was the gentleman from Kansas himself, when he so eloquently and enthusiastically supported the first McNary-Haugen bill, when the wheat farmers of his country were flat on their backs.

The gentleman from Louisiana says by innuendo if not directly that the packers are for this bill and therefore everybody who is for this bill is controlled by the packers. These gentlemen are two great, outstanding agriculturalists in this country, the gentleman from Kansas, who raises nothing but wheat, and the gentleman from Louisiana, who raises cotton.

I come to you as a Representative on the floor of this House who has the honor to represent one of the greatest diversified farming districts in America, where we can raise practically everything except tropical fruits; and yet all the farmers of my country are practically bankrupt, regardless of the products they raise. I am in favor of giving these two distinguished gentlemen the degree of D. A. E.—doctor of agriculture and economics—the gentleman from Kansas and the gentleman from Louisiana.

This bill is the most democratic in its terms of any of these bills, and I mean by that, it is more representative and the farmers have all the say about it. It is a farmer's bill. It provides for an agricultural board with the Secretary of Agriculture as an ex officio member, and with one member from each farm land-bank district in the United States. These members are to be appointed by the President and confirmed by the Senate. But how are their names to be submitted to the President of the United States? The cooperative organizations and the farm organizations of the United States shall meet at the various Federal land banks or the cities in which they are located and submit the names of three men, whom they choose, to the President of the United States for appointment on this board, and the President of the United States must appoint one of these three men, and then he must be confirmed by the Senate.

The bill further sets up an advisory council composed of direct representatives of each basic commodity set up in this bill, which, as it is written, are corn, wheat, swine, cotton, and rice. How are these members of the advisory board selected? The Farm Loan Board select these seven members, who are representatives of the farmers engaged in each basic commodity, from lists submitted to them by the cooperative marketing associations and other farm organizations handling that specific commodity. They are to be the direct representatives of the farmers engaged in that specific commodity. They are to be the intermediary and the mouthpiece in the enforcement and the administration of this law between the farmer who raises this specific commodity and the farm board which is going to administer the law.

With this machinery set up, when you vote for this bill, my friends, you are not voting for an equalization fee on any com-

modity. You are voting to set up a piece of Federal machinery, which is going to give the farmers of each of these specific basic commodities the right to say whether they want an operating period declared or not. It is not like the former bills. You do not vote to put any equalization fee on any specific commodity by voting for this bill.

We have the same thing in connection with the Federal reserve system. If a State bank in any one of the States wants to join the Federal reserve system, the Federal Reserve Board says to this bank, "There is nothing compulsory about your coming in. You can come in if you want to; but if you do come in, you have got to comply with the laws and regulations of the Federal reserve system."

This board, when it is appointed, says to the farmers engaged in the production of such specific basic commodity, "You do not have to come in unless you want to; but if you do come in, you must comply with the laws and regulations as set out in this bill."

Suppose this was the law to-day. Let us take wheat as an illustration. What has got to be done in order for an operating period to be declared on wheat? First and foremost, the advisory council, which is representative of the growers of wheat, elected by the growers of wheat, must come to this board and ask for an operating period. Not only that, but the cooperative marketing associations of wheat and other organizations with respect to wheat must also come and ask this board to declare an operating period. Then the board, under this bill, still can not declare an operating period after all that is done. What else must be done? The members of this farm loan board, a sufficient number of them, representing land-bank districts in the United States that produce as much as 50 per cent of all the wheat raised in America, must first ask for it.

These three requests, gentlemen, must be made for it before the board can declare it. The board elected by the farmers, the advisory counsel elected by the farmers of that specific commodity, and the farmers themselves. When that is done they declare an operative period. Of course, the farmers that do not belong to cooperative marketing or other farm organizations raising wheat will not have any vote in the selection of the board or the advisory council. Neither does the taxpayer of the United States, notwithstanding he is paying taxes—State, county, and National—have any say in the election of officers to control these political units unless he votes. But he has got to pay his taxes whether he votes or not. He does not have to vote. No farmer under this bill has to go into the organization, and I would not vote for any bill that would compel him to go in.

Now, let us see—the operative period is declared on wheat and an equalization fee is fixed. And when it is fixed everybody must pay it pursuant to the definition set out in the bill.

Now, when the operative period is fixed the termination of it can be made in the same way and by the same people who start the operative period. When they come in the equalization fee is levied, and if it proves a benefit to the wheat farmer the man outside the organization gets the same benefit as the man inside the organization. Same thing with the other basic commodities. Suppose they go in. Suppose it is bad, suppose it is not a success, suppose it does not increase the price of wheat—do you think the farmers in the cooperative association and other organizations and their representatives are going to be fools enough to stay in when it does them no good? Why, if it is of no benefit to those in the organization and no benefit to those that are out they can get out the same way as they got in. They can get out whenever they want to. How?

These same organizations can come with their advisory council of seven men and with their votes in the Farm Loan Board representing 50 per cent of the commodity, and say, "Yes; we went in, we thought it would do us good, we paid the equalization fee, but we see after it is tried out it won't do, and we want to get out," and when they do that they can get out the same way they got in.

That, in subsance, is this bill. I never liked the equalization fee and I do not like it now. But if it is going to be good for the farmers on the inside of the organization, it is going to be good for those that are out. If it is going to be bad for those that go in, they are going to get out and you need not be uneasy about that.

The bill may not be perfect; no other great bill has been. When the time comes I am going to offer an amendment to put tobacco in the bill as a basic commodity. The Burley Cooperative Association of Kentucky with 105,000 members, the Dark Tobacco Association of Kentucky, Tennessee, and Indiana with 73,000 members, have been against the McNary-Haugen bill up to now because they thought they could carry the load and get through. But they have changed. They will tell you so themselves, because they have carried the load as long as they can carry it. They say they do not know whether the equalization fee is going to be a success, but they want to try it because they can carry the tobacco proposition no longer and they are gone anyway without something is done. Same way with most other farmers.

The gentleman from Kansas [Mr. TINCHER] says he thought that the bill was for food products. I suspect the gentleman did think so, for I doubt if he has read the bill enough to know about it. [Laughter.] It provides for agricultural commodities, and why should not tobacco be in it if the tobacco people want it? Tobacco is the only product which the American farmer raises that pays $390,000,000 into the Federal Treasury every year. [Applause.]

I do not know whether it is constitutional or not. I have tried in my humble way as a lawyer to satisfy my mind about it, but this is a unique piece of legislation. From the investigation I have made there has been no law passed that the courts have construed is sufficiently parallel to satisfy my own mind about it. The courts have construed the commerce clause of the Constitution. They have construed the taxing power of the Constitution; but, as I say, there is no parallel case to this. But let me tell you this: I do not know whether you have read the majority report on this bill or not, but it is the ablest report that I have ever read since I have been in Congress. I do not know who wrote the report, but it contains the best arguments for the constitutionality of this bill that I have ever read.

But in view of the precarious condition of agriculture, in view of the fact that I have not been able to find any parallel cases that would satisfy my mind about this, in view of the fact that every farm organization in the United States, with the exception of the Grange, and that the American Federation of Labor, consisting of 4,000,000 men, have come before the Agricultural Committee of the House and asked that this bill be enacted into law, I am going to resolve my doubt in favor of the bill and vote for it and let it be tried. [Applause.] And the great Grange organization has not declared against the McNary-Haugen bill. It merely declared for the debenture plan.

I want to show you a striking thing about agriculture. I was amused at the gentleman from Kansas [Mr. TINCHER] yesterday. He brought in two big maps and sandwiched himself between them and then never referred to either one of them. When he got through I was reminded of the story of the teacher who asked the children to write an essay upon the pin.

One boy wrote a rather prolix one, and in the course of it he claimed that the pin had saved the lives of thousands of people. After the teacher had read it he said to the boy, "What do you mean by the pin having saved the lives of thousands of people?" The boy replied that the pin had saved those lives because those people had never swallowed any. [Laughter.] The gentleman from Kansas saved himself by never referring to either one of these maps. When the gentleman comes to diagnosing legislation and chastising everybody who disagrees with him, he reminds me of the greyhound who runs by sight instead of scent. [Applause.] I have here a map that is prepared by the Bureau of Economics in the Department of Agriculture, which was loaned to me by my friend from New York, Mr. JACOBSTEIN, who, in my judgment, is the greatest economist in this House. [Applause.] Start at 1910 with nonagricultural products and 30 farm products. They run along together pretty well until 1915. The purchasing power of the farmer's dollar stood up as well as theirs. After the war came on and it was evident that we were going to get into it, both of them started to rise in price, and when it got to 1920, look how much higher the nonagricultural products went than the 30 agricultural commodities. That low place of the line of agricultural commodities represents a loss of $3,000,000,000 to the American farmer in 1920, because he did not get his proportion of high price for the commodities that he raised, as compared with what he had to buy. From 1920 up to 1926 look how they dropped. That period of 1921 until December, 1926, represents a loss of $15,000,000,000 to the agricultural interests of this country. There are two reasons for that: One, the iniquitous Fordney-McCumber tariff bill, which has provided a tariff so high that it has cut off competition in this country on many items, holds up the manufactured products, and the other, the Esch-Cummins railroad bill, which gives the Interstate Commerce Commission power to fix such rates as will yield the railroads a certain return, also helps to hold up the price.

Gentlemen, the 30,000,000 people on the farm can not live on this low line down here with those people on the high line above them. One of two things must happen. You have either got to

lower the nonagricultural products part of the way down or raise the agricultural products up. If I had my way about it, I would lower the nonagricultural products part of the way down and bring them down to meet the farmer. [Applause.] However, under this administration you can not do that. Every time the farmer buys a dollar's worth of manufactured products for himself or his family he pays tribute. It is true that there is no tariff upon agricultural implements, but there is a very high tariff on everything that goes into them. He pays his toll every time he buys a dollar's worth. Every time the people up here buy, they come down and get a discount. I tell you manufacturing gentlemen from New England, from Boston, from Massachusetts, that these 30,000,000 people, regardless of their present political affiliations, are not going to stand much longer the deep reward that you receive by reason of the discriminatory legislation in the way of a tariff and railroad rates. By their votes in the near future, if something is not done for agriculture, as sure as the sun shines they are going to elect a Congress and President who will take some of the pillars out of this great superstructure built up by discriminatory legislation. [Applause on the Democratic side.]

Mr. Chairman, last Tuesday night, by a strange coincidence, the Secretary of the Interior gave a dinner to the President of the United States and his wife at the Pan American Building. It was a wonderful banquet. Henry Ford came in his private car to attend that banquet, and gave out a statement in this morning's paper that he wants Coolidge reelected in 1928. Mr. Rockefeller was invited. Mr. Gary, of the Steel Trust, was invited, also Mr. Firestone, of the rubber-tire manufacturers, and Mr. Schwab and Mr. O'Leary, the president of the United States Chamber of Commerce, and many other notables, and, according to this clipping from the Washington Post, farmer Ned McLean's newspaper, if all of these people who were invited had attended, there would have been represented at the banquet a capital of $5,000,000,000, and it all occurred right at the time when this farm legislation was to be discussed at both ends of the Capitol.

I say it was a wonderful banquet. They held it in the Pan American Building, with its beautiful symmetrical columns, its Parian marble, under chandeliers that shone with all of the scintillations of a diamond, amid a pageantry of flowers that exuded their fragrance everywhere, amid the strains of music that fell as gently on the tympanum of the ear as a snowdrop on a mountain peak. Why, the feast of Belshazzar was a barn dance compared with that dinner. [Laughter.]

Mr. BARKLEY. Does my colleague intimate that the Secretary of the Interior invited no farmers to attend that dinner?

Mr. KINCHELOE. Oh, he had some of the Ned McLean's farmer type there, and just suppose if a vote on this McNary-Haugen bill had been taken at that banquet, including the President of the United States, how many votes do you suppose it would have gotten? Yet the pathetic thing about it is that 60 per cent of all the wealth that those people there possess was made possible by the discriminatory legislation in the way of tariff and railroad rates and other discriminatory laws on the statute books of the United States, that 60 per cent being contributed by the consumers, including these 30,000,000 farmers of the United States. [Applause.]

In favor of the McNary-Haugen bill—no. Why? It is "economically unsound." Everything you bring here for the benefit of the farmer is "economically unsound." The distinguished farmer from Kansas said it was economically unsound, and the distinguished gentleman from Louisiana, he says it is not only economically unsound—while not in the same stentorian tones of the gentleman from Kansas, but in a finer key, he says also that it is communistic.

Mr. ASWELL. Will the gentleman yield; he referred to me?

Mr. KINCHELOE. I will yield to his excellency.

Mr. ASWELL. I would like to ask the gentleman from Kentucky, on the roll call of the Committee on Agriculture in voting out this bill how did the gentleman vote?

Mr. KINCHELOE. I voted against reporting it. That is my answer.

Mr. ASWELL. But I have not finished. Will the gentleman vote for this Haugen bill as it now stands without amendment?

Mr. KINCHELOE. I will. I will answer the gentleman. [Applause.]

Mr. ASWELL. Will——

Mr. KINCHELOE. I have answered the gentleman's question and I trust he will not take up my time. I will say, gentlemen, at the last session of Congress when the "triplets" were reported out of the committee over my protest and at the gentleman's solicitation——

Mr. ASWELL. That is not true; I made no protest.

Mr. KINCHELOE. The gentleman mildly acquiesced.

The CHAIRMAN. The gentleman has consumed 30 minutes.

Mr. KINCHELOE. I will yield myself 15 additional minutes.

The CHAIRMAN. The gentleman is recognized for 15 minutes.

Mr. KINCHELOE. I followed the gentleman. I made a speech here in my humble way and said I would vote for his bill, and they went before the Rules Committee and got a triple rule—Damon and Pythias, the gentleman from Kansas and the gentleman from Louisiana; and after they got the rule and both of them offered their bills as substitutes in the Committee of the Whole House on the state of the Union, why, bless the Lord, they left me high and dry and withdrew them without getting to a vote. Gentlemen, these distinguished guests around the banquet Tuesday night—they could have taken one white chip off their financial stack in a collection and raised enough revenue to produce a revolving fund to put the agriculture of America on its feet. But they say it is economically unsound. Gentlemen, it may be unsound; I do not know; but the Capitol Hill to-day is being shelled with propaganda from big business organizations everywhere saying that it is economically unsound. If you are going to help the farmer now, you can do it by passing this bill, for it is the only one that has a chance. Who is against this bill? The United States Chamber of Commerce shelling Capitol Hill, the President bringing all the pressure to bear on you gentlemen on that side—Republican—against the bill.

Cotton exchanges are against the bill. Big millers are against the bill. Packers are against the bill, and, notwithstanding the statement of the gentleman from Kansas and the gentleman from Louisiana yesterday, the packers are against the bill. I am going to refer to that in a later speech, and I shall prove by good authority how they stand on this bill. The big interests are against the bill. Who is in favor of the bill? Every farm organization in the United States is for the bill. What are we going to do? Do you not believe these farm organizations have discussed this bill at every crossroads in the United States? They know what they are talking about. They know what they want; but if it is not going to help the farmer, if it is not going to help to raise him up to here [illustrating], I tell you that banquet would never have been held the other night. This bill would not have been shelled, at both ends of the Capitol, except by big business. Now, I am not discussing the merits or the demerits of any other bill, but I know and you know that the only bill that has got a chance of becoming a law at this session of Congress is the McNary-Haugen bill. [Applause.]

The gentleman from Kansas [Mr. TINCHER], of course, is the spokesman of the President. The gentleman from Kansas and the gentleman from Louisiana [Mr. ASWELL] in the last session quit both their bills and never gave anybody a chance to vote on them. But if the gentleman from Kansas can get enough division between the Crisp bill and the Aswell bill and a majority not voting for the Haugen bill he will have accomplished his purpose. I do not blame him. While the gentleman from Louisiana is not intentionally doing so, yet he is nevertheless contributing to a repetition of that situation.

The Washington Post says no Senator could be misled into thinking that the President favors the Haugen bill. He does not. If passed, he will veto it. And we were assured by the gentleman from Kansas yesterday that this bill would never become a law. I do not know how you feel about it. The vote is going finally to come, gentlemen, in the next few days upon the final passage of this McNary-Haugen bill.

My tobacco farmers and the tobacco farmers of other States have changed position on this question because they have gone as far as they can. They say that the cooperatives and marketing associations have carried this load as long as they can carry it. They held the price of tobacco, but last year, when the Dark Tobacco Association released its members, the price went down, and it is down now.

This board does not have the power to buy a dollar's worth of this basic product. It is no price fixing bill. It is simply a stabilization bill to take care of the surplus. Are you going to say to the farmers of this country that they can not raise a surplus? If you do not continue to raise a surplus of wheat in this Nation, the wheat-consuming public of the other nations of the world will get their wheat from somewhere else. If you do not continue to raise a surplus of cotton in this Nation, the cotton-consuming nations of the world will get their cotton somewhere else. If you can not continue to raise a surplus of tobacco in this Nation, the consumers of tobacco of other nations of the world will get it somewhere else, notwithstanding it is called a "food product." Gentlemen, I never heard of it being called "a food product" in my life until it was so called by the gentleman from Kansas yesterday, and the only moment when I have been led to think it might be "a food

product" is when I see the gentleman from Kansas masticating and emasculating a great big quid of it, or paralyzing a cigar. [Laughter.]

The only purpose of this bill is to take care of the surplus. The political economists of this Nation, many of them, have told me—and I believe it is true—that there is no domestic commodity now in this bill where, over a period of five years, there is either a domestic surplus or a world-wide surplus. If that is true, and you put on the equalization fee here, and every man bears his share of the burden and the load, it will yield a sufficient revenue to carry this surplus over a series of years.

I say to you cotton people that I do not know anything about the details of cotton, but I believe, as firmly as I stand here, that if the news could go out to this Nation to-morrow to the effect that this bill, with cotton in it as a basic commodity, should become a law, cotton would go up 8 or 10 cents a pound overnight. [Applause.] I believe if it were to go out to the country that tobacco is a basic commodity in this bill and this bill should become a law it would solve the problem of the tobacco producers. But, gentlemen, you must have some money to do it. A revolving fund of $250,000,000 is in this bill, the same as in the other bill. This bill starts with as much capital as the other two bills. Tobacco is taken care of in the bill introduced by the gentleman from Louisiana [Mr. ASWELL], and also, along with all other commodities, in the bill introduced by the gentleman from Georgia [Mr. CRISP]. But I am talking particularly about a bill that will produce capital enough to do the work; if not, it will be a failure.

We raise in this country from 200,000,000 to 250,000,000 bushels surplus of wheat practically every year. We raise altogether in this country annually from 750,000,000 to 800,000,000 bushels of wheat. The American people consume only 600,000,000 bushels. It would take all the capital in this revolving fund in the bill of the gentleman from Georgia and in the bill of the gentleman from Louisiana to take care of wheat alone. It would take more than that to take care of the surplus tobacco in one year. It would take more than that to take care of the surplus cotton of this country.

Gentlemen, pass any kind of legislation like this you want to, but let us go into it with a bill that is going to provide sufficient money, so that we can hold this surplus and say to the Tobacco Trust and the trade gamblers in wheat and cotton that we are not only going to take this surplus off the market and feed it by orderly process into the markets of the world, but we are going to have enough capital, and we are going to feed it in our own good time and in our own good way. And that is all we ask in this bill.

Gentlemen, all that these 30,000,000 people on the farms are asking for is to provide and take care of the surplus in an orderly way and hold it over. They want a decent domestic price. They are entitled to that. Will the McNary-Haugen bill do it? I do not know; but I do believe that if there is any bill here that will do it, it will. [Applause.] And the American farmers have said they want it.

They talk about a few fellows here like Peek. I have not seen Peek in a year and a half, but I do know that the patriotic representatives of American farm organizations all over this country say, "We want it," and the tobacco people say, "We want it, and we want an equalization fee on it, and we want to start paying that equalization fee as soon as an operating period is declared." And I want every commodity to pay this equalization fee and pay it then.

The gentleman from Louisiana [Mr. ASWELL] said, with all the complacency in the world, that aside from the 56 offices created by this McNary-Haugen bill, there will be 50,000 new offices created under it. Where he got that idea I do not know.

I do not know how many there will be, but under this bill they are going to put in the discretion of this board the power to levy an equalization fee either on transportation, on processing, or on sale, and when you give this board that power do you not think they are going to administer this law as cheaply as they can?

Now, gentlemen may differ with the gentleman from Iowa [Mr. DICKINSON] on the question of putting the equalization fee on Canadian wheat by putting it on transportation. However, I do not think there is any doubt in the world but what this board, under the power given it in this bill to put the equalization fee on transportation, on processing, or on sale, as they please, will have the power to do that. The gentleman from Kansas talked about the delegation of the power of Congress to this board. Did we not delegate it to the President of the United States under the flexible tariff provision of the Fordney-McCumber tariff law?

Did we not delegate it to the Interstate Commerce Commission when we gave them the power to fix freight rates? We have delegated it everywhere. And I will go a step further than the gentleman from Iowa. If an American representative of wheat is in Europe or an American representative of tobacco is in Europe and he makes a sale over there and that sale is consummated there, I believe that under this bill this board has the power to put the equalization fee on its transportation before it ever gets to the seaboard. That was thoroughly discussed in this tobacco meeting, the question of whether this proposition was sound or not, and there were some very good lawyers there, too.

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

Mr. KINCHELOE. Mr. Chairman, I yield myself an additional five minutes. Gentlemen, in conclusion, I want to appeal to you who represent agricultural districts. Do not fool yourselves. You are going to continue to be shelled and this Capitol Hill is being shelled this morning more than ever since I have been here by big business everywhere. But I want to see the farmers of this country go together. I want to see this equalization fee operative at once; that is, I want to see it made available so that the farmers producing a specific commodity can say, "We want to participate in the benefits of this bill if there are any in it," but when they do that I want every commodity to pay the equalization fee at once. They talk about the need of 50,000 Government employees to enforce the bill, but when you give that board the power to put the equalization fee on transportation, on the processing or on the sale you can collect that equalization fee with a very few Federal officers in addition to the officers of the Government we already have.

Gentlemen, this is a question we are going to decide this coming week.

Mr. KETCHAM. Will the gentleman yield?

Mr. KINCHELOE. Yes.

Mr. KETCHAM. Referring to your own tobacco cooperatives, will the gentleman take the time to tell the committee the reason why your tobacco cooperatives broke down?

Mr. KINCHELOE. I will say to the gentleman because there was not a big enough per cent in it. The only ones who had the load to hold and the ones who had to wait for their money were the members of the association. They were the only parties in it. They held this surplus and they are holding it now; they held it and are still holding it, and the only ones who are penalized are the ones who go in because they do not get all the money down. If every grower of tobacco were in the cooperative it would be a success.

Mr. KETCHAM. This will do it, will it not?

Mr. KINCHELOE. This will do it. As I say, I do not know whether the equalization fee is constitutional or not; I do not know whether it is going to be popular or not, but if the equalization fee has one virtue I will tell you what virtue it is and that is it will curtail overproduction more than anything that is contained in any of these other bills. [Applause.] Why, take tobacco. You have seven great tobacco farmers representing each type of tobacco, as my amendment will provide. You will have seven men chosen by the tobacco farmers. You will have them as intermediaries between the growers and the board.

They can say to them, "When you come in you are all going to pay an equalization fee," and they can tell from statistics and from making a survey just what conditions are, and they can say to them, "Do not grow over so much tobacco." They can tell them not to plant more than so many acres, because if they do it is going to decrease the price by increasing the equalization fee. They will tell them that if they do that in any one year they will be penalized the next year. Their Representatives will tell them that, and, in my judgment, the only thing contained in any of these bills which will act as a deterrent in regard to overproduction is the equalization fee.

They say they ought to diversify. As I say, they do diversify in my district. My district raises everything except tropical fruits. What is the farmer going to do under the present arrangement and where he appears on this chart? If he quits tobacco and goes to raising wheat, he goes in competition with the bankrupt wheat growers. If he goes to raising more corn, he goes in competition with the bankrupt corn men; if he goes to raising more swine—although it is true swine brought a good price this year because of the scarcity of hogs—he goes into competition with swine raisers somewhere else.

These cooperatives and these other organizations have carried the load as long as they can. They ask Congress to give them a revolving fund which is no greater than the revolving funds provided for in these other bills. They ask Congress

to let them try it and finance it themselves, and then if it is a failure they will quit; but so far as I am concerned, gentlemen, representing a diversified agricultural district, by my vote I am going to give the farmers an opportunity to try this out and see whether it will succeed. [Applause.]

Mr. ASWELL. Mr. Chairman, I yield myself seven minutes. [Applause.]

Mr. Chairman and gentlemen of the committee, for three long years the gentleman from Kentucky [Mr. KINCHELOE] and I have worked shoulder to shoulder in the committee, in the House, and in the conferences in opposition to the Haugen bill. Three times he grew more excited and vicious on this floor against the Haugen bill than he was to-day in favor of it. In every hearing of the committee he was offensive in his attacks upon the Haugen bill. I have the record showing that when this Haugen bill was reported out of the Committee on Agriculture by a roll call, the gentleman from Kentucky made it noticeable that he voted "no." The gentleman also voted to substitute every bill for the Haugen bill that was offered in the committee.

In my address yesterday I very carefully refrained from remotely referring to the gentleman from Kentucky because I understood his embarrassing situation, and I sympathize with him and I like him. I am amazed that he would come here this morning without any reason or excuse, misquote my language of yesterday, and make an unwarranted and offensive attack on me when I have been his friend and have sympathized with his embarrassing position at home.

Mr. KINCHELOE. Will the gentleman yield?

Mr. ASWELL. No. Three or four days ago we received a telegram, without personal signature, signed by the Dark Tobacco Association of Hopkinsville, Ky., and the gentleman, after all his noise and fights in the committee and in the House against the Haugen bill, he collapsed, and now sacrifices his position in the committee and in the Congress by turning turtle and taking to the tall timber. [Laughter.]

I once taught a Latin class. The sentence to be translated from the Latin language to the English was the simple sentence—"The spirit is willing but the flesh is weak." A boy in the class had not studied his lesson. He hesitated and then he took a shot at it and said, "The ghost is anxious, but the animal is feeble." [Laughter.]

During all these years the gentleman from Kentucky, defending constitutional government against Bolshevism, sovietism, and communism in America, had his ghost anxious to stand erect, the spirit was willing, but when he gets a telegram without a personal signature, but signed by the manager of a dark tobacco association now reported to be in the hands of a receiver, when this manager perhaps who had not discussed the matter with five tobacco growers, wired KINCHELOE, the animal grows feeble and the flesh grows weak. That is the pathetic situation of the gentleman.

Mr. KINCHELOE. Will the gentleman now yield?

Mr. ASWELL. I will not.

Mr. KINCHELOE. I will say to the gentleman that this tobacco association is not in the hands of a receiver and the gentleman ought to learn something about tobacco.

Mr. ASWELL. It is so reported to me, but it does not make any difference about that. The gentleman knows that this little telegram frightened him, sent him to the woods. [Laughter and applause.]

Mr. TINCHER. Mr. Chairman, I yield 45 minutes to the gentleman from New Jersey, a member of the committee, Mr. FORT.

Mr. PURNELL. Mr. Chairman, before the gentleman from New Jersey proceeds, may I inquire about the time?

The CHAIRMAN (Mr. LEAVITT). The gentleman from Iowa [Mr. HAUGEN] has 3 hours and 13 minutes remaining; the gentleman from Louisiana [Mr. ASWELL] has 1 hour and 5 minutes remaining; the gentleman from Kansas [Mr. TINCHER] has 1 hour and 58 minutes remaining; and the gentleman from Kentucky [Mr. KINCHELOE] has 50 minutes remaining.

Mr. FORT. Mr. Chairman and gentlemen of the committee, the gentleman from Massachusetts [Mr. UNDERHILL] the other day told me a story which seems applicable to the position of the gentleman from Kentucky [Mr. KINCHELOE] as just outlined by the gentleman from Louisiana [Mr. ASWELL]. He said that there was a colored man arrested down South for deserting his wife, and when he appeared before the judge and asked what the charge was, the judge said, "Desertion. Are you guilty or not guilty?" The colored man said, "Desertion? Jedge, has you seen my wife?" The judge said, "Yes," and the colored man replied, "Well, then, jedge, don't you know I ain't no deserter; I'se a refugee." [Laughter.] And the gentleman from Kentucky has joined the rest of the refugees on the Haugen bill.

On the details of the Haugen bill, I am going to beg leave to refer the Members of the House to the minority report on the bill. We believe that in that statement of our views we have sufficiently pointed out that the legislation is open to practically every one of the attacks which caused this House last spring to vote overwhelmingly against its passage. We believe we have in addition shown that the bill this year contains additional and serious defects.

We have charged in the report that this bill contains at least the following defects, as to no one of which has there been an answer to date upon the floor of this House:

We charge that it guarantees profits to packers and millers, but not to the farmer.

We charge that it would kill cooperative marketing organizations in the United States; that it is unworkable in detail; that it is a price-fixing measure; that it will upset all of the existing channels of trade, so that when, as eventually it must, it is abandoned because of its defects no channels will remain for operation.

We charge it will supply cheaper feed to foreign livestock raisers to compete with the American raiser of livestock. We charge that if it works to increase prices as promised it is certain to increase production; and, finally, we charge that the equalization fee plan is wrong in principle and in theory.

I am going to reserve a little of my time for later in the debate in the event that in the interim any of the proponents of this bill attempt to answer any of these objections. Neither in last year's debate nor thus far in this debate has any Member on this floor attempted to answer one of these propositions. Therefore, I would request of the gentlemen supporting the bill, who have four hours left on this side and an hour on that side to spend some of that time in meeting some of the objections that have been raised to this legislation. For example, can anyone deny that it promises the packers a profit at the expense of the farmers?

I want to confine myself, if I may, to a discussion of the real fundamentals of farm legislation. Three times this House has had before it a McNary-Haugen bill. Twice it has defeated that bill. Still it is back here again for discussion. It seems to me purposeless, in view of that fact, to deny that there is a sincere group of men in the United States who believe in it. To deny that these men have succeeded in persuading some of the farmers that it is good is also purposeless. Indeed, sincerity almost approaches fanaticism in the minds of some of its advocates. The McNary-Haugen bill has become in the minds of a large number of people a symbol of hope, just as 16 to 1 was a symbol of hope 30 years ago; and just as 16 to 1 was removed from their minds only by a demonstration to them that its fundamental theory and purpose was an error, so it seems to me here in this House we must approach this question from its fundamentals and not, as we have done in the past, by merely picking out the details that were caused by the faulty fundamentals and could never be made workable.

If the House will bear with me, I want to go into a brief history of this type of legislation in the United States. In the first place, it is based on a real problem. If there were no problem, it could not have lasted in the public mind as it has. The American farmer is not in the financial and economic condition that he wants to be nor in the condition that he reasonably ought to be. He has not quite reached the point, but he is afraid that he is going to lose his ancient relative position in the economic scale—somewhere between the capitalist and the laborer since he combined the ownership of property with the labor of his hands.

What is the cause of it? Overproduction. When I say overproduction I do not mean a definite figure in bushels of wheat or a definite figure in bales of cotton, but I mean a production too great to be able to be sold at a profit. That is the definition of surplus given by the eminent gentleman from New York [Mr. JACOBSTEIN] before our committee, and for the purposes of such discussions it is the definition we must use.

The American farmer has been producing too much to sell at a profit. One year, 1924, he produced too many hogs and too many potatoes. In 1925 he produced too much corn. In 1926 he produced too much cotton and too many apples—and I have found since the minority report was filed too much rice.

What is the cause of overproduction? Well, the overproduction started in the United States before the war, but we did not realize it. It started, probably, when we began to use machinery extensively on the farm. The adoption of machinery required fewer hands. We added to it by our policies of reclamation and irrigation. Then the rest of the world took a hand, and particularly since we have restricted immigration, so that emigration from Europe must flow elsewhere, there has been a tremendous opening of new land to production in

Australia, Canada, and the Argentine, and, of course, virgin soil and cheap labor can produce cheaper than we.

Then came the war, and we speeded up everything in the United States to force production as a war measure. We did that whether it was farming or manufacturing, whether it was transportation or what you please—everywhere we could get an additional ounce of production of any kind we went out and got it. Consequently we opened millions of additional acres of land in this Nation to production. We are not through with the demobilization of agriculture yet.

After the war we found that every nation in Europe, every nation of the world, started to increase its domestic production. All of our foreign customers started to increase their production at home as a safety guard for future war, if for no other reason. Our markets were reduced by the efforts of our old customers, and consequently overproduction became greater by the reduction of the demand. And, finally, and most important in the whole picture, most immediate in its effects, high prices brought excess production. Under the stimulus of war we are now told that the wheat price was fixed low. It was fixed at over $2, and why? To get more wheat, to induce the American farmer to plow up his barnyards, because as a war measure we needed every pound of wheat that American soil could produce.

The high price of rice in 1924 and 1925, is why rice this year is a basic commodity under the Haugen bill. When the price rose from $1.10 in 1923 to $1.54 in 1925, the acreage in 1926 increased nearly 20 per cent. Now, we have a surplus and rice is called a basic commodity. Wherever you touch the price with an artificial enhancement—or even with a natural enhancement that goes beyond the bounds of ordinary expectation of the farmer—you increase the acreage planted.

So, when this overproduction arose from all these causes and brought low prices with it, we were faced with the need of finding a remedy for the bad economic condition in which the farmer found himself. There was a remedy at hand of which neither then nor now does anyone advocate the application in the United States of America—and that is compulsory decrease of production. You are not in favor of it, I am not in favor of it; but that would solve the problem. Instead of a direct curb upon production, men who have searched for a cure have produced the Haugen bill.

What is the real principle underlying the Haugen bill type of projected legislation? I will tell you what I think it is and how I think it all originated. Some man who was thinking of a cure heard somebody say that the manufacturer dumped his surplus abroad—that thanks to the aid of the tariff wall for his domestic market, he dumped his surplus abroad. Having heard that, he said, "Well, if the manufacturer can get rich while dumping this surplus abroad, why not the farmer?" And from that thought has come the Haugen bill in all its different phases.

Does the manufacturer dump overproduction abroad? Sometimes; yes. The industry as a whole, never; the individual manufacturer, sometimes. If the International Harvester Co. has a 1926-model harvesting machine and it makes an improvement in 1927, it sells the improved model at home, and to avoid competition between the two models sells the old model abroad for what it can get. So do the motor-car people. Occasionally an individual manufacturer in some staple line finding himself overstocked, dumps the overstock lest it become out of fashion. But it is always the individual who does it, and never the trade as a whole. And there, in that distinction, is the point that has been overlooked by the proponents of this type of legislation. They have attempted to apply to the agricultural industry as a whole the rule that in manufacturing industry applies to the individual only.

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

Mr. FORT. Not at this point. I shall yield in a very few minutes. What else does the manufacturer do when he dumps? He stops producing what he dumps. He does not go on producing the same model at the present time that he can not sell in this country and has to sell abroad at a loss, nor continue his production in the same quantities. He stops producing. If he is in a general line like steel, he shuts down some furnaces until his demand catches up with his capacity.

Mr. DOWELL. The gentleman is advising the farmer to quit the farm?

Mr. FORT. I do not yield at this time. I shall come to that.

Let us put ourselves, for a picture of this situation which they are endeavoring to apply to agriculture, at one of Judge Gary's luncheons, which are supposed to fix the policy and prices in the steel industry. Let us suppose they reach this condition. We have a total steel-manufacturing capacity of 60,000,000 tons. We are making 50,000,000 tons, which we can sell at home at a profit behind the tariff wall. Let us suppose that some manufacturer who is not doing very well gets up in that meeting and says, "Gentlemen, the world can produce steel more cheaply than we can; therefore the market for steel outside of the United States is lower than the market at home. We are already producing 50,000,000 tons, and we get the full benefit of the tariff up to 50,000,000 tons of steel. We can sell it at home behind the tariff wall and get our full price plus the tariff, but would it not be nice if we would all get busy and make 60,000,000 tons and then agree that we will not sell steel at home at less than our profitable price, plus the tariff, and then take the other 10,000,000 tons and sell it abroad at a loss." I can imagine what Judge Gary would say to that sort of a proposition. He would say, "If we can sell 50,000,000 tons at a profit and get the full benefit of the tariff, what is the sense of our making 10,000,000 more tons and taking a loss to be subtracted from the profit on the 50,000,000 tons." I think that is what he would say.

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

Mr. FORT. Not now.

Do you think he would say that he thought it was a great scheme, and suggest that they pool all of their products so that those who are making a perfectly satisfactory income may help carry those who are not; so that those whom the present price compensates for the cost of producing the product may contribute to a pool to carry those who can not make steel as cheaply? Do you suppose that the man who is making a fine tool steel will come in on the pool and pay a fee in order that he may take care of the fellow who is making an inferior grade of general steel for which there is no market? Do you think that would happen at any business man's meeting? I think they would say, "Let us take some steps to limit production." There is no guarantee in the tariff principle to the steel man or to the farmer, except that the price will be maintained so that cheaper production abroad can not get in here; simply to bar out the lower production cost material of the rest of the world. And just exactly as in wheat, if the steel manufacturers of America made twice as much steel as the American market could absorb, then they would have to take their loss on it all because their competition in selling one against the other is going to lower the American price as well as the world price.

Now, my friends, the equalization-fee principle is in this legislation. And why? Because it is all done in anticipation of loss. And why is it in anticipation of loss? Because it is done to continue overproduction. There is no excuse on earth for this type of legislation unless it is designed and intended to encourage continued overproduction. If you wipe that out of the picture, if you reduce production to somewhere near the limit of demand, your board faces no loss, your farmer faces no loss, and, therefore, you need no equalization fee to pay losses with. The farmer sells his product on a protected market, and he has everything that the manufacturer under a protective tariff has. It is a proposal to try to coin losses into profits. It is a proposal to make the efficient producer carry the load for the inefficient, to make the Sea Island cotton grower of South Carolina, whose cotton always commands a premium on the world market, contribute his ratable share of a tax to maintain the price on the lowest grades of cotton grown in the South; to make the producer of the high-protein wheat of the Northwest—which to-day sells above the world's price when the premium is added for the high-protein content—to make that producer pay to carry the soft wheat of the Northwest. Neither of those classes of farmers can gain one cent from this legislation, and I ask anyone who thinks they can to take the floor right now and prove it.

Mr. BURTNESS. At this minute to prove it?

Mr. FORT. Now or later.

Mr. BURTNESS. I would be glad to establish it.

Mr. FORT. All right.

Mr. BURTNESS. Where?

Mr. FORT. Right here; go ahead.

Mr. BURTNESS. The gentleman is assuming——

Mr. FORT. If the gentleman is not going to go ahead, I will yield later.

Mr. BURTNESS. The gentleman knows he has caught me entirely unaware, without any figures, but I think I can collect my thoughts in half a minute. Of course, I assume he starts out upon the assumption that the figures submitted here the other day are correct, which is a false assumption.

Mr. FORT. Does the gentleman as a matter of fact deny that high-protein wheat comes in over the tariff wall and that adding the premium for the high-protein content some domestic wheat sells above the tariff-wall price?

Mr. BURTNESS. I do not deny that the tariff to-day is partly reflected in the price in the high-protein wheat in certain cases. I do not deny that at all.

Mr. FORT. Does the gentleman deny it sells at times above the tariff-wall price?

Mr. BURTNESS. Certainly. I deny such a thing would be impossible. Just as soon as wheat of a given quality would sell at Minneapolis for a figure above the world price by the amount of the tariff literally trainloads of wheat would be coming down from Manitoba Province into the Minneapolis and Duluth markets. That would of necessity be true whenever wheat sold at 50 or 60 cents more in those markets than at the Winnepeg market. I find the figures here. Let us take the situation in 1924, when there was more high-protein wheat of which we speak raised in the Northwest than was needed by the millers of the United States. Naturally when such is the case we arrive at an export basis in so far as price is concerned. I will give you a few figures.

Mr. FORT. Excuse me.

Mr. BURTNESS. The gentleman wants facts and I am trying to give them to him.

Mr. FORT. No tables in this speech.

Mr. BURTNESS. I assume the gentleman wants facts since I have accepted his proposition.

Mr. FORT. I want the facts.

Mr. BURTNESS. Our wheat starts movement in September, and——

Mr. FORT. Will the gentleman yield? [Laughter.]

Mr. PURNELL. The gentleman from New Jersey yielded to the gentleman from North Dakota.

Mr. FORT. I am not yielding for a stump speech.

Mr. BURTNESS. It is the figures that speak for themselves.

Mr. FORT. I asked a simple question that the gentleman has not answered. I refuse to yield further.

The CHAIRMAN. The gentleman from New Jersey refuses to yield.

Mr. BURTNESS. I will meet the gentleman on that question.

Mr. FORT. I asked a simple question, and the gentleman seems to be making a complicated answer.

Mr. BURTNESS. You asked me to prove it, and will you not let me prove it?

Mr. FORT. I refuse to yield further.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield to an inquiry relative to the effect on sea-island cotton?

Mr. FORT. Yes.

Mr. WHITTINGTON. My impression is that there is very little sea-island cotton raised in this country and that it would not have much effect.

Mr. FORT. No; that is not the question that I asked. I asked the gentleman whether, if the equalization fee proposal were applied—in the same way as I asked the gentleman from North Dakota whether, if the equalization fee were applied to the high-protein wheat—the sea-island cotton could gain any benefit in the price. The equivalent situation holds virtually for all the long-staple cotton, of which there is usually a small supply and a large demand, and for which there is always a good market.

Mr. WHITTINGTON. It has happened this past year that the yield of long-staple cotton has been better than for many years. I think there will be no effect as between the long staple and the short staple.

Mr. FORT. I think if the gentleman will examine the statistics of cotton or of wheat, even the table that was attempted to be put in by the gentleman from North Dakota [Mr. BURTNESS], he will find it to be true that the price of the high-protein wheat and the price of the long-staple cotton is controlled by factors entirely different from the factors controlling the lower grades of either commodity and that the levying of an equalization fee upon the higher grades can produce no benefit to them, even if it did produce benefit to the lower grades. It is a further fact that the lower grades are the ones which always go to make up the statistical surplus, whether it be in wheat or in cotton, and that therefore the proposal is one to raise the price of the lower grades, which constitute the bulk of the statistical surplus, by levying—whether it be in tobacco, in cotton, in wheat, or any other product—an equalization fee which under the Haugen bill must run across the whole production.

Now, that differs from any other economic proposal that I have ever heard of in that it intends and expects to make the more efficient producer, the more careful producer, the man having the natural advantages of soil and climate, for which he has paid an enhanced price in his land, carry the burden of the other man.

Mr. BURTNESS. Mr. Chairman, will the gentleman yield there for a question?

Mr. FORT. No; I have already yielded to the gentleman.

On tobacco, which we are told is to be put into this bill, there are some grades which are chiefly domestic. Under the bill they must pay their share of the tax for those other grades which are chiefly export. The high grades of tobacco which come in contact in the market with Cuban tobacco must meet also the competition of the lower grades of tobacco that come into the market and must pay their equalization fee along with those lower grades to raise the price of those parts of the crop which may, as has been suggested, be a food product but are not fit to smoke.

Mr. GARRETT of Tennessee. Mr. Chairman, will the gentleman yield there for an inquiry?

Mr. FORT. I yield.

Mr. GARRETT of Tennessee. I would like to know—the bill is silent about it—what is the interpretation of the application of this equalization fee? Will it be in the power of the board to levy a different fee on different grades of different commodities, or will it be a uniform fee?

Mr. FORT. Under the terms of the bill it seems it must be a uniform fee on the whole commodity.

Mr. GARRETT of Tennessee. Without reference to the grade?

Mr. FORT. Without reference to the grade or quality or type.

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

Mr. FORT. Yes.

Mr. BANKHEAD. Is that fact incontrovertible? There are some of us here who would like to get at some of the disputed features of the bill.

Mr. FORT. I do not see any language in this bill that permits any other interpretation.

The bill provides, in section 9:

> The board shall from time to time determine and publish the amount for each unit of weight, measure, or value designated by it, to be collected upon such unit of such basic agricultural commodity during the operations in such commodity. Such amount is hereinafter referred to as the "equalization fee."

It then provides, in section 10:

> Under such regulations as the board may prescribe there shall be paid, during operations in a basic agricultural commodity and in respect of each unit of such commodity, an "equalization fee."

In other words, the board may adopt a basis of pounds or bushels or dollars; but, having adopted any such unit, the same fee must be paid upon each such unit. No basis of distinction other than weight, measure, or value can be recognized.

Mr. NEWTON of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. FORT. Yes.

Mr. NEWTON of Minnesota. In the two previous debates on the bill it seems to have been beyond dispute that the fee would be the same, regardless of the question of grade.

Mr. BURTNESS. The gentleman from Minnesota surely knows better than that.

Mr. FORT. Mr. Chairman, I refuse to yield.

Mr. BURTNESS. But does the gentleman contend——

Mr. FORT. I refuse to yield.

Mr. DOWELL. There is not anything in the bill that permits any such construction.

Mr. FORT. Mr. Chairman, is this dispute between other Members being taken out of my time?

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

Mr. FORT. Yes.

Mr. TINCHER. If it is not all the same, and the same equalization fee on all the grades, what possible meaning could the statement have carried—the statement made by the gentleman from Iowa [Mr. DICKINSON] the other day, and he is more familiar with the subject than anybody else—that if the Crisp bill passed and this bill did not pass, if it did not apply to durum wheat, the farmers would have to raise some other kind of wheat?

Mr. FORT. If gentlemen will permit me to resume—I find I have only five minutes left——

Mr. TINCHER. You can get more time.

Mr. CRISP. What effect does the gentleman think the Haugen bill, if passed, would have on cotton?

Mr. FORT. I want to refer to that. But on the point I have just been talking about the gentleman from Iowa [Mr. DICKINSON] in a debate at Chicago last summer claimed the equalization fee as the equivalent of the check-off system as applied to enforcing membership in labor unions. The only economic theory upon which the check off can be justified is that the inefficient must be carried along by the efficient, and the claim that it is a parallel for this legislation is an admission that its purpose is the very thing I have said to you—that the real purpose of this bill is to carry on the less efficient producer and to continue overproduction.

I want to prove it to you by rice. Rice has never been thought of as a basic agricultural commodity until this year in this bill, and we never had one witness before our committee to tell us why it was basic, not one. So I got out the statistics, and what did I find? I found that for the three years prior to 1926 rice production was year after year almost identical on an acreage, the maximum of which was 895,000 and the minimum 850,000, and that the crop grown on that acreage was salable at a price increasing from $1.10 a bushel in 1923 to $1.54 in 1925. Then what happened? The $1.54 price was attractive. One hundred and sixty thousand acres of marginal lands were brought into production; the price went back to $1.10; and now rice is considered a basic commodity and is to get the protection of the Haugen bill. The price was maintained and raised and the acreage was increased because of that price; but now Congress must legislate. What for? Not because of the farmers who raised rice on 850,000 acres, a crop that could command a good price, a profitable price—not because of them, no, but because others stepped in and are overproducing on account of the good price. Now we are asked to tax the men who used to raise on the 850,000 acres—and made a profit—and all the newcomers in order to carry the burdens of overproduction. And the proof of it is in the bill itself when they put rice in as a basic commodity.

Mr. McSWAIN. Will the gentleman yield?

Mr. FORT. Yes.

Mr. McSWAIN. I wish to ask if this is the gentleman's solution—or, at least, one of the solutions the gentleman offers—for the farmer to limit his acreage?

Mr. FORT. Not by law.

Mr. McSWAIN. Just appeal to each one of the 6,000,000 farmers to let up a little bit?

Mr. FORT. Yes; but not by law.

Mr. JACOBSTEIN. Will the gentleman yield?

Mr. FORT. Yes.

Mr. JACOBSTEIN. I understand the gentleman does not believe in the equalization fee. I would like to ask the gentleman what is meant by the language in the Crisp bill which says that wherever a loss occurs it may be assessed against succeeding operations in any of the commodities concerned—assessed against whom? I refer to section 13, page 12.

Mr. FORT. The operations by the corporation.

Mr. JACOBSTEIN. That means the loss shall be assessed against the corporation?

Mr. FORT. Against the corporation absolutely, or else I certainly would not support the bill, and I have so read it at all times.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

Mr. TINCHER. Mr. Chairman, I yield the gentleman 15 additional minutes.

Mr. FORT. Now, gentlemen, I want to say something in regard to cotton. In 1924, in the first McNary-Haugen bill, was cotton in? No. You were raising 12,000,000 or 13,000,000 bales——

Mr. ASWELL. Will the gentleman yield?

Mr. FORT. Yes.

Mr. ASWELL. It was not in the first McNary-Haugen bill for the reason that a conference was held by the Members of the House and the Senate to discuss whether they would permit cotton to go in, and after discussing the question for three hours they unanimously voted to keep it out.

Mr. FULMER. Will the gentleman yield for a question right there?

Mr. FORT. No; I am sorry, but I have only 15 minutes and I have promised to yield to the gentleman from Iowa in a moment. Cotton was not in in 1924 and there was no pressure to put it in, as the gentleman from Louisiana has just said. Then what happened? You increased the acreage 6,000,000 acres in 1925 and 4,000,000 acres more in 1926, and you raised your crop to 16,000,000 bales in 1925 and to 18,000,000 bales in 1926. And now cotton is to go into the bill. What for? To protect the overproduction, to protect the increased acreage. It becomes a basic commodity under the principle of the Haugen bill as soon as the production outstrips the world's demand.

Now, what is cotton going to get under this bill? I have taken a couple of sample States in the South. Here is Georgia. Georgia imports about 2,400,000 barrels of flour a year. If this bill works, that flour will cost about $2 a barrel more than it does now. That is $5,000,000 on flour. It imports at least 20,000,000 bushels of corn a year. There are no statistics on that but there are 340,000 mules down there, there are a million and a quarter hogs, and there are other things there which require at least 20,000,000 bushels more than are raised in Georgia. That is $3,000,000, at 15 cents a bushel. They import something over 150,000,000 pounds of pork. Well, let us say we are going to raise that a cent a pound although the chairman of the committee stated the other day it was figured on a raise of 5 cents. That is about a million and a half. Then they raise 1,160,000 bales of cotton, or did in 1925, which, at $5 a bale, means $8,000,000 for equalization fees. It is going to cost Georgia between the equalization fee and the increase in flour, the increase in pork, and the increase in corn a little bit over $15,000,000.

Mr. DICKINSON of Iowa. Will the gentleman yield?

Mr. FORT. Not just now, but if the gentleman will stay on his feet I will yield a little bit later.

In 1925—and those are the statistics I am using—Georgia got 19 cents a pound for its cotton, and on a big crop of 1,160,000 bales it would have to get 22 cents a pound to pay the cost of this scheme; $15,000,000 will mean an increase of $15 a bale on its cotton alone. Now, are you going to get 22 cents a pound for cotton because of the passage of this bill? If you are, you do not want it. The head of the biggest cotton cooperative, I believe, in the South protested to me against the Crisp bill because he said that bill would put the price of cotton to 15 cents, and he said, "We do not want it. We will get too much production if it goes to 15 cents before this new crop is planted."

If 19-cent cotton produced an 18,000,000-bale crop, what will 22-cent cotton produce? And yet you have to get 3 cents a pound more on your cotton in the State of Georgia to pay for its share of the Haugen bill. Does anyone believe it will raise the price 3 cents?

In Alabama the imports of flour are only 1,900,000 barrels, but the corn imports are probably greater than in Georgia, and pork about the same. On the 1,356,000-bale crop of cotton in 1925 the equalization fee would have been about $6,800,000 even at the low figure of 1 cent a pound and it would have taken, as in the case of Georgia, just about 3 cents a pound increase of cotton to have paid the bill for the fee and the increased food costs. All of these figures, of course, only estimate a cent a pound increase in pork and the minimum equalization fee of a cent a pound on cotton.

Again I ask, Does anyone seriously believe that the Haugen bill would increase the total price for cotton, of which 60 per cent or more must be sold abroad, 3 cents a pound? If not, the Alabama farmer is out of pocket on the deal.

Now, take Florida. Florida raises the whole of 38,000 bales of cotton and they import 1,000,000 barrels of flour. If they did not import anything else, Florida in 1925 would have had to get cotton up over 30 cents before it was even.

The farmers are the men who buy these products. The farmers have not studied the thing through. You have got to translate the profit you expect to make on your cotton into paying the bill not only for the equalization fee itself but for the increased cost of everything you buy to eat and wear.

My friends, they use illustrations of plans which they say have worked. They talk about rubber. What is that plan? A definite restriction on the export of rubber; a provision that the producer must store on his farm and may not sell all his rubber without paying a heavy tax. They talk about the working of the coffee stabilization, and what is that? Every pound of coffee goes into a government warehouse and comes out of that warehouse only in the order of the date at which it went in, and can not come out except with the government's consent, and the producer carries it until it comes out.

What has Cuba done with respect to sugar? Cuba has said to its producers, "Next year you can not produce over 60 per cent of this year's cane sugar, and if you do you can not grind it."

These are the schemes other nations have taken except one. Australia had a great, big wool clip left over at the end of the war. What did they do? The Government took it over at the then price and took five years feeding it out gradually into the world trade, and took care of the current production while they were doing it, and wound up last year with a profit on the entire operation. They made no effort to raise the price. They assessed no fee against the woolgrower. They stabilized the world market by taking and storing the surplus and feeding it into the market as the market would take it.

Mr. McSWAIN. Will the gentleman again yield?

Mr. FORT. Yes.

Mr. McSWAIN. In the light of that argument, which one of the three bills does the gentleman favor, because that is a very interesting point?

Mr. FORT. The Crisp bill. I am coming to it in a moment, if I may be permitted and if time serves.

Mr. McSWAIN. I wanted to emphasize that.

Mr. FORT. Gentlemen, the distinction between all these pieces of legislation is this: Doctor ASWELL's bill is a better bill than the Haugen bill in most ways, but it proceeds also upon the theory of an export corporation. That is not what you are going to solve this problem with. If you can give it any help in the halls of legislation—short of the one you will not take, and that is a deliberate restriction of acreage—if you are going to give it any help in any other way, you have got to proceed to store and to stabilize the price; and you can not start out to stabilize that price at too much of a profit to the producer. If you start to stabilize at anything that approaches a fixed price, whether you use as the measure of your profit the tariff or any other yardstick, you lose all control upon production; and if there be one fact in this situation which is undisputed, it is that our trouble comes from overproduction. You can not do it. The rice figures prove it. The cotton figures prove it. The corn figures, in 1925, proved it. You can not stabilize price at a profitable point and stabilize production simultaneously.

Any program that looks to the exaltation of price means trouble. The gentleman from Oklahoma [Mr. MCKEOWN] has had the courage to introduce a bill, if we have the courage to vote for it, that puts the equalization fee squarely on the extra production. If we are going to do that, all right; there is merit in such a proposal, but if we are not prepared to go there—and there is argument against it as well as merit—if we are not prepared to go there, my friends, do not take the chance of going to the point of increasing price when we are now suffering from an overproduction due to high prices.

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

Mr. FORT. Yes.

Mr. JACOBSTEIN. Does not the gentleman think it would be wise, then, for us to say that this orderly marketing under any of the bills ought to set out with the purpose rather of limiting the losses to agriculture than making it profitable?

Mr. FORT. Exactly. The gentleman has put in a word the argument for the Crisp bill as I see it. The Crisp bill proposes to put a curb upon speculation; to say to the bear trader, "You can not force the price of these great basic commodities of agriculture below the cost of production to the efficient producer," to the man whose production we need; not the marginal land man, not the man who can make a profit on wheat at $2 a bushel but can not at anything less; not the man who can make a profit on cotton at 25 cents a pound but can not at anything less; not to that man, no. That man had better use his land for something else and not do an injury to every other producer of wheat or cotton by swelling the surplus. That is not what we are after. But for the man whose crop can be produced at a reasonable price, for the man who produces the grades and qualities that we want, for that man we will stabilize the market; we will say to the bear trader, "You can not force that price below the level of the cost of efficient production."

Unwarranted price depression more often comes from panic than from economic causes. The planter with 10 bales of cotton sees the price at 15 cents. He knows that is low and that if he holds on he will get a better price. Perhaps he sells a bale or two to get needed cash, but holds the rest. The price, under bear pressure and scattering spot sales, goes to 14, and he begins to worry; to 13 and he fears it may go to 8; to 12, and all the world looks dark, and he sells. The bears cover; the trade and the speculators buy because they know that no necessity permanently sells below the cost of production. The price goes back above 15 cents—but the planter has no cotton then to sell. Of the loss, 100 per cent is borne by the American planter; of the profit, 60 per cent goes to the foreign consumer of American cotton. Then comes a year of short crop. The price mounts to 18 cents. The planter hopes for 20. It goes to 20 and he holds for 25 or 30. Perhaps it goes there. Consumers begin wearing silk or wool, but, before the influence of their shift is felt, acreage has been increased and fertilizer purchased. Another big supply comes, but demand has slackened and another panicky depression follows.

A device that produces 2 cents more per pound on an 18,000,000-bale crop means one hundred and eighty million profit to the planter. If it holds down the price 2 cents on an 8,000,000-bale crop, it costs him but eighty million, and may prevent an acreage increase which would cost him much more the next year.

A corporation adequately financed to purchase at or below production cost and to carry for a favorable market, will do all that mortal mind can devise for the cotton planter, and will make money on the operation to pay dividends to its stockholders.

The Crisp bill proposes just this policy; not for cotton alone but for all agriculture. It contains a clear definition that an agricultural emergency may be found to exist whenever a surplus exists or is threatened sufficiently great to force the price below the cost of production to efficient producers. Efficient producers are defined in a way to exclude those marginal producers who can produce profitably only when the commodity commands an abnormally high price.

When these conditions exist and the board set up in the bill finds that the cooperative associations dealing in the commodity are organized well enough to speak for the producers and intelligently enough to be able to direct the handling of the surplus the board may assist the cooperatives in organizing a corporation to deal in the commodity. To this corporation it may make advances for working capital with which purchases may be made of the commodity in the market. The cotton or wheat purchased, however, is not then to be dumped in Europe but is to be stored and held for resale at a profit.

The mere presence and existence of this corporation would prevent those excessive declines in the commodity markets which produce most of the dissatisfaction and much of the financial loss of the farmer. The trade would not and could not venture to let a great Government-financed corporation acquire great quantities of cotton or wheat to be held for a profit. The trade buyer and the bear trader alike would buy in their needs at a point above the one where they expected the cooperative corporation to begin to buy. Buying only at or below the cost of production in the event that it had to buy at all, the cooperative corporation must eventually make a profit since no necessity of life sells for very long below its production cost. The hazard of the Government losing money under the Crisp bill program is very slight. The chance of the cooperative corporation making money is excellent. If it does, it must capitalize a part of its profits and distribute the balance to the members of its stockholder cooperatives.

In time, therefore, the corporation should become financed from its profits, need no further Government aid and the farmers of cotton and wheat and corn would own their own agency to manage their own business.

The plan further contains an effective curb upon overproduction, both in the fact that it carries over purchased commodities for resale and in the further fact that it prohibits advances of Government money in two successive years if in the second year there is an increase of acreage over the planting which has produced a surplus in the first year.

This bill I firmly believe will do all for agriculture that the Government can or should do. If it is adopted, it will prove the greatest forward step toward enabling the farmer to render his own business profitable that has yet been taken here or elsewhere. [Applause.]

The CHAIRMAN. The time of the gentleman from New Jersey has again expired.

Mr. PURNELL. Mr. Chairman, I yield 20 minutes to the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION of Kentucky. Mr. Chairman, ladies, and gentlemen of the House. This is the third time within three years that a farm relief bill has come before us for consideration. I regard this as being the most important question before Congress and the American Nation to-day. As I was brought up on a farm and have tried to keep in touch with the farmers and their problems ever since I left the farm, I approach this subject sympathetically and with a very strong desire to reach a conclusion that is sound economically and that will result in substantial relief to agriculture and a benefit to the Nation as a whole.

AGRICULTURE THE GREATEST BASIC INDUSTRY

I think we can all agree that agriculture is the greatest of all basic industries of the Nation. It is the great foundation source of the Nation's wealth and prosperity. In round numbers there are 6,500,000 farmers. If to these you add their wives, children, and helpers it will give you a grand total of more than 30,000,000 of our population, engaged in and directly dependent upon this industry. There is about $65,000,000,000 of capital invested in agriculture, as compared with $44,000,000,000 invested in manufacturing industries, $7,500,000,000 in mines and quarries, and $20,000,000,000 in railroads. You will observe that there is much more capital invested and many more persons engaged in agriculture than in any other industry. This industry pays out annually about $10,000,000,000 for goods and services produced by others. It supplies the raw material upon which depends other industries giving employment to over one-half of our industrial workers. It supplies about one-eighth of the total tonnage of freight carried by our railroad systems. The farm produces nearly one-half of the value of our exports. Farms and farm property represent nearly one-fifth of our tangible national wealth. The farmer pays in taxes over $2,000,000,000 toward the expenses of city, county, State, and Federal Governments. We must look to

the farmer for the food we eat and the clothing we wear. Our wealth comes from mother earth through the toil of the farmer.

In view of all of these very important considerations, the Congress of the United States as well as every citizen in every walk of life even though not engaged himself in agriculture must feel deeply concerned in the welfare of the 30,000,000 or more engaged in and dependent upon this great basic industry. Commerce, transportation, and other nonagricultural industries can not long continue prosperous if agriculture is prostrate. No nation can rise above its agriculture. The history of the nations of all the centuries teach us that the decline of their agriculture is the beginning of the decline of the nation.

AGRICULTURE PROSTRATE, OTHER INDUSTRIES PROSPEROUS

I wish briefly to point out the wide difference in the condition of agriculture of our country and nonagricultural industries, and to call your attention to the wide difference in the earnings of capital invested in agriculture and the wages received by the workers and the earnings of capital invested in other industries and the wages received by the workers.

The average return on capital invested in agriculture is about 2 per cent, while the return on capital invested in nonagricultural industries carefully managed runs all the way from 6 per cent to more than 100 per cent. The average wage of those engaged on the railroads is $2,141 per year. The average wage of those engaged in the manufacturing industries is $1,572 per year. The average income of the farmers of America is $730 per year, and this $730 includes what he uses from the farm. You will observe that on an average he does not receive one-half as much for his work as the persons engaged in nonagricultural industries, and he does not receive one-third as much income on the capital invested, yet he puts in much longer hours and there is much more drudgery connected with his labor.

I think the American consumer ought always to be willing to pay such prices for the commodities of any carefully managed concern as will yield a fair return on the investment and pay the workers engaged in that industry a good American wage. I believe in a fair return and good wages in every industry. I have voted for measures to help bring about good American wages in other industries and to make it possible for those industries to yield a fair return on the capital invested. I do not desire to pull down the workers or the investment in other legitimate industries, but I am very anxious indeed to do what I can to help bring the farmer and the workers in that industry up more on a parity with nonagricultural industries.

FARMERS MAKING MORTGAGES, OTHERS PILING UP BANK ACCOUNTS

In the year of 1920 the debts of the farmers of America were $3,500,000,000. In 1927 the debts of American farmers had grown to $12,450,000,000. Two million American farmers have lost their farms by foreclosure proceedings or are holding them through the leniency of their creditors. Since 1920 more than 3,500,000 people have gone from the farm to the city. Nine per cent of the farmhouses to-day are vacant. Since 1920 more than 3,000 banks have failed in agricultural States. In the last 15 years bankruptcy among the farming people of the United States has increased more than 1,000 per cent. The value of farm lands in America to-day is $4,000,000,000 less than 15 years ago, yet the manufacturing wealth of America for the last 10-year period has increased over $9,000,000,000. The cost of production on the farm has increased more than 100 per cent, while on the other hand, the wages of the workers on the railroads have increased since 1917 $1,763,365,874. The deposits of banks on June 30, 1914, were $21,359,842,316, and on June 30, 1926, they were $54,056,377,000, or an increase of $32,696,535,633. In the last 12 years our bank deposits have increased one and one-half times over all of our bank deposits from the signing of the Declaration of Independence up to the beginning of the World War. This tremendous increase of bank deposits has been confined largely to the cities and industrial centers. The United States Federal Trade Commission has estimated our national wealth at $373,000,000,000.

THE REPUBLICAN PLATFORM IN 1924 DECLARED FOR FARM RELIEF

All thoughtful persons who have made a study of the farm problem know there is a real problem, know that the farmer is in distress, and know that this problem must be solved. President Coolidge, in his message to Congress, said:

> The important place which agriculture holds in the economic and social life of the Nation can not be overestimated. The National Government is justified in putting forth every effort to make the open country a desirable place to live. No condition meets this requirement which fails to supply a fair return on labor expended and capital invested.

The President declares that the National Government is justified in putting forth every effort in order to enable the farmer to make a fair return on labor expended and capital invested. This the farmer is not now receiving.

The Republican Party, at its national convention held at Cleveland, Ohio, in 1924, solemnly declared:

> We recognize that agricultural activities are still struggling with adverse conditions that have brought deep distress. We pledge the party to take whatever steps are necessary to bring back the balanced conditions between agriculture, industry, and labor.

The Republican Party, in that convention in 1924, recognized and acknowledged the distressed condition of agriculture and pledged the party to take whatever steps were necessary to place agriculture on a parity with industry and labor.

Agriculture is in worse condition to-day than it was when that platform was written. It will soon be three years since that platform was adopted, and we have not yet given this relief pledged to agriculture. Our party was elected on that platform. I was elected to this House on that platform, and I wish to say to you, my colleagues, I feel honor bound to do what I can to help carry out the pledge in that platform.

The Democratic Party in national convention in New York in 1924 made about the same declaration. Seventy-five per cent of the membership of the present House and Senate were elected on those platforms, and if we vote according to the platforms upon which we were elected we can and will pass a farm relief bill and redeem our pledges to the farmers and the people of the Nation.

RAILROADS, STEEL MILLS, PACKERS, FLOUR MILLS PROSPEROUS

Since we have had under consideration this farm relief bill the newspapers have been carrying the headlines that 25 representative railroad stocks showed a new high market price and the highest figures in the history of railroad transportation. While the law limits the amount that these railroads can earn and disburse to the stockholders at not more than 5½ per cent, it appears that in 1926 one great railroad earned net more than 31 per cent; and other leading railroads earned 10, 12, 15, 18, and 20 per cent net, and the stocks of these railroads in many cases have more than doubled in value in the last six years. Thirty-seven of the great wheat-milling concerns of the Nation in a five-year period made a net profit of 200 per cent. This is an average net profit of 40 per cent. The United States Steel recently declared a stock dividend of 50 per cent. The Standard Oil for a 10-year period made a net profit each year of more than 50 per cent. Henry Ford, the great automobile manufacturer, started a few years ago with a small capital, and he is reputed to-day to be worth more than two billions of dollars, and declined some years ago an offer of $1,000,000,000 in cash for his holdings. I could go on and enumerate many, many other nonagricultural industries that have been and are now making enormous profits.

For an 8-hour day many carpenters, painters, brick and stone masons, machinists, and other mechanics are earning from ten to forty dollars per day. I believe in high wages and fair returns on the investment, but I am calling your attention to the wide difference between the returns and wages received by the farmer and the returns and wages received by those who are engaged in nonagricultural industries. This condition can not continue. If we can not lift up these 30,000,000 of people engaged in agriculture, when they get into action they are going to pull some of the other folks down.

FARM RELIEF BILL

This is the third farm relief bill that has been considered by the House and Senate within a period of three years. One of these bills was considered and defeated in 1924, the other 1926. All three of them have been called the McNary-Haugen farm relief bill because Senator McNary, who introduced the bill in the Senate, has been all of this time, and is now, the chairman of the Committee on Agriculture in the Senate, and Congressman Haugen, of Iowa, who introduced these bills in the House, has been all the time, and is now, chairman of the Committee on Agriculture in the House. These bills have taken the names of the chairmen of the Agricultural Committees of the Senate and the House.

The bill of 1924 and the bill of 1926 and the bill of 1927 have differed in some respects. I spoke and voted for the McNary-Haugen bill in 1924. I spoke and voted against the McNary-Haugen bill that came up in 1926, because that bill carried a subsidy of $375,000,000. This was a proposed bonus to be given to the farmers, and the sponsors of the bill at that time frankly admitted that this subsidy was put in the bill in order to secure

votes for the bill. No one representing the farmers of the Nation had asked for a subsidy, and, in fact, the farm representatives who appeared before the Committee on Agriculture stated very positively that the farmers did not desire a gift from the Government or anybody else. The subsidy provision of the bill of 1926 greatly weakened it, and I think caused its defeat. Furthermore, in 1926 the Committee on Agriculture could not agree on a bill.

There were three bills before the Committee on Agriculture and neither one of them could command a majority of the members of that committee. As the Committee on Agriculture had studied this important question for years and had had all the leading men of the Nation who desired to speak on this subject or offer suggestions before the committee, it was very confusing for the House to try to agree on one of these three bills, and the result was they were all defeated. The farmers and farm organizations themselves were very much divided. The bill that is now before us has the support of all the farm organizations of the Nation except one, and that farm organization is not against this bill, but favors another plan. It has the support of the labor organizations of the country, and it has the active support of such leading statesmen, business men, farmers, and economists like Governor Lowden, of Illinois, Vice President DAWES, Senator WATSON, of Indiana, and many other leading business men and statesmen of the country. The legislatures of many of the States have strongly indorsed this measure of farm relief. This bill has the active support of many leading Republicans of Pennsylvania, Ohio, West Virginia, California, Colorado, Minnesota, and practically all of the Republican Members from Indiana, Illinois, Iowa, Kansas, Nebraska, Minnesota, and of course has the active support of practically all the Members of many of the States of the South and Southwest. It has a considerable support in the East, and in fact has a commanding majority both in the House and Senate. It is a bill around which a majority of the sentiment among the farmers and those who favor farm relief is centered, and if this bill can not be passed, no bill can be passed.

WHO IS OPPOSING FARM RELIEF?

It was very gratifying to me to see the representatives of the American labor organizations appear before the Committee on Agriculture and indorse this bill. They very wisely assert that the American farmer is the best customer of industry, and the farmer can not buy the products of other industries unless he is prosperous.

Who is against this bill? The great manufacturing interests of the East and the great cities; the big newspapers of the big cities; the United States Chamber of Commerce, representing the big business of the country; the big Millers' Trust, the Tobacco Trust; grain speculators; the big packers and cotton combines; and many of the Members of the House and Senate, representing the big industrial and big city districts. Many of these are very anxious to secure the farmers' products at the smallest price possible. The whole burden of their complaint is that if this bill is passed it will increase the price of farm products to the consumers. If it is necessary to increase the price to consumers in order to give the farmer a fair rate on his investment and decent wage, every American in favor of a square deal should be willing to this, but I am of the opinion that more than likely it will not increase the price to the consumer. The Tobacco Trust, the big packers, the Millers' Trust, the cotton combine, the grain speculators, and others make billions of dollars every year from the products of the farm in buying up the farmers' products when they are cheap and holding them for the high prices. This bill will enable the farmer to hold his surplus and will give him a fair price, and the 6,500,000 farmers of the Nation will reap much of these profits that the middlemen and speculators are now getting without any advance in price to the American consumer. The most of those who are fighting this bill have fought every farm bill that the farmer wanted. They are not willing for the farmer to have any bill that gives him anything more than "three cheers." I am supporting this measure because I think it will give relief to the farmers, and the farmers want this bill.

CONGRESS HAS HELPED OTHERS

Congress has passed several bills to help the farmer, the Federal farm loan bank, the Federal land bank, the cooperative marketing act, Federal aid for roads and the protective tariff on farm products. I think all of these measures have been helpful to the farmer, but the farmer needs other relief which I think Congress can give. There is much opposition in the industrial section of the country to farm relief, yet their great prosperity and success has been due to the protective tariff laws passed by Congress. The railroads and railroad workers are very prosperous. This was made possible by the transportation act and other acts passed by Congress for the benefit of the railroads and railroad workers. The banking business of the country has been stabilized, protected, and strengthened by the Federal reserve bank act passed by Congress. The working people engaged in nonagricultural industries have been greatly benefited by the protective tariff and by the strict anti-immigration laws passed by Congress, and I could name other groups and industries that have been benefited by the acts of Congress, but one great group has been neglected, and that is the farmers. The big interests and many of the big bankers who have been helped by Congress strongly oppose Congress giving this relief to the farmers. The President has shown his deep interest in agriculture. Some say he will approve this measure and other say he will veto it. I do not know what action he will take. I deem it my duty to support it. I shall follow the dictates of my own conscience.

IT WILL BRING RELIEF

I think most of us can agree that the reason agriculture has been declining is because it is unorganized. Labor and nonagricultural industries are enjoying good wages and good returns as the result of systematic organization. Many of those who now oppose this legislation urge that we leave it to the cooperative associations to solve the problem of the farmers, but these same persons strongly opposed Congress passing the cooperative marketing act of 1922. The cooperative associations or organizations are merely farm unions. I would be perfectly willing for the cooperative associations to handle this situation if they were able to do so. Time and experience have proved to us that they can not bring the relief to which they are entitled. If a large percentage of the country could be brought into cooperative associations then their united efforts would afford them substantial relief. There are about 6,500,000 farmers covering practically every section of 48 States. Because of the large number of them, widely scattered over this great country with a diversity of products, location to markets, financial differences, and other conditions it is humanly impossible to bring them together in a completely effective working organization. They can not in the very nature of things organize as the railroads, mines, and other groups of industrial owners, and workers.

The cooperative associations have accomplished much good, but those who are not in the cooperative associations are able to nullify the good work of those who are in the associations. In Kentucky we have the Burley and Dark Tobacco Cooperative Associations. The territory producing burley tobacco is very much limited. Some of the ablest and brightest minds in the country have been handling these tobacco associations. They have accomplished a great deal of good for the tobacco growers. There are three great tobacco concerns that buy practically all of our tobacco.

The cooperative associations have struggled to avoid overproduction. They have borrowed millions of dollars from the Government to carry over the surplus tobacco in the fat years so that it may be orderly marketed during the lean years. Those who pool their tobacco must usually wait until the tobacco can be sold to receive their pay. Along comes these big tobacco interests and pick out the men who are not in the association and pay to them the price or a little more than is paid to the cooperatives, and pay it all to them when their tobacco is delivered, and point out to these the advantages of not being in the cooperative associations. There are so many farmers and their families who are driven by stern necessity to make the best bargain possible for themselves. Those who are not in the pool do not feel any necessity to limit the acreage. They put out as big a crop as possible and get the same price the cooperatives get, or perhaps more. The cooperatives are the men that borrow the money, take the surplus off the market, maintain the price, and suffer the losses. The Cooperative Tobacco Association of Kentucky raised the price from around 10 cents a pound up to 20 and 25 cents a pound. They have made a gallant fight for years to protect themselves and their neighbors, but these great tobacco trusts have worn them down year by year, and they find themselves now facing disaster. Of course, if all the tobacco growers would go into the association and each one bear his part of the burden of protecting the tobacco growers' interest, and each one receive his part of the reward, there would be no necessity for this legislation. The tobacco growers and other farmers of Kentucky are in a bad way. Positive evidence was brought to us that the farm lands of Kentucky to-day will not bring 80 per cent of their assessed value. There are thousands of acres of fine blue-grass land for which there was a ready market at $100 or more per acre before the World War that can be bought to-day for $50 per acre or less.

Many good farmers are forced to borrow money to pay their taxes. Tens of thousands of good farms are under mortgage

and thousands of them are being sold to pay the mortgages. If this condition continues, in a few years the insurance and trust companies will own thousands and thousands of farms in Kentucky. If this bill is passed, each tobacco grower will contribute his part to protect that great industry from destruction by these great tobacco trusts. Each one will share in the benefits and each one will carry his part of the burden. This in substance will be a hundred per cent organization for the farmers, not only of tobacco, but of other commodities. The farmers can not organize and stick together, but this will enable them to organize and stick together. This will prove very beneficial to all. If conditions prevail as they now are, in a short time there will be no cooperative associations to battle against the tobacco trusts and the tobacco growers as well as the corn, wheat, and other producers will find themselves in the condition they were in before there were any farm organizations. If a few farmers' cooperatives can bring themselves substantial relief there is no doubt in my mind but what this bill will bring more relief to all the farmers. If the farmers do not hang together, they will hang separately. The farmers certainly can learn a lesson as to the benefits of organization from the working people and from those engaged in other industries. When the farmer sells his products he must deal with the organized packer, the organized miller, the organized tobacco trust, and others. When he buys the products of others or secures money he must deal with the organized banker, the organized mechanic, the organized manufacturer, and others and the only hope for the farmer is to be organized himself, and this bill does for him what he can not do for himself.

SURPLUS AND ORDERLY MARKETING

The menace to the American farmer is overproduction or surplus crops. We have our fat years and our lean years. When the supply is greater than the demand the market is glutted and the prices go tumbling. Farmers must be encouraged not to produce more than the market requires, and in the event there is a bumper crop the surplus must be taken care of in some way until there is a demand; and I might say here that, taking a five-year period, there is no surplus either in the United States or in the world. The lean years will absorb the surplus of the fat years. Under present conditions when there is a big crop, prices are low; but the farmer, because of his poverty and to meet his obligations, is forced to dump his crop on the market even though he can not get the cost of production of that crop. The Tobacco Trusts buy up his tobacco at low prices, the grain gamblers take in his grain in the same way, the packers get his cattle and hogs, and handlers of poultry products take his fowls and eggs, and they put these products that they buy at low prices in cold storage and keep them until there is a shortage, and they feed them to the market as the market can stand it at good prices, and it is these middlemen that get the profits.

Now, if this bill becomes a law it will have a tendency to bring information to all the farmers and to discourage overproduction of any commodity, and in the event there is a surplus in any one year this bill carries a revolving or loan fund of $250,000,000 to help the farmers take the surplus off the market and hold it until there is a demand for the product in the market, and when he can receive a fair price.

There are so many elements that enter into the amount of production for any one year. Late freezes, early frosts, droughts, floods, and other atmospheric conditions, and pests have much to do with the amount of production for any one year. We have always had our fat years and our lean years. This bill in operation will do for the farmers what they can not do for themselves.

A REAL FARMERS' BILL

You inquire who will administer this law and how. The United States is divided into 12 Federal reserve bank districts. There is a Federal reserve bank in each one of these 12 districts. The farm organizations and farmers of each Federal reserve bank district select four farmers and the Secretary of Agriculture selects one, and these five farm representatives submit three names to the President for appointment as a member to the Federal farm board. One member is appointed for each Federal reserve district, or 12 in all.

Some of those who are opposed to this farm bill strongly oppose the selection of the board in this manner. They think that the President ought to be free to select whomsoever he may desire; but we must not forget that the farmers themselves are going to take care of any losses that might be sustained, and this board is going to deal with the products of the farmers. As the individual property belongs to the farmers and they propose to take care of their losses, if any, we think they ought to have much to say in the selection of the men who are going to carry out the provisions of this law.

This bill further provides that the producers of any commodity themselves select a council of seven members, who are to advise with and assist with this Federal farm board. You will observe this will bring to the Federal farm board the requirements and needs and knowledge of those engaged in every industry. Now, you say, how is this going to operate to aid the farmers?

$250,000,000 LOAN FUND AND EQUALIZATION FEE

This bill covers corn, wheat, hogs, cotton, tobacco, etc. Let us take tobacco, for instance. Whenever seven members of this Federal farm board and seven members of the advisory council selected by the tobacco growers to represent them, and a substantial number of the organizations engaged in the production of tobacco, and at least 50 per cent of the tobacco producers agree that there is a surplus or is about to be a surplus that will force the price of tobacco down below a fair price, this Federal farm board may place in operation this law and use such an amount of the $250,000,000 as may be necessary to take the surplus off the market and hold it for orderly marketing, and as this operation will control all the tobacco unsold, these big tobacco buyers must come to this organization to get their tobacco and they must pay a fair price. Tobacco trusts will not be able to go around and pick up tobacco crops here and yonder and break the price. Now, in order to protect the Government for this loan, a small fee will be charged on each pound of tobacco. Some people say that the farmers would object to paying an equalization fee. Unless something is done for the farmers the day is not far distant when tobacco will sell for $10 a hundred or less, on the average. This year tobacco is selling for $6 less on the hundred than last year and still going down. The farmers can well afford to pay a small equalization fee if the price is kept up so that the farmer may receive a living price for his tobacco, or his corn, wheat, hogs, cotton, etc. The burden will not be great because all the farmers of each commodity will be standing together shoulder to shoulder and they will all receive the benefits. The railroad boys are receiving three times as much on the average for their work as the average farmer and his family receive, because the railroad boys have stood together.

This equalization fee is required so as to guarantee the Government against loss on the loan, but if this matter is properly handled this equalization fee will be charged as part of the cost of production on the tobacco when it is sold and the equalization fee will be recovered back with additional benefits.

The Burley Tobacco Cooperative Association borrowed millions of dollars from the Government to take surplus off of the market and they had wonderful success in holding up the price and of course would have had much better success if all the tobacco growers had stood together.

At any time after the Federal farm board has taken over any commodity and placed it under the operation of this law, if the board, the advisory council, and producers of each commodity feel that their particular commodity should be taken out from under the operation of the law they can so declare. In other words, the producers of a commodity do not have to go into this unless they want to, and they can get out of it at such time as they desire.

IT MAY NOT BE PERFECT

Some of those representing the big business interests of the Nation and many of the great newspapers of the great cities and some Members of the House and Senate have pointed out what they regard as unworkable features of this bill. It may have some faults. This bill will directly affect something like 30,000,000 of people and $65,000,000,000 of investment.

This is a new field of legislation. There is no mind in America to-day comprehensive enough to produce a measure covering this situation perfectly. When Congress passed the Federal reserve act many distinguished men like Elihu Root, Senator BORAH, Senator CUMMINS, Congressman BURTON, and others predicted dire results as those of them who are now living predict about this bill.

While it was not perfect, and Congress has amended it many times since, it has proven to be one of the greatest blessings that has come to this country. We passed the transportation act in 1920. Many predicted dire consequences. It was not perfect, and we were called upon to amend it in 1926 in a very important particular. The tariff act has been amended many times and in many ways. We have found it necessary to modify and amend our revenue laws in many respects. When we passed the Federal aid road act many great minds in this country claimed that it was revolutionary and predicted many

evils would follow, but while we have amended it in many respects it has proven a great blessing to the American people.

This bill represents more nearly the composite judgment of the American farmers, the American farm organizations, many careful business men, and a majority of the House and Senate. The farmers are urging us to give them a chance, give their legislation a trial, and they are willing to protect the Government against loss, and as the Republican platform in 1924 declared if it was intrusted with power it would give the farmers relief, I for one am willing to adopt this bill and give the farmers a chance. If in its operation we find that there are defects, Congress can add to that which is good and correct and strengthen the weak points. Agriculture must have relief. We must start somewhere and somehow. This appears to be a step in the right direction. The income tax law, which aids the Government now so much in revenues, required years to perfect it. The Departments of Agriculture, Labor, and Commerce, that were opposed by many, were not perfect, but we have strengthened them by many amendments suggested by experience.

Mr. FULMER. Mr. Chairman, I yield myself 20 minutes against the time of the gentleman from Kentucky [Mr. KINCHELOE].

Mr. Chairman and gentlemen of the committee, I propose to accept in my time the challenge of the big boy from Kansas [Mr. TINCHER], who stated yesterday that he challenged any member of the Committee on Agriculture to stand before the Congress and explain how cotton could be operated under this bill. [Applause.] I listened very closely to the gentleman from Kansas yesterday for 45 minutes and was splendidly entertained. He reminded me of some of those trial lawyers down in the rural districts of South Carolina before a country jury, where they have to use a lot of hot air and a good deal of bluff to win their cases. After considering his speech and reading it over I was somewhat reminded of the outcome of some of the oil wells that the gentleman has been drilling in Kansas. After they were all drilled and they looked the situation over they found the wells contained more gas than oil. [Laughter and applause.]

Mr. Chairman, a question was asked a while ago about the issuing of cotton receipts to the producer when he would sell his cotton. I shall take just a moment on that. Under the present bill they will issue to the producer a receipt at the first sale of his cotton, but the only difference will be that the producer who sells to a commercial buyer will receive a receipt for his equalization fee and go his way rejoicing, never to participate in any profits thereafter; or he can sell through the agency connected with the Federal farm board and receive his receipt, and the agency will hold the cotton off the market to be fed back into the market in an orderly way and at such time as it will demand a fair price. When they have closed the operation of this period in cotton, let it be six months or two years from the date of the commencing of the operation, the producer selling through this agency will then participate in the profits made by the agency in the operation to the extent of the number of bales sold to the agency. Now, this is not going to force any farmer into a cooperative association or to sell through this agency, but it will be a splendid inducement when he goes to market his cotton to know that he can receive just as much for his cotton from this agency on the day that he is ready to sell as he could receive from the commercial buyer, and in selling through the agency be able to participate in a profit which the agency will certainly have because of buying at or below the cost of production, selling in an orderly manner, and thereby bringing about a higher price. There is not a man on the floor of this House who will tell me now that he is not in favor of cooperative marketing. The Secretary of Agriculture—in fact, every department of the Government—believes that cooperative marketing would solve the problem, as far as cotton is concerned, if they could secure a membership of even 75 per cent of the farmers. It is a known fact that the Government, as well as a large number of farmers, has tried in the past few years to build up cooperative marketing in this country, with very little success except in one or two instances. The trouble has been that with a small number of producers in the association and with a tremendous overhead the fellow on the outside receiving just as much benefit as the fellow on the inside, and in many instances because of receiving this benefit on the outside those producers would proceed to increase acreage and production. Therefore, cooperative marketing is practically broken down in this country.

Ever since I have been a Member of Congress the only scheme offered to the farmer is a loan scheme. My good friends Mr. TINCHER and Mr. FORT will tell you that to remedy the situation to-day we must lend the cooperative association money to hold the cotton off of the market. I want to tell you, my friends, that the farmers to-day have borrowed more money than they will ever be able to pay back. We had the opportunity in the last Congress to pass a farm relief bill, a much better bill than we have even at this time, in some respects, but many Members from the South voted against this legislation, believing, no doubt, that cotton would remain at 20 or 22 cents a pound, but it did not. In the meantime, the people of the South were blessed with good seasons and they did not have the boll weevil, and, therefore, produced an 18,000,000 bale cotton crop, the largest in the history of the production of cotton. But, while they were blessed with this large crop, it has proved to be a curse to the fellow who produced it.

The gentleman from North Carolina [Mr. POU], and my good friend from Georgia [Mr. CRISP], and others, who stood here last year and said that the bill was economically unsound and unconstitutional, not even trying to do anything to amend the bill to make it workable, sound, and within the Constitution, were the very first ones when cotton prices commenced to go down last fall, to wire the President of the United States and even came to Washington and said to the President:

> For God's sake, Mr. President, call an extra session of Congress, or give us a loan fund for our producers, as our people are going into bankruptcy because of this large cotton crop and the present price.

The statement as to our people going into bankruptcy is absolutely true, Mr. Chairman. Every month I receive my home-county paper, and page after page is filled with advertisements of the sale of land, either to satisfy tax claims or mortgage indebtedness. I call your attention to one particular sale last Monday in my county—that of the home of an old couple of at least 75 years, sold at public outcry, not through any fault of their own, but because of the conditions existing to-day, brought about by special legislation for special interests, and because we have not the machinery, the money, and the backing of the Government to take care of the situation that they have to face in the South to-day.

I remember as a boy I used to visit this home. They had a splendid home and a splendid farm and seemed to be happy. This farm was deeded to these people some 50 years ago and they have passed through all of the trying panics of 1886 and 1907, and the boll-weevil period and to-day, in their old age, because of having to buy everything in a highly protected market and having to sell everything that they produce on the farm on a world's market, they are turned out in the cold, homeless and helpless. I say to you, my friends, that you, the representatives of the people of this great Republic, are responsible for the agricultural condition of this country to-day. Ninety per cent of the Members of this Congress are lawyers; some of the best to be found in the country; men of brains; and I want to say to you that, inasmuch as you are able to work out great pieces of constructive legislation in the interest of banking, the railroad interests, manufacturing interests, labor interests, and various other groups, that are economically sound and that come within the Constitution of the United States, you should be able to join in heartily in working out legislation for the interest of thirty millions of people scattered in the wilderness of the United States unorganized and crying to-day for help. [Applause.]

The gentleman from Georgia [Mr. CRISP], and others, came up and said to the President, "Give us a commission and a loan fund," and the President did it. I believe that the President saw the financial condition of the South as well as the political situation. He remembers that the South and the West last year came very nearly getting together and passing farm-relief legislation, therefore, he immediately appointed a commission and this commission joined in with the bankers and it was said to the press and the country that we have plenty of money and are now ready to make loans to farmers on their cotton, so as to take this cotton off the market, thereby holding up the price. The President did just exactly what I thought he would do. He appointed Mr. Hoover head of the Department of Commerce, and Mr. Meyer, who was at the head of the War Finance Corporation during the war, and Mr. Williams, head of the Federal Land Bank Board. Immediately, Mr. Hoover, who represents big business and who seems to control and dictate largely the Republican administration, appealed to the manufacturing interests of New England and of the South and this appeal was heard in foreign countries, urging the manufacturing interests to buy up all the cotton that they could buy at these prices, same being below the cost of production, stating that—

> Never again will you have an opportunity to buy cotton so cheap, even below the cost of production. Therefore, you should buy and store away enough cotton to last for two or three years.

Mr. FORT a few minutes ago told you why the cotton people did not come in under the Haugen bill three years ago. Perhaps he told you the truth, but he did not tell you all of it. At that time the Haugen bill proposed to handle commodities on what was known as a ratio basis. The price of cotton under that scheme would have been 19 cents. At that time cotton was selling for 22 to 24 cents; therefore, we of the South refused to come in under any plan that proposed to fix a minimum price, which would, undoubtedly, be the maximum price. I believe if we had gone in under that scheme and had stated to the world that the right price, or the ratio price, was 19 cents, that the price of cotton immediately would have gone down to this price. The surprising thing to me is to see so many Members who seem to oppose this farm relief bill continually making statements on the floor of the House which are really only a part of the truth or, in some instances, misstatements altogether. Therefore, it seems that they take great pleasure in making these statements, thereby trying to justify their position toward the bill. Mr. FORT also proposed to turn Members of the South against this bill when he stated, a few moments ago, that the people of Georgia and South Carolina where importing into these States millions of dollars worth of corn, flour, dairy products, and a great many farm products and therefore we would have to pay increased prices for these imports. I will say to my friends from the South that it is absolutely a shame upon the people of Georgia and South Carolina, where we have the finest climate in the world and a soil that will produce practically everything except coffee, that we do not grow these things. I sometimes think if this bill will do what the gentleman from New Jersey [Mr. FORT] states that it will do—raise the price of these farm commodities that we import into these States—perhaps that will be the thing that will force our people to cut the acreage of cotton and produce more of the real necessities of life.

I want to say this to my friends on my side of the House: Last year I worked in season and out of season, night and day, to help write a satisfactory farm relief bill that would give to the West what the people of the West really wanted, and that would take care of the troubles of the producers of the South. I held many conferences with the western farm leaders and with the western members on the Agricultural Committee, and finally succeeded in writing into the bill myself $75,000,000 out of the Treasury of the United States for two years, without interest, for the cotton producers of the South, subject to any losses, and we to retain any profits that might be made in the operation in connection with cotton. I wrote also into this bill an amendment deferring the equalization fee on cotton for two years, and that it should not be put on even at that time unless a majority of the cooperative associations or other farm organizations and individual farmers producing cotton asked for it, and in the event that the fee should apply after two years, not to exceed $2 per bale; and yet many gentlemen on this side, representing the South, turned this bill down. I want to tell you right now you will never get the chance to vote for or against a bill like this again. I thank God that I voted for it because of the conditions existing to-day in the South. For the lack of this money and machinery our people are in a serious condition, and certainly you gentlemen who had an opportunity to receive, as it were, on a silver waiter seventy-five million without an equalization fee, giving the Government a chance to demonstrate at the actual expense of the Government this new scheme, with the privilege to the farmers of the South to take it over if it should succeed or turn it down if it was not a good proposition, should certainly feel very badly about it.

Now as to cotton. Suppose this bill had passed last year carrying seventy-five million for cotton, with the equalization fee deferred for two years. You remember last fall when the Government gave out its first estimate that we would have a crop of cotton amounting to about 15,000,000 bales, the price of cotton was 18 to 20 cents, and everybody was happy and satisfied. With this size crop and the world needing at least 15,000,000 bales, why, Mr. CRISP, of Georgia, myself, and others believed that no doubt the price would eventually go to 25 cents and we held our cotton off the market. Shortly, however, the Government came out with another report showing 16,000,000, bales, and later 17,000,000 bales, and finally 18,000,000 bales, and in every instance the price of cotton kept going down. What would have happened if we had passed the Haugen bill, as stated a few minutes ago, last year? Just as soon as the producers, the cooperative association, and the advisory council that had to do with cotton saw the situation and realized that we had an overproduction of cotton, they would have made their appeal to the Federal farm board, asking that they declare an operating period; and if the bill works just like I think it would work, I am sure they would have declared an operating period. They would have made connection with the cooperative association, a subsidiary corporation thereof, or some other agency, and as soon as possible put this machinery into operation. If this machinery works like I believe it would work, this agency immediately would have gone out on the market last fall and commenced buying cotton at the market price, in a competitive way, to the mills and commercial buyers, bidding, buying, and taking off of the market just whatever number of bales that it would take to bring about a legitimate demand and fair price. I can see at this stage of the game that the speculative interests, the interests that to-day largely manipulate the marketing of farm products, thereby fixing the price, would no doubt go into the market so as to take advantage of the holding of this cotton, and put the price up for speculative purposes. Then this agency would immediately feed back into the market this cotton, or so much thereof as would be required to put the speculator out of business, and stabilize the price. Therefore with this surplus on hand, they could use it as a stabilizer in connection with prices and have a long line of stabilized prices, which would be very satisfactory to the producer and should be satisfactory to the manufacturers of cotton.

Now, the opponents of this legislation will tell you that the way to stabilize the price of cotton and secure a fair price is to lend money to the cooperative association, or farmers, so that they can withhold sufficient cotton off the market to bring around a legitimate demand and fair price. I agree with these gentlemen, but it seems impossible to force anybody to accept these loans to the extent of taking off of the market a sufficient quantity to bring about orderly marketing and a fair price. For instance, the President's commission appointed sometime ago offered to the South barrels of money to take care of this situation, proposing to lend 9 cents per pound on cotton that was selling at that time for 12 cents. Some few farmers who are financially able to carry their cotton on this basis will take advantage of this scheme. I am carrying my cotton to-day; so is my good friend from Georgia, Judge CRISP, and others. But there are thousands of farmers in the South, white people as well as negroes, who have contracted obligations against their cotton, even before it was planted, perhaps at the rate of 15 cents or more per pound, and even at the price of 12 cents they are unable to meet their obligations, and certainly they can not afford to accept a loan of 9 cents, pay interest and carrying charges, and neither will the banks and the people who hold these obligations allow them to accept this small amount, when they, themselves, need so badly the full price of this cotton.

Under our scheme we go into the market in a competitive way when the price is too low and pay to these same producers the full market price and we hold his cotton, and allow him to pay his obligation and we carry his cotton for such time as we are able to put it on the market in an orderly way and at a fair price, and allow him to participate in the profits thereof. My friends, we have this to contend with in the South. We have thousands of negro farmers—some of them owning their own land, some contracting, and thousands of them renting and farming on their own initiative, and in every instance this type of citizen refuses, under any circumstances, to withhold his cotton from the market, but will put it on the market just as fast as he can gather and gin it, even if the price should go to the small price of 5 cents a pound. Therefore, while my good friend, Mr. CRISP, from Georgia, myself, and others, along with a small percentage who compose the cooperative marketing association, are trying to hold the market up with our cotton, they are daily dumping their cotton on the market and forcing the price down. We can easily take care of this situation under the Haugen bill.

Mr. GARRETT of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. FULMER. Yes.

Mr. GARRETT of Tennessee. Suppose enough of us had, at the former session, yielded to the blandishments of the $75,000,000 revolving fund proposition and had passed the bill then pending; this fall how much of that 18,000,000-bale crop would have been taken off of the market? That $75,000,000 was for two years.

Mr. FULMER. I will say to my good friend from Tennessee that the $75,000,000 for cotton would have at once become available, and with the $75,000,000 placed in cotton at the low prices this fall, pledging the cotton bought with the $75,000,000 through the Intermediate Credit Bank, or otherwise, on a basis of 75 to 85 per cent of its actual value, we could have taken off of the market from three to four million bales of cotton. I tried very hard when we had the bill up last year to explain that to the Members, but it seemed that they could not under-

stand that scheme of financing and could only see the purchase of the number of bales that could be purchased with the $75,000,000. I would like to say to my friend, and to the Members of the House, that if we had this board, and this machinery, and this money, with the backing of the greatest government on the face of the earth, we would not have to buy 3,000,000, not even 2,000,000 bales of cotton to put the price up to a fair and just one. I believe, my friends, the passing of this kind of a bill just to let the country know that this great Government of ours proposes to back a scheme that would protect the agricultural interests and see to it that they receive a fair return for their labor, would, within itself, bring about a fair price. [Applause.]

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. FULMER. Yes.

Mr. ROBSION of Kentucky. The cooperative association with much less money attempted to do this work and take off the surplus and they have succeeded well, considering the number in it and the amount of money. We know this, do we not? That this $75,000,000 would have taken off more surplus than the little cooperative could have done.

Mr. FULMER. Yes; under the President's proposition some time ago, they offered us millions. To-day we have millions in many of the banks of the South, and plenty of money in the money centers of this country standing idle. They are delighted to make loans on cotton-warehouse receipts, the best collateral in the country; but a loan scheme, either by the Government or individually, will never solve the surplus-cotton problem, unless you could so organize the cotton producers that the organization can control sufficient quantities of cotton to bring about orderly marketing, or, if this is impossible, then through the operation of machinery created under this bill, whereby we can go into the market and buy, even on a competitive basis, the surplus or that part of the surplus that would bring around a fair price.

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

Mr. FULMER. Yes.

Mr. McSWAIN. The seventy-five million would have enabled the board to purchase, if necessary, $3,000,000 worth of cotton, would it not?

Mr. FULMER. Yes.

Mr. GARRETT of Tennessee. They did not take advantage of the chance to borrow money to buy cotton.

Mr. FULMER. I will say to my good friend from Tennessee that they did not take advantage of the loan scheme suggested by the commission appointed by the President, whereby they advanced 9 cents on 12-cent cotton and 5 cents on low-grade 8-cent cotton. But, as stated a few moments ago, with this seventy-five million and the privilege of pledging cotton purchased with this seventy-five million for additional funds, and with the privilege of going on the market and paying full prices, and with the privilege to these same producers of participating in the profits, we can easily take off of the market a sufficient quantity to immediately place the price of cotton on a fair basis. I admit that a loan scheme will help the cooperative association now struggling, but there will be no inducement to increase the membership or the holdings of the association. I admit also that a loan scheme at reduced rates of interest will be interesting to large and independent farmers who are able to take advantage of same and carry their cotton until a short crop shall come around and advance the price for the benefit of this independent farmer, but it will not help the great masses of farmers who are forced to sell their cotton and are unable to take advantage, even if they wanted to, of a loan scheme.

To-day, my friends, we have in the South hundreds of banks going broke, with thousands of dollars on deposit; money belonging to every type of citizen. In some instances, the savings of a lifetime of some poor farmer or some workingman. An absolute loss to the stockholders and to the depositors. We have supply merchants furnishing supplies and fertilizers to farmers, who are unable to borrow money and who have not the money to run their farms. In both instances, the banks, as well as the supply merchants, have to collect in the fall to pay their obligations either to the Federal reserve bank or to the fertilizer people. Therefore, when prices are low, they will not allow the great masses of farmers to hold their cotton on a loan scheme, because of the small amount that they are able to borrow in comparison with the prices that they can get at this time on the market.

The opponents of the bill will tell you that if you stimulate the price of cotton you will stimulate production and thereby have an overproduction. This would be true if we would only stimulate one of the major commodities, but if we had this machinery and the board, so as to take into consideration the major farm commodities, each man would go into his line of production.

We have in the South to-day thousands of white people and negroes who are sadly in need of clothing and shoes, a condition brought about because they are unable to obtain a fair price for that which they produce, to enable them to buy that which they sadly need. If, under this machinery, we could stabilize the price of cotton and handle the surplus when it would occur, so as to maintain a fair price, the people in the South, who are now stifling with cotton, would be able to buy cotton goods, no doubt to the amount of 1,000,000 bales of cotton. No wonder the cotton mills of this country, as well as the merchants, are idle to a certain extent, and are not making any money to-day because of the condition of the consumer and producers, who would be able to buy the output of the mills and merchandise from the merchants if they could receive a fair price for what they produce.

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

Mr. FULMER. Yes.

Mr. BEGG. I would like to ask the gentleman concerning a point I tried to make the other day, and right along the line that the gentleman is discussing. If this emergency were declared by the board, they then would fix the price on cotton, would they not? In the emergency you described last year they would come to the board and appeal to it to declare an operating period, and then they would set the price on cotton.

Mr. FULMER. Under any of these bills they would in a way fix the price.

Mr. BEGG. I wanted that definitely understood, because that is my impression. Now, the minute the price was fixed the cotton producers in the South would immediately offer their cotton to the board; and would not the board, in self-defense, be forced to buy every bit of cotton offered on the market?

Mr. FULMER. No; they would not do that.

Mr. BEGG. Take your cotton. If you were to store it in the face of that operating period, you would lose the cost of the storage.

Mr. FULMER. Suppose this board would state that at this time 15 cents would be a fair price, considering the size of the surplus, which really would have lots to do in determining the price, so as to move the cotton. Certainly they could not put the price too high, so as to retard consumption. This would not mean that the board immediately would offer to the producers of cotton 15 cents a pound, while at the same time, perhaps, cotton would be selling at 10 or 12 cents. But they would go into the market, buying at the market price—say, 10 cents, for instance—and continue to buy until cotton would reach this fair price of, say, 15 cents. Therefore, rather than sell my cotton at 10 cents, the market price, believing that cotton would reach the 15 or, perhaps, 18 cents price, I would hold my cotton off the market so as to get the higher price.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HAUGEN. Mr. Chairman, I yield the gentleman an additional 10 minutes.

Mr. FULMER. Now, my friends, as I stated a few minutes ago, I offered to the representatives of the South last year a bill that would not hurt a hair on any man's head, a bill which would take care of the cotton situation, but many of you gentlemen from the South would not take it. At the proper time I am going to offer an amendment, as follows:

> No equalization fee shall be paid in respect of cotton prior to the expiration of two years from the date of the approval of this act, and the equalization fee in respect of cotton shall not exceed at any time the equivalent of $5 a bale. If by reason of unforeseen conditions a loss is sustained in the disposition of cotton purchased under the provisions of this act during the first two years, such loss may be assessed against the succeeding operation in connection with cotton.

I want to talk seriously to my friends on this side, because I am anxious to see this legislation pass; and if we are to pass it, we are going to need a good many votes over on my side of the House. I want to warn my friends from the West that when this amendment is offered the opponents of the bill, men like Mr. TINCHER, Mr. FORT, and the Representative from the East, will vote to retain the equalization fee on cotton, knowing that if they succeed they will have the privilege of voting with the Members representing cotton in the final vote to kill the bill. We went into this matter thoroughly a year ago, and it is generally understood, or should be, that I am not asking any special favor or privilege for cotton. In the first place, every man that has made a speech upon the floor of this House, for or against the bill, has stated that it would practically be impossible to make a loss on cotton, buying at or below the cost of production, and holding off of the market for the purpose of stabilizing the price.

I challenge any Member from the West to deny that it is your purpose and the purpose of the bill to make the tariff apply on your farm products. Now, if this is true, you have to-day, for instance, on wheat a 42-cent tariff. If you are able to make the tariff apply on wheat 42 cents per bushel, that will make the American price 42 cents above the world price, and my people and the consuming public will have to pay this 42 cents. In other words, if you should have to pay an equalization fee of 10 or 15 cents, we, the cotton producers of the South and the consuming public, would not only pay your equalization fee of 10 or 15 cents, but the difference between the equalization fee and 42 cents, which would be a net profit to wheat producers out of the pockets of the consuming public. I know that, and my people will know it. Yet, if you will be fair and allow us, who represent the cotton producers, to work out a satisfactory bill in the interest of cotton producers, we are willing to stand our part of it.

In the case of cotton, as stated a few minutes ago, the best that we can hope to do will be to pool the surplus, hold for orderly marketing, and thereby hope to increase the price; but in every instance the American price will be the world price. No chance in the world to make the tariff apply, and when the producers of cotton pay $2 or $5 a bale in the way of an equalization fee it will come deep down out of the pockets of cotton producers and not out of the consuming public.

Now, my friends from the West, to show you that my heart is in the right place I am going to first offer an amendment to defer the equalization fee on all commodities for two years, realizing that if this bill works like you believe it will work with your farm products, you will have a loss that will come out of the Treasury of the United States. I am willing to stand this loss by the Treasury of the United States. I believe that this great Government owes it to the farmers of this country who are in their condition to-day, brought about largely by legislation for special interests and otherwise, to take this new scheme and go to the country with it and test it out and demonstrate whether or not it will work, and if it costs the Government a million or two hundred and fifty million and will work, then you have rendered a great service to agriculture and a great service to this country. If you still propose to stick by your proposition of retaining your fee, then I ask you to do like you did last year—let the cotton people work out their own troubles, especially when we show by this amendment that if losses occur on account of any unforeseen reason during these two years, we will be assessed on future operations in cotton for these losses.

I want to warn my friends from the West that if you are going to stick by the enemy and hold the equalization fee on cotton and then have the enemy stick by the South and vote against the bill proposed, you will not be able to pass this bill like you hope to do.

Mr. ROMJUE and Mr. McDUFFIE rose.

Mr. FULMER. I yield to the gentleman from Missouri.

Mr. ROMJUE. A good many gentlemen have made inquiries whether or not the same equalization fee would be made applicable to the different grades of a product, and I want to call the gentleman's attention to the last two lines on page 13 and the first two lines on page 14 of the bill, and ask the gentleman if he does not believe that under the language of those four lines the board is empowered to fix a fee upon different classes or different grades of the products under the bill.

Mr. FULMER. I have heard a great many men talk about the details with respect to this board. We have never passed a piece of constructive legislation in the Congress but what we gave to the board managing same certain powers to work out these little things. If there is anything necessary to be done further, they will come back to the Congress. My friends, if we do not do anything else but create this board, if it could be a sure enough farmer-minded board and one which would do quite a lot of research work, as well as looking into the matter of freight rates, tariff rates, and into the question of distribution and marketing, reporting back to the Congress and recommending legislation, if needs be, to regulate and adjust these matters fairly between the various groups of the people of the country, they would be able to do wonderful work. [Applause.]

Down on my farm I have a white man who produced last year 300 bushels of fine sweet potatoes. He is hauling them to town and selling them for 75 cents a bushel. His children are out of school and are ragged, and yet in New York City they are selling sweet potatoes for $8.50 a bushel, and the poor people of New York, the consumers up there, can not afford to eat potatoes because of the price they have to pay. We are stifling with overproduction and yet the world is going hungry because of the unfair price the consuming world has to pay in comparison with the unfair price which the producer receives. And yet the Congress will sit around and quibble about details with respect to working out or trying out something which the Government ought to do for agriculture.

Opponents of this bill claim that the operation under this bill will increase prices to the consumer because we propose to increase the price to the producer. This is not necessarily true. If the board will look into the proper system of distribution and marketing, we ought to be able to work out a system whereby we could easily increase the price to the producer and decrease the price to the consumer.

I hold here a clipping from a paper edited at Springfield, Mass.—the New England Homestead—which reads as follows:

> The ostensible purpose is to force domestic consumers to pay 50 per cent more for flour, feed, grain, pork, and cotton, so that after covering the loss on surplus producers may net more than otherwise. While favoring cooperative marketing by producers, the bureau may authorize and aid "other agencies" to trustify these products. Astounding and incredible as the above is, yet all this and more is embodied in the McNary-Haugen bill, actually reported out last week in identical form to House and Senate by majority vote of their respective Committees on Agriculture. Having thus quickly won the first step, its advocates claim enough votes in both branches to pass the bill before Congress adjourns March 4. In that case they declare that President Coolidge will either approve or let it become a law without his signature. These facts warrant every person and group in telegraphing or writing instantly to both their Senators and to their Representatives at Washington most earnest protest against the McNary-Haugen bill. Its advocates are so vociferous, highly organized, and well financed that they plan to rush the bill through Congress before the mass of producers and consumers wake up sufficiently to prevent.

Read the speech of the gentleman from Massachusetts [Mr. LUCE], made the other day, and see what he has to say about the bill. There is one thing I can not understand, and that is why you folks from the West let those birds from New England come down here and propose any kind of class legislation in the interest of their people, and every one of you fellows from the West, like goats going to pasture, march right up and stick your fists on the dotted line. And yet, when any of you gentlemen come in and say "Let us in on this scheme," they say to you, "Go back to your farm in the West; continue to plow your mule; pay taxes and be satisfied." [Laughter and applause.]

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. FULMER. Mr. Chairman, I yield myself three minutes more out of the time of the gentleman from Kentucky [Mr. KINCHELOE].

One of the troubles with the Congress to-day is that we have located right down below the foot of Capitol Hill the United States Chamber of Commerce, which is established in the interest of big business and against anything that might be offered for the benefit of agriculture. They have declared against the Haugen bill and they have their member chambers of commerce and boards of trade from all over the country writing and wiring Members to vote against the Haugen bill. I have here a telegram from the Chamber of Commerce of Minneapolis, reading as follows:

> The so-called McNary-Haugen bill now under consideration by Congress would, if enacted into law, injure rather than help the agricultural interests and would check the present desirable tendency toward diversified farming methods.

Also one from the board of trade of the city of Chicago, as follows:

> Dependent as we are on a healthy condition of agriculture, especially in the Grain Belt, and anxious as we consequently are to see the position of the farmer on a permanent equality with other lines of industrial activities, we can not bring ourselves to advocate unsound measures of farm relief or measures which we believe will result in a worse ultimate situation than now prevails.

I also have several others that I will not insert in the RECORD, but in most instances they give you their reason for opposing this bill, and in nearly every instance their reasons differ just about as much as the reasons given by the opponents of this bill here on the floor of the House.

The gentleman from North Carolina [Mr. HAMMER] received a telegram a few days ago from one of his cotton mills opposing the Haugen bill. Mr. HAMMER immediately wired the mill to please state their reason for opposing this legislation and suggest legislation to help out the serious situation the farmers are in to-day. This mill immediately wired:

> We oppose the Haugen bill because under the bill they propose to sell two-thirds of American cotton in the world market at reduced

prices and one-third of American cotton on the American market at an advanced price.

This is an absurd statement, a ridiculous statement, because there is nothing in the bill that would propose that kind of proposition, neither could we undertake to handle cotton in this way. His remedy for the situation was that if we pass a bill to pass one carrying a fund so as to be able to buy up the surplus, take it off of the market, and feed it into the market in an orderly manner so as to bring about a fair price. Now, that is exactly what we propose to do under the Haugen bill. [Applause.] Yet my friend, Mr. POU, from North Carolina, stated the other day that this would force farmers into the cooperative association whether they wanted to go into it or not, therefore, he could not support the bill.

Mr. ASWELL, of Louisiana, who opposes the bill, stated just the reverse some days ago. That it would tend to tear down cooperative marketing because this board would take over the function of the cooperative association. Some days ago Mr. Yokum, who appeared before our committee at various times in the interest of the Aswell-Yokum bill, stated in a speech in New York that the McNary-Haugen bill would plunge the country into an era of profiteering the like of which we have never experienced since the war, and all at the expense of American farm producers and consumers. If Mr. Yokum is correct, I will be glad for my people to have the benefit of some of the prosperity that he speaks about.

The Columbia Record, a paper down in my district, stated some days ago that the Haugen bill would put from $10 to $10.50 tax on the farmers' cotton, and that we only have three cotton men on the board. There is nothing in the Haugen bill that states that there will be a tax of $10 or $10.50 on the cotton farmer and, while we will have only three cotton men on the board, if he wanted to be fair to his readers he should have told all of the truth in connection with this statement. The bill last year carried a provision that would not allow over $2 per bale, and we hope to pass the same amendment this year. And while we only have three men on the board, these three men will have the power to vote in or vote out an operating period on cotton over the other nine members composing the board.

If I had the time I would like to read you a part of a speech made by the gentleman from New Jersey [Mr. FORT] last year. I am going to insert same in the RECORD, because his statement will show that I am absolutely correct in all of my statements in connection with the handling of cotton under the Haugen bill. The only difference between Mr. FORT and myself is that he proposes a loan fund which you can not force any producer to accept, while we propose a fund to actually go into the market when we have a surplus and low price and buy sufficient cotton and take same off of the market, so as to bring about orderly marketing and a fair price:

PART OF SPEECH OF CONGRESSMAN FORT, OF NEW JERSEY, MARCH 25, 1926

Stabilization of anything depends upon continuity of supply, and continuity of supply as applied to agricultural products means definitely the adoption of a policy of carry overs from great crop years to lesser crop years. It means that in a year of a 3,200,000,000-bushel crop of corn enough of that corn will be lifted off the market, dried, and processed to be available for the the farmer to buy and feed his stock in the year of a 2,400,000,000-bushel crop. It means that in the year of a 900,000,000-bushel crop of wheat enough of that wheat will be lifted off the market and carried by somebody to take care of the year when the crop falls down to 600,000,000 bushels.

In the present depressed condition of agriculture he needs Government backing extended through some form of Government agency.

The best experts we have been able to get before us tell us that on either corn or wheat, if you take 100,000,000 bushels off the market in any year, off the cash market—remember what I told you about the amount of corn that never sells for cash—you would bring that price at least up to the point it ought to reach. At the same time the presence of that 100,000,000 bushels of carried-over corn will enable the pork and cattle farmer of the United States in making out his breeding program to assure himself that in the following year, even though there be a short crop, there will be a supply available to hold the price of corn from becoming so prohibitive as to make it impossible for him to purchase it and feed it to his pork or cattle. Now, for that purpose I would have this corporation step into the market—not to bull the price, not to raise the price unduly, but to fix it at a point below which the product ought not to sell, fix it perhaps by the advice of its farmer and cooperative stockholders as the minimum price they would be willing to take, and then step into the market and protect the market against depreciation below that price. Incidentally, with such an organization in existence, the bear trader in commodities would hesitate to press his position too far. Now, that program is not speculation. It is the soundest type of investment policy.

The man who buys anything only when it is at a low price, and holds it to sell only when it is at a high price, is an investor not a speculator. It is a sound policy, and it is one nobody ever went broke following if he had the financial ability to hold on.

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

Mr. DICKINSON of Iowa. I yield the gentleman five minutes.

Mr. FORT. I would therefore have this corporation subject to conference with the board prepared not to go in and buy the first year if it was a normal crop, but simply to step in in surplus years and stop an abnormal decline in price. And then carry it over one year, maybe two years; but in American history we have never gone three years with big crops in succession, so far as I have found. We have never had three successive excellent years of weather to mature the growing crop.

I think it is high time that the Congress should think seriously about this proposition and that it should think seriously about my suggestion of allowing the Government to put up this revolving fund and when necessary go into the operation under this legislation and demonstrate to the satisfaction of producers and the Government that it is a workable scheme and then sell same to the producers of the country. [Applause.]

Mr. HAUGEN. Mr. Chairman, I yield to the gentleman from North Dakota [Mr. SINCLAIR].

Mr. SINCLAIR. Mr. Chairman, it seems to me as this debate has progressed that the question before us is whether we are going to give the farmers of America a marketing agency that will make their cooperation effective. To me it is largely a question of cooperation. If we enact this legislation, we are going to set up the machinery that will enable the farmers to overcome in an effective manner the market disadvantages they now meet in the sale of their products. You have heard the testimony here in regard to the tobacco growers of Kentucky; how their cooperatives failed because the purchasers of their product pooled against them and paid more than the cooperative society could afford to pay in order to break them. That same thing was enacted several years ago in North Dakota. We had a strong and efficient equity association for the handling of wheat and other grains. The chambers of commerce and the large millers boycotted them. The firms that did the buying for the consumers and the millers were able to defeat the very purpose of the equity organization by means of overbidding and boycotting it.

Some progress has been made in the past five years in the matter of agricultural relief legislation, even though as yet no definite concrete action has been taken. Five years ago, when I introduced my first farmers' and consumers' financing bill, it was deemed revolutionary in nature, too advanced in its provisions, and not at all necessary for the restoration of agriculture to a condition of prosperity. At that time the established marketing agencies were considered eminently sufficient to accomplish the desired result. As a matter of fact, the general sentiment was that there was no agricultural problem that would not right itself, and that action on the part of Congress was uncalled for and wholly unnecessary.

FARMERS WORSE OFF TO-DAY THAN FIVE YEARS AGO

Since then the plight of the American farmer has grown steadily worse. The deplorable condition of agriculture has already had an adverse effect on other industries. Business failures and bankruptcies throughout the United States are striking evidence of this fact. Over 3,000 bank failures have occurred in the past five years, most of them in the best farming States of the Union. Thousands of farmers and business men have gone broke, and a loss of $30,000,000,000 in farm values has ensued. The end of the depression is not yet.

The Department of Agriculture has but recently announced a slump in the value of farm crops in the United States for the year 1926 amounting to $1,148,008,000 over the previous year. This decline was due principally to lower prices for most of the farm products rather than to decreased production, although the production in some crops was slightly below that of the previous year. A little over one-half of this decline was on account of the lower price of cotton. The revised estimates of the crops of 1925 placed their value at $8,949,321,000. The principal crops for 1926, based on the December 1 farm prices, were valued at $7,801,313,000. This indicates a continuation of the losses that farmers have sustained in the last five years amounting to over $1,000,000,000 for 1926. It is well for us to contrast this decline in the value of farm crops with the $280,000,000 melon of the Steel Trust which was declared the past year and with the profits of the other big tariff-protected industries. Does it not look as if the farmer has something to kick about?

I feel confident that had the Norris-Sinclair bill been enacted into law five years ago, as was then proposed, or legislation

similar to the measure we now have before us—the McNary-Haugen bill—many of the failures and losses which the American farmer has been forced to take would have been averted, and the whole country now would be well on the road to financial prosperity.

GOVERNMENT AID IN MARKETING FARM PRODUCTS IMPERATIVE

It has been clearly demonstrated to the satisfaction of all thoughtful investigators that the established marketing agencies are not sufficient to meet the needs of agriculture in the existing depression. These agencies are not operated for that purpose. Primarily they are built up with a view to the financial profits of their owners. Regard for the welfare of either producer or consumer is a secondary consideration. It is only incidental. I am not saying that the work of distributing farm products is not well done. On the contrary, I believe it to be highly efficient. It is only the cost of distribution of which I complain. The American consumer has to pay in costs an increase commensurate with the higher efficient service.

Before the World War, notwithstanding the fact that farmers had much to discourage them, and that in many sections of the United States they were even then, on the average, fighting a gradually losing battle, yet they had definite and reasonably fixed charges to meet in the conduct of their business. They could establish their work and their investments at that time with a definite set of marketing conditions prevailing. The World War changed these conditions. Other industries could and did quickly adjust themselves to the change, or they were assisted in making it by the Government. Agriculture, on the other hand, could not readily make the new adjustment, and should before this have been given the same aid that was extended to other lines of business. This was not done, however, and the attempt at legislation now is but a tardy recognition of the right of the farmer to that equality in marketing his products which was his due.

It is often stated in considering the farm problem that it is one of overproduction, and that the farmers ought to get together and limit the amount of food products which they are going to raise each year. Of course, the men who advance that argument as a reason why Congress should extend no aid to agriculture must know that it is utterly and wholly impossible for the farmers of the United States, scattered as they are all over the country, to get together and in any way effectively limit or control production. The elements and nature have much to do with controlling or limiting the amount of crops. Those who till the soil have to be guided by their own circumstances in acres planted. I grant there is much the Government can do through a centralized agency to give intelligent guidance to the food growers of the country. It can suggest the approximate needs for the coming year; it can advise where the best markets may be found; it can assist in giving farmers instruction which will help them to meet reasonably the estimated future demands. This the Department of Agriculture, I am glad to know, is attempting to do. Far more, of course, might be done than is being done. But, after all, instruction is merely suggestive and advisory and can not hope to influence more than slightly the 6,000,000 individual farmers who must do the great work of producing the Nation's food.

NO OVERPRODUCTION, AS CLAIMED BY SOME

I should like to call the attention of Members of Congress who represent urban communities to the fact that, notwithstanding so much talk about overproduction of food products—and in point of returns to farmers it seems there is foundation for it—there is, as a matter of fact, less production to-day throughout the world of the staples of agriculture than there was in 1913. European nations, especially since the war, have taken cognizance of the necessity of developing their agricultural resources so that they will meet the requirements of their population and growth. Most of the European countries, having suffered quite severely from the depression after the war, are now making special efforts, and have been making special efforts the last few years, to increase their agricultural production and to diminish their dependence on outside sources like the United States for their staples. Despite these efforts, there are indications that the total world production of agricultural products has not kept up with the increasing population. In fact, there has been a slight decline. With the exception of tobacco, there has been an actual decrease of most important farm products in world production between the years 1913 and 1924. In 1913, the total wheat production was 4,087,000,000 bushels; in 1924, it was only 3,472,739,000 bushels. There has been a similar decline in the total world's production of rye, corn, barley, oats, and swine. Even in the production of cotton, of which there is so much complaint to-day, there has been a decline from 1913 in the total world's supply. The total world's production in these crops is as follows:

Corn:		
1913	bushels	3,743,000,000
1924	do	3,721,000,000
Rye:		
1913	do	1,893,000,000
1924	do	1,419,990,000
Barley:		
1913	do	1,779,000,000
1924	do	1,382,000,000
Oats:		
1913	do	4,798,500,000
1924	do	4,184,000,000
Hogs:		
1913	number	259,000,000
1924	do	221,000,000
Cotton:		
1913	bales	26,259,000
1924	do	24,700,000
Wool:		
1913	pounds	2,881,000,000
1924	do	2,837,000,000
Tobacco:		
1913	do	2,660,000,000
1924	do	3,100,000,000
Potatoes:		
1913	bushels	4,719,000,000
1924	do	4,446,000,000

The figures indicate that there has been a gradual decline in the production of agricultural products, quite marked, of course, during the years of the World War, but continuing at a lesser amount than the immediate pre-war period. It may be doubted whether over any considerable period there is likely to be any surplus of agricultural production above its needs for the world as a whole. It is evident that the agricultural problem is not only a national one here in the United States but also that it is really an international problem, and one which, to be solved properly and permanently, must of necessity contemplate the consideration of all the world-wide factors that enter into the question. I feel, as has been stated by some who are opposed to this legislation, that it is not a permanent solution of the farm problem. I believe we should have an international body or conference, meeting yearly, in order to study the problem from a world standpoint in all of its varying aspects, and that the information thus gained from these studies should be utilized in framing our legislation hereafter. To this end I introduced a bill several years ago providing for an international conference on agriculture to devise means of meeting the great problem of supplying the world's food. The fact that we have a reduced agricultural production throughout the world shows us that the problem is one which we must solve promptly, for it is evident that other Governments are already striving for a solution. If we fail to heed the farmers' difficulties of high-cost production which we have here in this country, it is evident that the problem will become an urban one, too. The cities, representing the nonfarming industrial groups, will soon have to face the dilemma of producing their goods at rising costs by reason of the rising prices of scarcer food which will confront them. They will have, in addition, the double difficulty of selling their manufactured articles at lowered prices to the agricultural customer less able to pay for them. Also, in consequence, the manufacturer will be forced to accept lower prices in meeting the sharp competition of the world's market.

Therefore, in the consideration of this farm-relief legislation, we should not be too much concerned with the question of domestic overproduction. This has been largely seasonal and temporary in times past, and, in my opinion, it is much overestimated when applied to the question before us. But even if the present bill, which admittedly will stimulate prices of farm products, should unduly increase production, that is no excuse for the Congress to be inactive, as it has been. We have delayed far too long the serious consideration of this great national problem for the past four sessions.

THE FARMERS' CONTRIBUTION TO INDUSTRY AND COMMERCE

The farm is not only the chief source of our food supply, but it also looms large as the primary source of supply for the raw materials for our manufacturing centers. Let me quote a few facts which strikingly summarize the important relation which agriculture bears to the rest of our national economic activities. These statistics clearly establish the important place which farmers and the farm hold in the national economy:

1. The farmers of the Nation and their families annually consume about $6,000,000,000 worth of the goods of other industries.

2. The American farm supplies the raw materials to industries which give employment to about one-half of the industrial workers of the Nation.

3. Of the total tonnage of freight carried by the railroads each year, one-fifth comes from the farms.

4. Over one-half of our exports are agricultural products.

5. One-fifth of the total taxes of the United States are paid by agriculture.

6. The farms and farm workers produce one-sixth of the total national income.

7. Of the total value of all of the wealth in the United States, one-fifth is agricultural investment.

8. Our industrial supremacy as a nation depends largely upon the basic materials furnished it by agriculture. Should the time arrive when we must become dependent on foreign countries for the raw materials necessary to our industries, our industrial advancement would cease.

It has been said, and rightly, that as long as the farmers are producing a surplus they are not in a position to command anything above the world's price for their products. Inasmuch as this is a protective-tariff nation, and inasmuch as the standard of living in the United States is upon a higher plane than that of any other country in the world, due, we believe, to the protection afforded by the tariff, it is only fair that the same measure of protection be accorded equally to all citizens. Investigations have shown that this economic equality can not be extended on those commodities or to the people raising commodities of which there is a surplus. The surplus must seek the world's market for an outlet and, in consequence, that price becomes the basis for the sale and disposal of both the domestic and exported article. The proponents of the McNary-Haugen bill are merely setting up, by Government sanction, the machinery that will enable the farmers to enjoy the same measure of protection that industry enjoys by reason of the tariff. Of course, no one doubts but that this result could be achieved by other means. It is my opinion that unless this bill or similar legislation be enacted for the proper and equitable protection of farmers, inevitably there must be a balance of power representative of the interests of agriculture rise up when the tariff schedules come up again for consideration. There is no doubt but that the representatives of agriculture from all sections will have to join hands to obtain the same equality under the tariff that is enjoyed by other productive industries. It is much to be preferred that the remedy afforded by the McNary-Haugen bill be adopted rather than the alternative of rewriting the tariff schedules.

TARIFF DOES NOT EFFECTIVELY PROTECT AGRICULTURAL PRODUCTS

The extent to which the American farmer must meet foreign competition in his home market may be noted by the competitive items we find in the list of total agricultural imports each year. The fact is, over a series of years our agricultural imports very closely approximate our agricultural exports. This is often lost sight of in the consideration of the farm problem. In 1925 our agricultural exports amounted to 47.7 per cent of all exports, and our agricultural imports amounted to 47.5 per cent of all imports. Of the total of imported agricultural commodities amounting to $1,818,000,000, more than one-half were of articles which come in direct competition with or tend to displace American farm products. For instance, we imported as follows:

Animals	$8,800,000
Meat	7,252,000
Eggs (almost)	9,000,000
Milk and cream	10,114,000
Butter	2,646,000
Cheese	17,349,000
Animal fats	637,000
Hides and skins	96,746,000
Leather and leather goods	36,266,000
Grains	26,237,000
Fodders and feed	11,850,000
Vegetables and vegetable preparations	36,244,000
Fruits	24,500,000
Nuts	34,725,000
Oil seeds	64,725,000
Vegetable oils and fats	75,000,000
Sugar, sirups, and honey	266,000,000
Seeds	11,870,000
Tobacco	83,881,000
Miscellaneous animal products	25,000,000
Miscellaneous vegetable products	5,000,000
Cotton	52,775,000
Flax	3,575,000
Straw materials	3,798,000
Wool	141,976,000

It is undoubtedly true that much, if not all, of this vast amount of imports could be successfully produced on our own farms. It is only fair to assume that if a high tariff were placed against a portion of these products it would shut them out and give an increased and better market to the home producer. This factor alone would make a vast difference in the value of the domestic products and add materially to the income of the farmer. The fact is we are being slowly forced to the viewpoint that the farmer needs protection under the tariff if the manufacturer is to be protected. Primarily the tariff was planned to protect manufacturers. Now, in order to be equitable it must be extended to every industry in the land. The abnormal prosperity of some industries has been unquestionably brought about at the expense of the farmer.

PASS LEGISLATION AND GIVE IT A TRIAL

In the criticisms of the McNary-Haugen bill there has been a tendency to oppose it because of the fear that it might not work in some respects or that it might not prove of benefit to certain commodities. It seems to me, in the enactment of any great constructive piece of legislation, it is not always possible to foretell precisely how the legislation will work. The problem that Congress must meet is whether there is real need for the legislation; whether there is a demand from a large part of our population for the relief which the legislation seeks to give. No one can foretell accurately how legislation will operate until it is tried. It is for us to initiate the legislation and, as we gain experience, from time to time perfect it where the need is apparent. To my mind this legislation is, of course, only a temporary remedy. It will serve as the clearing house in the distribution of farm products for all the agencies that may engage therein. Eventually I am hopeful that the farmers of this country may be organized cooperatively to such an extent that they can, if necessary, distribute their own products even to the ultimate consumer. This legislation will do more to hearten agriculture and encourage cooperatives than all the educational work that has been done in the past 10 years.

I feel that it is the duty of Congress to take this forward step and thereby assist the farmers of America to assume their rightful place in the economic life of the Nation. Further than that, we know the history of the establishment of this great Government. It sprang from the hearts of farmers and has been supported in every time of trial and trouble by the great liberty-loving farmers of our country. The free individuality of farm life builds up a citizenship that loves and supports democratic institutions. I am firmly convinced that if this Government is to continue as a great and independent democracy, as planned by the founders, there must be a recognition of the just rights and demands of agriculture. We can not with safety permit a system of European peasantry to gain a foothold here. I therefore urge the immediate enactment of this legislation, not only for the sake of the farmers themselves but in the interests of every citizen of the United States.

Mr. TINCHER. Mr. Chairman, I yield to the gentleman from Maryland [Mr. HILL].

THE PROPOSED "NATIONAL FARM MARKETING ASSOCIATION ACT OF 1927"—THE CURTIS-ASWELL-HILL FARM RELIEF BILL, H. R. 17071

Mr. HILL of Maryland. Mr. Chairman and members of the Committee of the Whole House on the state of the Union, the rule under which the present debate on farm relief is being conducted provides for the consideration of the bill, H. R. 15474, entitled "A bill to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities." This bill is known as the McNary-Haugen bill, and itself provides in section 18 that should it become law, it may be cited as the "Surplus control act." There are also under consideration as possible substitutes for the McNary-Haugen bill, H. R. 16809, known as the Curtis-Crisp bill, which provides by its section 24 that should it become law it may be cited as the "Farm surplus act of 1927." There is also under discussion H. R. 15655, known as the Aswell bill, which provides by its section 21 that should it became law it may be cited as the "Federal agricultural export corporation act." There is also H. R. 7392, known as the Adkins bill, more or less sponsored by the Grange, which, if passed, would be cited as the "Equality farm export act of 1927.

For six years the Congress has been discussing and seriously considering the question of farm relief. Certain things have been done for the assistance of the basic and fundamental agricultural necessities of the country through the Department of Agriculture and otherwise, but the basic question of farm relief still remains unsettled.

For the past six years I have watched very carefully the question of farm relief. Although I represent a city district, and not an agricultural district, the question of farm relief is just as vital to my constituents as it is to those who represent farming districts. In the first session of this Congress the question of farm relief was fully discussed, and the House voted on the McNary-Haugen bill. At that time the Committee on Agriculture had reported with the recommendation that they pass, three diametrically opposed methods of attempted farm relief. One was the McNary-Haugen bill, another was the Curtis-Aswell bill, and a third was the Tincher bill. All three of these bills were discussed, but there was no opportunity afforded for those of us who believed that the principle of the Curtis-Aswell bill was the best solution of the farm question to vote in favor of this bill.

To-day a more or less similar situation exists. There is before the House to-day the Curtis-Crisp bill, H. R. 16809, but

that differs radically from H. R. 11606, introduced April 26, 1926, by Mr. Aswell, and from H. R. 15655, the Aswell bill of to-day. The McNary-Haugen bill of to-day provides for a revolving fund, to be put up by the Treasury of the United States, of $250,000,000. It makes this provision in section 16A. The Curtis-Crisp bill in section 20A makes precisely the same provision as the McNary-Haugen bill for a revolving fund of $250,000,000 put up by the Treasury of the United States. The Aswell bill of to-day, in section 15A, provides for a fund to be furnished by the Treasury of the United States of $250,000,000. This provision is precisely like the revolving-fund provision in the McNary-Haugen bill and the Curtis-Crisp bill, with the exception that it contains a limitation upon the fund. The present Aswell bill provides, in section 15A—

there is hereby authorized to be appropriated the sum of $250,000,000, which shall be administered by the board as a revolving fund—

And here, in brackets, are the words which differ from the other two bills—

[and expended solely for the payment of subscriptions to the capital stock of Federal agricultural export corporations] in accordance with the provisions of this act. The Secretary of the Treasury shall deposit in the revolving fund such amounts within the appropriations therefor, as the board from time to time deems necessary.

The McNary-Haugen bill, the Curtis-Crisp bill, and the Aswell bill of to-day—all of these provide for the appointment by the President of the United States of a board, each member of which is to receive a salary of $10,000 a year and to have certain enormous powers in the control and disposition of surplus agricultural products. The Aswell bill of to-day differs from each of the other bills in the composition and powers of this board. There are a large number of Members of this House who earnestly favor farm relief and who desire such farm relief passed at once, but who can not possibly vote for either the McNary-Haugen bill, the Curtis-Crisp bill, or the Aswell bill of to-day. I therefore yesterday, after listening to the very clear statements of Mr. ASWELL as to the present situation, introduced a bill, H. R. 17071, to place the agricultural industry on a sound commercial basis, to encourage national cooperative marketing of farm products, and for other purposes. This bill which I introduced yesterday is House bill 11606, the Curtis-Aswell bill introduced by Mr. ASWELL on April 26, 1926, with certain minor changes in dates to bring it to the present moment. I introduced this bill because I wished to vote for it in the last session, and I see no reason why to-day it is not just as valuable a bill as it was a few months ago.

The Curtis-Aswell bill now appearing as House bill 17071, which I introduced yesterday, was favorably reported as House bill 11606 by the Committee on Agriculture of the House of Representatives on April 27, 1926, and the report of the Agriculture Committee is as follows:

[H. Rept. No. 1004, 69th Cong., 1st sess.]

NATIONAL FARM MARKETING ASSOCIATION

Mr. ASWELL, from the Committee on Agriculture, submitted the following report to accompany House bill 11606:

The Committee on Agriculture, to which was referred the bill (H. R. 11606) known as the Curtis-Aswell bill, embodying the Yoakum plan, to place the agricultural industry on a sound commercial basis, to encourage national cooperative marketing of farm products, and for other purposes, having considered the same, report it to the House of Representatives with the recommendation that the same do pass.

OUTLINE OF THE BILL BY SECTIONS

TITLE I. THE NATIONAL FARM MARKETING ASSOCIATION

Section 1: This section states the purpose of the bill in general terms. In order to promote and stimulate the orderly flow of agricultural commodities in commerce, to remove burdens and restraints upon such commerce, and to provide for the processing, preparing for market, handling, pooling, storing, and marketing of these agricultural commodities through cooperative marketing associations the bill creates a marketing corporation. The corporation, called the national farm marketing association, is referred to throughout the bill as the "national association." Twelve individuals are to be named by the three leading farm organizations (the Farmers' Educational and Cooperative Union of America, the National Grange and Patrons of Husbandry, and the American Farm Bureau Federation) as the incorporators. Incorporation is to be held effected when the 12 individuals so named accept and are specified by the President by Executive order.

Section 2: Section 2 confers upon the national association general corporate powers, perpetual succession, power to sue and to be sued, a corporate seal, power to make contracts, to acquire, hold, and dispose of necessary property, the power of appointment and removal of officers and employees, the power to adopt, repeal, and amend regulations, and such other general powers as are not specifically denied by law and as are necessary and proper for the conduct of the business of the corporation. Provision is also made in section 2 that the principal office of the association shall be in the District of Columbia.

Section 3: Under this section the national association is authorized to provide or approve systems of accounting, to provide crop and marketing information, and to advise particularly with respect to diversification of crops and overproduction. The association is authorized to determine upon an annual budget in order to pay its expenses, to make assessments against commodities marketed by the interstate zone organizations, so that the loans and interest provided for in section 301 shall be paid to the United States and so that a reserve fund may be built up to enable the national association to remove the necessity of any governmental assistance in the way of loans. Under subdivision (f) of this section specific authority is given to acquire, construct, maintain, and dispose of or acquire rights of operation in storage warehouses, facilities for transportation in connection with storage of agricultural commodities, and facilities for processing commodities.

Section 4: In this section a board of seven directors, called the national board, is provided for, one of whom is to be designated by the President as fiduciary officer of the United States. This director is to continue in office until the loan provided for in section 301 is repaid to the United States, at which time his term of office will cease. He is paid no salary by the national association, and his appointment is provided for only because of the loan feature of the bill. The other six directors are elected by the incorporators (two from each of the three organizations named in section 1) and their successors are to be elected by the members of the national association at the annual meeting provided for in section 7. The section contains provisions for salaries of the elected directors, terms of office, and the usual provisions concerning vacancies and the number required to constitute a quorum for the transaction of business. The number of elected directors can not exceed 13.

Section 5: The national association is to be a membership corporation without capital stock, and section 5 makes provision for the members of the association. The incorporators designated in section 1 are to be the first members, and successors are to be elected, in accordance with the provisions of section 203, by the representatives of the interstate zone organizations. Regularly elected members are to hold office for three years.

Section 6: This section deals generally with the manner in which the national association is to commence operations after the passage of the act. No specific method has been prescribed, it being considered advantageous to allow the association a free hand in its mode of procedure, the only limitation upon its operations being that in so far as practicable existing cooperative associations and other marketing agencies which are immediately available should be utilized and commodities which are considered as best adapted to national cooperative marketing should first be selected.

Section 7: This section imposes certain duties upon the members of the national association. They are required to convene at the call of the board of directors at an appointed place, annually to elect the directors of the board, to fix the salaries of the directors, to approve the budget of the national association, and to prepare a schedule of commodity assessments which when approved by the board of directors may be levied by the interstate zone organizations upon their members. Generally, the members are to act as an advisory group to represent their organizations and to supervise the operations of the national board.

Section 8: This section provides for branch offices of the national association, and that the association is to be regarded as an inhabitant and resident of the District of Columbia.

Section 9: This section requires the association to keep books at its principal office showing the minutes of the meetings and accounts of the association's business transactions.

Section 10: This section requires the national association to make an annual report to Congress in respect of all loans until such loans are repaid.

TITLE II. THE INTERSTATE ZONE COOPERATIVE MARKETING ASSOCIATION

Section 201: In order to carry out the functions vested in it by the bill, the national association is authorized to provide for the organization of interstate zone cooperative marketing associations in the several States. No specific form of organization is prescribed in the bill, so the national association is authorized to provide the form of organization in each State whether by incorporation, contractual agreement, or otherwise.

Section 202: Each interstate zone organization is to select annually a board of directors to direct the operations of the organization, and the board is to elect annually an individual to represent it at an annual convention of the representatives of State associations. The principal duty of the interstate zone organization is to organize local cooperative associations in accordance with the provisions of the Capper-Volstead Act, entitled "An act to authorize associations of producers of agricul-

tural products," approved February 18, 1922. Any local cooperative association, already formed and included within the provisions of such act, is eligible to membership.

Section 203: The representatives selected by the interstate zone organizations, in accordance with section 202, are to convene annually at a designated place to elect the members of the national association. Each representative has but one vote, which must be cast in person.

Section 204: In order to regulate effectively the interstate zone organization and local associations the national association is authorized to prescribe regulations requiring both local and interstate zone organizations to adopt approved systems of accounting, to use the systems of reporting and disseminating crop and marketing information provided by the national association, to use approved forms of agreement under which a local association may be admitted to membership in a State association, to use intrastate grading standards and marketing schedules, not in conflict with law, for the commodities marketed through the interstate zone organization, so as to avoid market glutting and destructive trade conditions. The payment by the State association of the commodity assessments, fixed by the interstate zone organization under section 3, is here required by regulation.

If the national association finds by a vote of two-thirds of its members that any interstate zone organization or local association has failed to comply with any regulation prescribed under this section, the national association will adopt a resolution publishing such finding, and thereupon the interstate zone organization association shall be ineligible, for a designated period, to obtain any loan provided in section 302, to be represented at an annual convention of representatives of interstate zone organizations or to obtain the antitrust exemptions of section 303. If the violation is that of a local association, the interstate zone organization is not to be ineligible if, within 30 days, the interstate zone organization terminates or suspends the local association for a designated period of time.

Section 205: This section provides for operating zones to facilitate marketing. Interstate zone organizations marketing a commodity, within a zone designated by the national association, may consolidate their marketing operations and may jointly contract with or establish such organization as they deem advisable.

TITLE III. MISCELLANEOUS PROVISIONS

Section 301: This section provides for an appropriation by the United States of $10,000,000, which is to be set aside as a revolving loan fund in the Treasury, available to the national association until December 31, 1936. Payments from such fund are to be made only upon the direction of the director designated by the President upon application by the national board. The loans are to bear interest at the rate of 4¼ per cent per annum until repaid, and repayment is to be made from commodity assessments fixed by the national association.

Section 302: The loans from such fund are to be made to the national association for administration expenses, including expenditures for the organization of interstate zone organizations, for expenses incurred by it in its organization of local associations.

Section 303: The Capper-Volstead Act, approved February 18, 1922, authorizes producers of certain agricultural products to organize as cooperative associations and provides that these associations may have marketing agencies in common. Under section 2 of the act, however, these associations are subject to regulation to prevent monopoly in restraint of trade which may unduly enhance the price of a commodity. The act is designed to supplant the antitrust laws in so far as agriculture is concerned by removing these associations from the general application of the antitrust laws, but it places certain restrictions upon the associations which the Secretary of Agriculture is to enforce. Section 303 brings the national association and the interstate zone organizations directly within the purview of the act by designating them marketing agencies, thereby granting them the antitrust law exemptions, but makes them subject to the same restrictions as a local association in so far as unreasonable price enhancement is concerned.

Section 304: This section provides for cooperation with executive departments in order to effectuate the purposes of the act. Any Government establishment in the executive branch of the Government, upon written request of the national association, is authorized to cooperate with such association or with any interstate zone organization to such extent as the head of such Government establishment deems compatible with the interests of the Government.

Sections 305 and 306: Section 305 contains the usual separability provision in the event of unconstitutionality, and section 306 reserves to the Congress the right to alter, amend, or repeal the provisions of the act.

Section 307: Section 307 provides the short title of "National farm marketing association act of 1926."

H. R. 11606, KNOWN AS THE CURTIS-ASWELL BILL, EMBODYING THE YOAKUM PLAN, CREATES A NATIONAL FARM MARKETING ASSOCIATION AND—

Proposes a permanent marketing system—	Not temporary relief only.
Proposes a marketing system national in scope—	Not a sectional marketing system.
Proposes farmer control and management—	Not governmental control of farm marketing.
Proposes that farmers themselves elect their own officers—	Not to throw selection of officials into political campaigns.
Proposes continuous service for efficient officers—	Not that administrations periodically change officials.
Proposes to control production and curb surpluses—	Not to encourage overproduction.
Proposes repayment of loan by commodity assessments fixed by the farmers—	Not an equalization fee assessed by a Federal board.
Proposes self-made rules and regulations—	Not to hamper farmers with Federal dictation.
Proposes home rule for the American farmer—	Not to create Federal agents or inspectors.
Proposes a separate organization for each farm commodity—	Not that one board handle all commodities.
Proposes State, zone, and national farmer boards—	Not to establish Federal bureaus and commissions.
Proposes farmer representative control—	Not "pork" or patronage.
Proposes a loan of $10,000,000 for organization purposes by the Government to be repaid with interest—	Not to place a heavy burden on the taxpayers by a subsidy from the Federal Treasury.
Proposes to stabilize farm prices under economic laws—	Not to establish artificial Federal price fixing.
Proposes to protect the consumers—	Not to allow exorbitant price raising to the consumer.
Proposes to absorb the unnecessary profits of useless middlemen—	Not to increase the handling costs.
Proposes to prevent gambling and speculation—	Not to continue speculation in domestic markets.
Proposes to solve the problems of domestic marketing—	Not to leave domestic products in control of the market monopoly.
Proposes a plain, simple law—free from technicalities—	Not a complex statute, loaded down with indefinite terms and technical phrases.
Proposes to establish farmers in their own business—	Not to put the Government into the farm business.
Proposes to establish true cooperation—	Not to establish State socialism.
Proposes economic independence—	Not to establish paternalism.

Concerning the merits of this bill, which for purposes of identification might be called the Curtis-Aswell-Hill bill, I invite the attention of this committee to the CONGRESSIONAL RECORD of May 6, 1926, page 8836, in which Mr. ASWELL fully discussed this bill. Concerning this bill, Mr. ASWELL said on page 8837:

I propose to present a substitute for the Haugen bill. My substitute, embodying the Yoakum plan, is not a political bill, and should not be. The Republican leader of the Senate has introduced it in the Senate and I in the House. It was reported by the Senate Committee unanimously in the last session.

Here we have a bill, the Curtis-Aswell-Hill bill, reported favorably unanimously both by the Senate Committee on Agriculture and by the House Committee on Agriculture, and thus reported favorably only a few months ago. Why is this bill to-day not the best solution of the question of farm relief? Again, on page 8837 of the RECORD for May 6, 1926, Mr. ASWELL says—

the moment that we agreed to consider this Curtis-Aswell bill in the committee, it was read for amendment, accepted as written, and is the only measure of any consequence that comes out of the Committee on Agriculture with a unanimous favorable report. None of the others did. This bill has been reported by both committees unanimously.

I have very great respect for the ability of the gentleman from Louisiana [Mr. ASWELL]. I am seeking, as far as I am personally concerned, something for which I can properly vote in the way of real farm relief. I can not vote for the unsound governmental and uneconomical principles embodied in the McNary-Haugen bill.

Again, I invite your attention to the remarks of Mr. ASWELL on May 6, 1926, in reference to the McNary-Haugen bill, contained on page 8836 of the RECORD, which are as follows:

Mr. ASWELL. Mr. Chairman and gentlemen of the committee, you have heard two speeches on this proposed agricultural legislation, one by the chairman of the committee, the gentleman from Iowa [Mr. HAUGEN], who told you in detail that the Tincher bill was of no account and meant nothing and would accomplish nothing. Whereupon the gentleman from New Jersey [Mr. FORT] told you in logical sequence that the Haugen bill was uneconomic, unsound, and danger-

ous. The gentleman left the Haugen bill more prostrate and more of a wreck than VOIGT, of Wisconsin, left it two years ago. I agree with both of the gentlemen in what they have said about each other's bill. [Laughter.] I have come to present a bill that contains none of the bad features presented by the other two. [Applause.]

Three years ago for 12 days as a visitor I sat in the British Parliament. I heard that body, at the request of the Minister of Agriculture, without debate and practically by unanimous vote, repeal the law guaranteeing the price of agricultural commodities after it had been in force for exactly six months, at a cost of more than $100,000,000 to the treasury.

I sincerely desire to vote for farm relief. I have worked for farm relief ever since I have been a Member of Congress. To me, to-day, the Curtis-Aswell bill is just as excellent a solution of the question as it was on May 6, 1926. If the opportunity arises, I propose to try to obtain a vote upon this bill as a substitute for the McNary-Haugen bill.

In reference to the workings of the McNary-Haugen bill, should it pass and be held constitutional, the Baltimore Sun made some remarks editorially on Tuesday, February 8, 1927, which are very pertinent and which merit consideration by this committee. They are as follows:

Advocates of the McNary-Haugen bill were much incensed when any of the provisions of the bill were criticized last year. They saw in opposition to the measure either ignorance or some sort of depravity and hostility to the farmer. It is surprising to hear them urging the present bill because it has omitted some of the provisions contained in the former one which was declared to be so perfect. But it is true that the changes have improved the bill to the extent that they set up more restrictions upon its operation.

If the measure becomes a law, there is already assurance—provided it is not upset by the courts—that the agencies established by it are going to have their hands full. Cotton now has a surplus so heavy as to demand immediate attention. Another large crop would swamp the revolving fund unless there is some limit put on how much of it shall go to the cotton planter. Winter wheat acreage has been increased over both 1924 and 1925. Last year's crop amounted to 840,000,000 bushels, far in excess of this Nation's consumption. Rice production has largely increased, demanding other outlets. Tobacco producers are in the same boat, and corn bids fair to offer the usual troublesome problem.

Without such an offer to take care of surpluses and hold up prices as the McNary-Haugen bill holds out, favorable conditions will fill the bins and the barns of the Nation. With the additional allurement furnished by $250,000,000 of the taxpayers' money, the farmer who has modern equipment and can produce at low cost has an invitation and an incentive to go the limit. An equalization fee which would give a profit to Iowa, with its inflated farm values, not only tempts other States to exploit their cheaper land but holds out an irresistible appeal. They will be on hand with the goods, and it is a safe prediction that we shall then hear that the only trouble with the McNary-Haugen relief plan is that it did not supply enough money.

I am strongly in favor of farm relief legislation. To me, however, the McNary-Haugen bill is impossible, unconstitutional, governmentally, and economically unsound. I hope the House will adopt some such legislation as House bill 17071, which, should it pass, may be cited as the "National farm marketing association act of 1927."

Mr. HAUGEN. Mr. Chairman, I yield to the gentleman from Kansas [Mr. STRONG].

Mr. STRONG of Kansas. Mr. Chairman and Members of the House, for six years we have been endeavoring to relieve agriculture from the depressed condition it had reached in 1919, 1920, and 1921, and have passed over 30 laws in such effort.

The most important of these was the farmers' emergency tariff act, which stopped the dumping of the agricultural products of other nations on our markets and which gave a monopoly to the American farmer of this Nation's markets, which are the best in the world, but because of the fact that agriculture is not organized to take advantage of such situation it has failed to enjoy the prosperity that has come to other industries.

Then in an endeavor to give needed financial relief we rehabilitated the War Finance Corporation, improved and liberalized the farm loan system, and created the intermediate credit act. And while agricultural prices have been increased generally, a fair return to the farmers for their labor and investment has not resulted, causing the national agricultural problem, for it must be admitted that national prosperity can not prevail if agriculture, in which one-third of our population is employed, does not prosper.

Three years ago it was generally agreed that the production of a necessary surplus of agricultural commodities over and above the Nation's needs, the markets for which were controlled by speculators, was the cause of agricultural depression, and the bill to create a board to market such surplus was prepared and reported out of the Agricultural Committee of the House, but did not receive sufficient votes to pass this body.

In the first session of this Congress the chief officers of the farm organizations of the country, joined with a committee of 22 appointed by the governors of 11 North Central agricultural States and recommended to Congress a bill creating a board to handle such surplus and assessing the cost of its operation back against the farmers themselves. Other bills were introduced and presented to the Agricultural Committee, with a result that three distinct bills were reported by that committee to the House, and in the contest between their supporters allegations of "price fixing," "Government in business," and "subsidies" were alleged against the bill indorsed by Chairman HAUGEN, with the result that such legislation was again defeated.

At the beginning of this session a bill, in which "price fixing," "the placing of the Government in business," and all "subsidies" were eliminated and the plan of creating a farm board with power to assist in the marketing of what was designated basic agricultural products with the power to charge back against the industry producing the same all losses and costs in such marketing, was introduced by Chairman HAUGEN of the House Agriculture Committee, which has received the favorable recommendation of both committees of the House and Senate, and such bills are now pending before both Houses. These bills are now opposed by those who do not believe in granting legislative relief to agriculture and those who believe the bills of which they are the authors should have preference.

But the farm organizations of this country are practically unanimous in support of the McNary-Haugen bill, and it seems to me that those of us who know the depressed condition of agriculture and desire to afford relief should unite in giving to the farmers of this country the legislation they desire.

Some of the Members of the House from industrial districts, no doubt, hesitate to support this bill because of the fact that it is intended to increase the price of agricultural products throughout the country; but let me say to them that if prosperity can be restored to agriculture so that the 6,500,000 farmers of the Nation can reasonably depend upon a fair return for their labor and investment, that their buying power will be increased on an average of at least $1,000 per year, which will create $6,500,000,000 of increased business, the great majority of which will go to the industrial centers, and the American Federation of Labor so well realize this that they are willing to pay a small increase in cost of agricultural products necessary to bring prosperity to the farmers, which will in turn bring increased employment to themselves, and have gone on record as favoring the passage of this legislation.

To create prejudice against this legislation, it has been stated in the press and on the floor of Congress that the President is opposed to this legislation and will veto it, but I have never been able to find anyone who would say that the President himself has so stated. I know President Coolidge to be in sympathy with the present condition of agriculture and to be desirous of having it enjoy the same prosperity that has come to other industries. I am, therefore, unwilling to believe that this legislation will fail to receive his approval.

Much criticism has been advanced because under the terms of the bill the farmers through their organizations are to be allowed to nominate those whom they desire to be appointed on the Federal farm board, but when it is taken into consideration that this board is to provide for the marketing of their products and charge the cost of so doing back to them, can it be said that such provision is an unjust or unreasonable one?

Those who are against the bill claim that it will amount to nothing and fail to produce the desired results. Why, then, are they so bitter? The truth is that the attorneys and economists and agricultural experts who have been employed by the representatives of the farm organizations and the Committee of Twenty-two advise that this is the bill that will produce the best results for agriculture.

My father, though a lawyer and business man, was for 26 years interested in the grain and milling business in Illinois and Kansas, and from the time I was a small boy until I was of age I had an opportunity to study the marketing of agricultural products, and though also a lawyer and business man, I have for years had invested the larger amount of what I have been enabled to accumulate in a dairy and stock farm, and believe that I have the experience to know the conditions that have prevented agricultural prosperity.

Always just before the harvest, when the reports came out of the estimated surplus crops over and above the estimated needs of the country, such reports were promptly exploited by the speculators and big milling organizations who wanted to depress

the market so they might buy the farmers' crops at the low price they thus established. Then, after the farmers had sold their crops to settle with their landlords, their bank, or to pay their taxes or interest, and such crops had passed into the hands of the speculators, big millers' organizations and exporters, the price reacted, and this thing has been going on for years, but if this bill is enacted into law, when the speculators, big dealers, and exporters begin to use the estimated surplus to bear down the price before the harvest, the Federal farm board will announce that it has arranged that such surplus will be purchased and taken off the market, and the fact that they have $250,000,000 at hand to carry out their announced program will put every speculator and every buyer of the agricultural product on the upward side of the market, which will be stabilized at a fair price, giving to the farmers a fair return for their labor and investment and resulting in prosperity to agriculture, so necessary to the prosperity of the Nation.

Let me urge those who realize that if prosperity is to abide throughout our Nation it must be enjoyed by all, to not be misled in this contest, but to give their vote to the support of this bill that has been so carefully drawn and so unanimously approved by the representatives of agriculture throughout the Nation.

Mr. HAUGEN. Mr. Chairman, I yield to the gentleman from Iowa [Mr. DOWELL].

Mr. DOWELL. Mr. Chairman, the discussion on this legislation has continued for a number of days. This legislation has been before Congress for a number of years and has been carefully considered by both branches of the Congress.

During all of the time this legislation has been under consideration no one has questioned the claim of the farmers that they are not receiving a fair and an equitable price for their products.

No one has questioned the proposition that agriculture is entitled to a better and to a more stable market for its products than it has been receiving.

Prices of agricultural products, it is conceded, have not kept pace with the prices of nonagricultural products. Therefore, the prices the farmer must pay for the nonagricultural products are much greater than the prices he is able to secure for his own products.

The purchasing power of the dollar of the farmer has been greatly reduced by reason of the disparity in the prices he is able to get for his products and the prices he is compelled to pay for the commodities he must buy.

In other words, he must buy the things he must use in a home protected market, and he must sell his products in a market fixed by world prices.

Under these conditions the farmers of the country are unable to carry on their business at the prices they are receiving.

This condition has existed for a number of years, and the time has arrived when Congress should act.

I shall vote for the McNary-Haugen bill, and I earnestly hope it may pass at this session of Congress. [Applause.]

Mr. KINCHELOE. Mr. Chairman, I yield to the gentleman from Indiana [Mr. CANFIELD].

Mr. CANFIELD. Mr. Chairman and gentlemen, in discussing the question of farm legislation, I do so after having given it a great deal of study and consideration. I was born and reared on a farm in Dearborn County, Ind., and know somewhat of the hardships of the farmer. I know what it means to get up at 4 in the morning and work until dark from early spring until late in the fall as the farmers do in my part of the country. And the worst of it all is without receiving just consideration for the efforts they put forth.

Ever since I have been a Member of Congress one of my greatest desires has been to help our farmers in some way, so that they can be brought up on a par with other industries, occupations, and professions, and to see that they are reasonably rewarded for their labor.

In the past those that have been interested in the cause of the farmer have been defeated in this body when bills that would have been helpful to agriculture were presented.

The Agricultural Committee has been considering and investigating farm legislation for over four years, and during the first and second sessions of this Congress they have had some of the best minds of the country before it, and thank goodness they are now recommending a bill to this body that should have the loyal support of everyone that is interested in helping our farmers and placing them in a position to get the consideration for their efforts they so justly deserve.

The bill that the Agricultural Committee has favorably reported to this body has the indorsement of practically all the big farm organizations and best farmers of the country. It is true that they do not all agree that this is the best solution to this great problem. I, myself, think that permanent relief could have been given to the farmers in a different way and that it would have been much better for the farmers in the long run, but under this administration, in my opinion, this is the best and only way that we can pass legislation that will help our farmers, and everyone knows that help they must have and that without delay.

Mr. Chairman and gentlemen, when we look out over the agricultural sections of this great country of ours and see banks by the hundreds closing their doors and farmers by the thousands giving up in despair and abandoning their farms, something must be done and done without further delay.

In the campaign last fall we heard much about the great prosperity of the land, but those of us who live in the agricultural sections of this country know that we do not have prosperity, but instead depression all over the agricultural sections, and those that have given this great question consideration know that depression is spreading all over the land, and without something is done to relieve the distressed conditions in the agricultural sections, we are facing a very serious condition in the very near future. You can not long continue to have prosperity in the industrial sections with our agricultural sections depressed as they are to-day.

During the discussion on this legislation we have often heard it referred to as a revolutionary measure and experimental and dangerous. It is experimental; that is true; so was the Interstate Commerce Commission act and the law that made it possible for us to have the great Federal banking system and every other new system of any kind that had for its purpose the changing of an established way of doing things.

In the debate on the agricultural bills that were presented at the last session of this Congress the records show that one Member stated that there should be an industrial bloc to oppose the farmers in their efforts for legislation and that the farmers' problem was a western problem.

Mr. Chairman and gentlemen, I feel that instead of the business interests of the country organizing to work against the farmers, they should by all means organize to help them; in fact, the business men of our country can do no greater thing for their own future interests than to help solve the agricultural question. Every business man in America surely realizes that agriculture is the foundation on which we all depend. When the farmer prospers better business conditions follow, and when the farmer is depressed, as he is at the present time, poor business conditions are bound to be the result.

A large corporation manufacturing a class of furniture in this country made a general survey of the country to find out what it would mean to them if the farming conditions of the country could in some way be improved, and after compiling the figures of this survey they made the statement that if the earning power of every farmer in the country could be increased $50 a year they could double their business. If this is true with this corporation, it is likewise true of others in other lines of business.

The facts are, gentlemen, that it takes a very small difference in the income of the farmer to make a big difference in business conditions. If the farmers of the country were able to make $1 an acre more each year it would mean an increase of $500,000,000 annually to business, and to take $1 an acre off their earning power would mean from 20 to 30 per cent more failures in business.

This being true, the question of improving agricultural conditions should be of mutual interest to our business men and laboring men, as well as our farmers, for when the farmer is prosperous business will be good and labor will be in greater demand.

For our farmers to be prosperous it is necessary that he be able to sell the things he produces on his farm at a profit; or, in other words, he must be able to get more than it costs him to produce it.

Under the bill that has been recommended by the Agriculture Committee the Government will insure orderly marketing of farm products and stabilize agriculture the same as it has industry, labor, finances, and railroads.

With our present high protective tariff laws and restricted immigration laws aiding industry and labor, something must be done to stabilize agriculture and insure orderly marketing of farm products or our farmers can never expect to forge to the front so as to be able to cope with industry and labor.

Farming does not differ much from industry, and when our farmers are given an equal chance they can operate on a profitable basis, but they can not expect to do so as long as other classes are given legislation that will be helpful to them and the farmers left to work out their own problems.

I realize, as many of you do, that there are many things that could be done to help the farmer, such as lowering the present tariff law, reducing transportation charges, and many other

things; but these are impossible under the present administration, so let us all join hands regardless of our political affiliations or what part of the country we come from and pass legislation that will put farming on a profitable basis.

The question is often asked as to how the Haugen bill if made a law could help in any way now that the tariff as a yardstick has been taken out. My friends, in answer to this I will say that if there was nothing else to the bill outside of orderly marketing, farm products would be advanced, because, when farm products are marketed in an orderly way and not rushed on the market so that the markets are glutted at certain seasons of the year, farm prices can not help but be more stable.

Our Government proved what could be done in this respect in 1920 when cotton dropped from 34 to 9 cents. You will recall that when this happened the War Finance Corporation sent men into the South to instruct the cooperatives to have the growers bring in their cotton and put it in a warehouse, get a warehouse receipt, and the money for the value of their cotton, cotton began to advance at once; and in 90 days the price of cotton had doubled.

The Brazilian Government passed a law to stabilize the price of coffee. At that time they were getting 3½ cents per pound, and to-day they are getting several times that amount.

What has been done in the past can be done in the future. If other countries can stabilize prices on farm products, so can we, if the Congress will pass constructive farm legislation and the President will see that this legislation is made a law by annexing his signature to it.

But orderly marketing is not all this bill provides for. In addition to orderly marketing it provides definitely for dealing with agricultural commodities. It provides for assistance to cooperative associations in handling the surplus of any agricultural commodities, whether they be one of the five basic commodities or not. It provides for loans to help cooperative associations to construct or purchase facilities for storage and processing of agricultural commodities, and further provides that these loans may be paid off on the installment basis over a period of 20 years.

Under this bill we will have the farm cooperative associations all working as one body, and they will be able to secure for the producers a bargaining power that will influence the prices at which their commodities sell. In other words, they will be able to demand a price for their commodities that will give them a profit under ordinary conditions and not compel them to sell at a loss, as they are compelled to do at the present time.

My friends, as I have previously stated, this is not the first experimental legislation that has been passed. Every piece of legislation that has been enacted in the past that changed the system of doing things from the old-established system has been experimental, and never in the history of the country were the conditions that demanded that experimental legislation or any other kind of legislation be enacted, such as exists at the present time.

In all countries outside of the United States, Canada, and Australia farming is a peasant occupation, and it is only in these three countries that the farmer enjoys the status of independence, with full privileges of citizenship, and is on a par with those engaged in other callings; but while our farmers are free and independent in the United States at the present time, without some legislation is enacted, be it experimental or whatever you care to call it, the time is not far off when our farmers will, many of them, be peasants or even worse, and while, as I stated in the beginning, this legislation may not make it possible to handle the farmers' problems the best way possible, in the opinion of many of the Members present, the bill that has been reported out by the committee is the best that we can expect to get at this session of Congress, and it is evident that we must accept this or nothing. If the Members of Congress are really interested in helping the farmers, they will support this proposed legislation and do everything they can to see that it is passed, so that it can be submitted to the President before Congress adjourns.

In the debate on this bill we often hear "the subsidy" referred to. But, gentlemen, this is the bill that does not have a subsidy. The representatives from the farm organizations have not asked for a subsidy, and the American Farm Bureau Federation is specifically opposed to a Government subsidy, as they do not want the Government to pay the losses incurred from the disposition of surpluses. This bill provides that a "revolving fund" of $250,000,000 be authorized and that the board make loans from the fund to the stabilization fund, and when the equalization fees are collected the revolving fund is replenished by repayment of the loan made by the Government with interest. By handling it in this way all losses are met by the stabilization fund obtained by the assessment and collection of the equalization fee upon the unities of the commodities.

Under the provisions of this bill I think this loan is absolutely safe, for the commodity pays the cost of disposing of its surplus through the equalization fee paid by the commodity and placed at such amounts as will provide all necessary funds. This is paid in the stabilization fund and is always the aggregate amount of all equalization fees collected on each commodity. The stabilization fund will be used to pay off the revolving fund, which is at all times drawing 4 per cent interest on all money advanced from the Federal Treasury.

If this fund is properly handled—and we have no reason to believe it will not be—there will be no loss to the Government, because the revolving fund will be in the hands of a Federal farm board of 12 men in addition to the Secretary of Agriculture, an ex officio member. These men will be selected, one each, from the 12 Federal land-bank districts, and should at all times be practical men and men that are at heart in sympathy with the farmers' cause. Men of this class will not only see that this money is used to promote stability and effective protection for agriculture, but will likewise guard the Government against loss.

The greatest trouble with our farm problem is that there are a large number of people who take it upon themselves to recommend policies and tell the farmers how to run their business, when the facts are that these so-called advocates are not farmers and know nothing about farming. This bill provides that the men that have charge of handling this entire proposition be farmers or men who know somewhat of their problems and who are interested in their success.

The agricultural problem is not a local problem but instead a national problem, and it must be handled in a national economic way and not as a community or State problem. Under this bill it will be handled as a national problem, and results can and will be obtained.

We very often hear this legislation referred to as "farm relief." Personally I do not like to hear that term used, because the farmers in this bill are not asking for relief, but instead for legislation that will enable them to relieve themselves by putting them in position to get a fair price for the commodities they have to sell.

There are reported to be over 10,000 cooperative organizations in the United States. As long as these cooperatives work independently of each other they can accomplish very little, but when they are all joined together in a national organization they can put into practice the fundamental principles of national cooperative marketing the same as large producers of other industries, and by so doing cut down the tremendous spread between producer and consumer.

Under the present system of marketing the producer receives approximately seven and one-half billion dollars for their crop and the consumers pay approximately twenty-two and one-half billion dollars, or three times as much as the producer receives. With these conditions existing no wonder our farmers are not able to pay their taxes and are losing their homes, and the surprising thing of it all is that they have stood it as long as they have, for had this condition existed with organized labor or industry, I doubt very much—yes; I know—that Congress would have enacted legislation long before this that would have taken care of the demands made by them.

Those that are opposing the plan proposed under the Haugen bill continue to argue that it is not workable. I can frankly say that I think it will work. At least it is worth a trial. We must do something toward adopting a program of some kind to help the farmers, and if it does not work out as we expect it will we can amend it after we have had the experience as we are continually doing with other programs that have been adopted, some of which have not worked out exactly as was expected.

The Federal bank law is a wonderful advancement in the handling of business affairs of the country, but this law was not perfect when it was passed, and is continually being changed in some manner. The transportation act was by no means a perfect measure. The law creating the Interstate Commerce Commission has likewise been amended. As a matter of fact there has never been any constructive legislation passed in this body but what it has been found necessary to amend it at some time, and we can feel assured that this bill, when it becomes a law, will have to be amended, and possibly in many ways; but as I stated before the deplorable condition of our farmers demands that we adopt a program of some kind that will give them the advantages of orderly marketing through control of surplus and secure a protected market to the producers of our farm crops.

At the present time, according to the table put out by the Agriculture Department, the farmer's dollar is worth only 85 cents on the dollar, and I will say right here that these figures are higher than any figures put out before the campaign of 1926, and this may be the average for the farmers all over the country, but, personally, I think these figures are entirely too high for our Indiana farmers, but even if this figure applied to our State, we all know that the value of the farmer's dollar is entirely too low, and the purpose of this bill is to put the farmer's dollar on a par with the industrial dollar by stabilizing the price of farm commodities so that they can be sold at a profit, and thereby putting agriculture on a par with industry.

Another thing that will help stabilize the farmer's dollar is the fact that this bill, when made a law, will tend to eliminate the speculators from their gambling operations in grain, and by so doing help the farmers to get a better profit and make it possible for the consumer to buy at a lower price. This has long been an evil that has kept the farmer from getting a fair price when it was necessary for him to market his crop, and it has proved very expensive to the consumer, as they have had to pay the tremendous profit made by the speculators.

Gentlemen, as Members of this great body, each and every one of us must bear in mind that our farm homes are the fortifications of our social and political stability. The prosperity of our agricultural sections and industrial sections should be mutual, and a way must be found to bring the price of farm commodities up to a par with industrial commodities, or otherwise it will be necessary to lower the price of industrial commodities.

The time has come when something must be done. Both of the great political parties, in their recent platforms, promised the farmers that something would be done to relieve the depressed condition that prevails all over the agricultural sections of this country. Our farmers have a right to expect your support on this legislation. This is our opportunity to help them. Therefore, why not fulfill the promise that has been made by voting for this bill, and by so doing not only help our farmers to get the consideration they so justly deserve but help industry as well, for the farmers' prosperity means prosperity for all.

Gentlemen, we can not soft pedal this question longer. Our farmers must have consideration in the way of legislation that will be helpful to them, otherwise we are all going to suffer much worse than we have ever suffered in recent years.

Those of us who are really interested in the farmers' cause must not be led astray on this question by those that are camouflaging the issue. If the farmer is to be put in position where he can get back on his feet it is up to us all to get behind this legislation, whether it is exactly what we want or not, and put it over, so that not only our farmers will be prosperous but industry and labor as well.

Mr. HAUGEN. Mr. Chairman, I yield to the gentleman from Ohio [Mr. THOMPSON].

Mr. THOMPSON. Mr. Chairman, I ask to have the following article read by the Clerk.

The Clerk read as follows:

[From the Paulding (Ohio) Republican of February 3, 1927]

TIME FOR CONGRESS TO "SHOOT"

In Sunday's issue of the Cleveland News appeared a cartoon entitled the "Problem." On the limb of a tree sat a bird labeled "Farmers' troubles." Beside the bird was a fat purse labeled "Consumers' pocketbook." Below occupying a prominent position was a large man labeled "Congress" with a double-barrel shotgun under his arm. The gun was called "Price-fixing legislation." The idea intended to be conveyed by the cartoonist is that Congress can not shoot the farmers' troubles with price fixing without at the same time killing or injuring the consumers' purse.

If this cartoon expresses the city folks' attitude toward higher and better prices for farm products, we consider it to be a narrow and unfair one. There has never been a time in the history of the country that laborers in the factories and labor of all kinds—carpenters, masons, plasterers, painters, and all forms of labor in the cities—have received such high wages as they are receiving to-day. There has never been a time that the business man's profits have been as high in bulk as they are to-day in the cities. The farmers as a class are not opposing these high wages. But it is the big profits and the high wages paid which make the prices of everything the farmer buys out of proportion in price to the prices of things he has to sell. The city man, whether he is employed in a factory, a store, or whatever his occupation, ought to be willing to pay enough more for what he eats—the farmers' products—so that the producer of his food, too, may enjoy some of the prosperity that the city citizen enjoys. If the fear that legislation to help the farmer secure better prices for his product will increase the price to the city consumers is the only thing that stands in the way of its enactment, we say to Congress "Shoot." The farmers have been standing for the high cost of manufactured articles, made so by high wages paid, for several years, and it is high time that they be given some additional relief.

Laborers are organized to protect their interests, manufacturers are also well organized for the same purpose. It seems that the farmers can not organize effectively. There are so many of them and their interests are so varied. And in his business he has to contend with many things beyond his control—weather, floods, drought, storms, insect pests, and other calamitous things. For these reasons we believe the Government is justified in giving him special aid. So again we say to Congress, "Shoot."

Mr. THOMPSON. Mr. Chairman, the foregoing editorial from the Paulding Republican, just read from the Speaker's desk, represents the sentiment of my district, which is an agricultural district, pure and simple. The editorial reflects the sentiment in a Republican county. In this connection I ask to have read from the desk a joint resolution of the General Assembly of Ohio calling for farm legislation.

The CHAIRMAN. Without objection the Clerk will read.

There was no objection, and the Clerk read as follows:

Joint resolution memorializing Congress to enact proper agricultural relief legislation

Whereas a combination of circumstances prevailing in the United States since the close of the great World War has ushered in a period of financial loss and depression in agriculture both in the great State of Ohio and the Nation at large; and

Whereas agriculture occupies the position of our one basic industry, on which depends the success of all other industries; first, because it supplies materials upon which depends the employment of over one-half the industrial workers of our land; second, because agriculture supplies one-eighth of the tonnage of the railroad system of the United States and almost one-half of our foreign exports; and, third, because the capital invested in industries of quarries, mines, and manufacturing combined; and

Whereas the pages of history furnish unmistakable evidence that the security and prosperity of any nation is in grave danger when its agricultural structure begins to decay: Therefore

Be it resolved by the General Assembly of the State of Ohio, That we, the members of the Ohio General Assembly (memorialize the Congress of the United States to make an earnest effort to enact such legislation at the earliest possible moment as may tend to protect our Nation from the effects of further agricultural decline and offer whatever possible aid toward its recovery as may come within its power, and request our Ohio delegation to give such legislation their faithful support.

Mr. THOMPSON. Mr. Chairman, this resolution represents the sentiment of 173 members of the House and Senate of the State of Ohio, 30 of whom are farmers. At the opening of this debate we had some remarks about the attitude of the people of Ohio. Ohio is a peculiar State. It is represented largely by cities. The city Members from Ohio, of course, will undoubtedly not vote for farm relief to any great extent, but the Members who represent the agricultural districts of Ohio do not see their way clear to placing themselves in the same attitude as the city Members from Cincinnati, Cleveland, Youngstown, and Toledo. Rural Ohio is for farm relief, and we are very much in favor of it.

THE NECESSITY FOR AGRICULTURAL LEGISLATION

Mr. Chairman, the problem of aiding the American farmer is one of the greatest questions before this Congress. I am glad to say that some progress has been made looking toward its solution.

A year ago the House Committee on Agriculture, of which I have the honor to be a member, held extended hearings covering the period of many weeks and reported to this House the Haugen farm relief measure, which was subsequently defeated by a close vote. This year the House Committee on Agriculture again took up the problem of extending relief for agriculture, because it deemed it a matter of paramount importance to the entire country to work out an agricultural policy which would be sound and workable and which would give the farmers real relief. After listening to various proposals the committee by a vote of 13 to 8 ordered a favorable report on a revised form of the Haugen bill. The burden of responsibility for action to place agriculture on a sound economic basis now rests with the Members of this Congress. The farmers of the Nation are looking to them for favorable action in response to their pleas before the adjournment of this session.

There are few people now who are willing to dispute the contention that something must be done to assist agriculture. It is now generally admitted that the farmers are not receiving their fair share of the national income, and that their economic situation is far below that of all of the other groups in this country. Business leaders, labor leaders, representatives of industrial groups have all conceded these facts. This in itself is indicative of the progress which has been made, be-

cause a few years ago and even so recently as a year ago there were those who were ready to deny the need for anything being done to help the farmers and who advocated letting things alone, on the theory that sooner or later the farmer would get whatever readjustment he was entitled to.

While practically all are agreed now as to the unfavorable condition of agriculture as compared with other industries, there are some differences of opinion as to the remedy for this situation. There are still some persons who take the position that Congress can do nothing in a legislative way to assist the farmers out of their plight, even though the existence of distressing conditions is admitted. Congress, however, can not justly reject the farmers' pleas on this ground. Congress has aided other industries in the country by legislative enactment in times past; why should Congress refuse the farmers now in their day of need. I am not one of those who is willing to take the position that because the problem is great we should therefore stand helpless. The farmers are entitled to the same consideration from Congress which other groups have already had.

In a speech which I delivered before this House on May 23, 1924, I called attention to the many laws enacted by Congress for the relief and assistance of other industries. I called attention to the aid given to the railroads through the transportation act, to the aid given to labor through the immigration law, the Adamson eight hour law, minimum wage laws, and workmen's compensation and insurance laws, to the aid given to the manufacturers and other groups through tariff laws and other forms of governmental assistance. The banks have been aided by Federal legislation providing for the Federal reserve system. The railroads are enabled, through Federal legislation, to operate with assurance that they will be able to exact from the people a reasonable profit after all costs have been met—and the farmer pays a large share of these profits. Great hydroelectric corporations, distributing power over territories covering many States, are likewise enabled, through legislation, to operate with the assurance that they can expect from the public a comfortable profit after all costs have been taken care of. If we can help the railroads, the banks, the manufacturers, great corporations, and organized labor through legislation, we surely should be able to do something for the greatest industry in this country—the business of agriculture. No one is foolish enough to contend or expect that Congress can by legislation make poor farmers successful or provide a panacea for all the ills of agriculture, but Congress can create conditions which will remove the disparity between agriculture and other industries and enable the farmers to secure through their own efforts their fair share of the national income.

FURTHER INVESTIGATION NOT NEEDED

There are some who are still urging that further investigations be conducted concerning the agricultural problem. Such proposals either reveal a lack of knowledge of what has already been done or else occasion suspicion that the real motive back of such proposal is to defeat the demands of the farmers for an adequate agricultural program. We have had plenty of investigations of the agricultural problem; the Agricultural Inquiry Commission made an exhaustive study of this problem; committees of Congress have spent months of time gathering testimony and investigating agricultural conditions as well as studying various remedies for the solution of agricultural problems; various farm organizations have given the matter a great deal of attention and detailed study; the National Industrial Conference Board, representing the industrial interests of the Nation, has made a complete and exhaustive inquiry into agricultural problems; various individuals and Members of Congress have also given a great deal of time and study to these problems; and in addition to all these investigations the Department of Agriculture has maintained a large number of agricultural experts at work constantly in research and investigation on practically every phase of farm problems. What we need now more than anything else is not investigations into the ills of agriculture but action in providing a remedy for these ills.

The distribution of the income which results from the production of agricultural products or any other form of wealth may be very inequitably divided among the various economic groups handling this wealth, due to arbitrary laws or due to customs which are permitted. Adam Smith, famous English economist, recognized this fact. He stated in his work, Principles of Political Economy, Book 2, chapter 1, section 1:

> The laws and conditions of the production of wealth partake of the character of physical truths. There is nothing optional or arbitrary in them. Whatever mankind produces must be produced in the modes and under the conditions imposed by the constitution of external things, and by the inherent properties of their own bodily and mental structure. * * * It is not so with the distribution of wealth. That is a matter of human institution solely. The distribution of wealth depends upon the laws and customs of society. The rules by which it is determined are what the opinions and feelings of the ruling portion of the community make them, and are very different in different ages and countries and might be still more different if mankind so chose.

SURPLUS PROBLEM NOT NEW

The surplus problem is not a new problem by any means. From the days of Joseph and Pharaoh down to the present time it has played an important part in agriculture. The existence of a surplus of farm crops is a desirable thing for the public welfare. The world is always only a short distance away from starvation, and it is only through the existence of surpluses that we are tided over the emergencies resulting from crop failures and food shortage. Furthermore, in the interest of the national defense it is extremely important that we maintain self-sufficiency in food supplies. This is one of the most important lessons to be learned from the recent World War. Still further, the maintenance of a surplus of exports of farm commodities is beneficial to the country generally because it helps to make possible the maintenance of a favorable balance of trade.

Thus the existence of a surplus of agricultural products, within reasonable limits, is a desirable state of affairs, but the farmers, under the present conditions, are unduly penalized for the production of these surpluses. Our present marketing system, operating under existing conditions, forces most of the farmers to dump their entire year's production within a short time, with the resultant glutting of markets, which depresses the price far below the actual value of the products. The middlemen wait until prices are unduly depressed and then step in and buy the farmer's product at a low price, store it, and allow it to trickle out to the consumers or to the processers in just the quantities which will be taken without lowering the price; and everyone who handles the farmers' product reaps a large profit, whereas the farmer who produces it is forced frequently to take less than the cost of production. In other words, the inability of the majority of the farmers to withhold their crop from the market and dispose of it in an orderly fashion prevents them from securing the price which the normal operation of supply and demand would justify.

The farmer also suffers as a result of a production of a surplus because he fails to get the full benefit of the tariff under these conditions. In a commodity like wheat, where there is wide competition in the markets of the world and when we produce more than we can consume at home, the price of that which is exported is determined by the world price, which is simply the price which it will bring in competition with other wheat in the markets of the world. Where there is a large exportable surplus the price which is obtained for the exported wheat largely determines the price for the wheat which is sold in this country, so that the farmers fail to get the added benefits in price which the tariff would give them if we had no wheat to export and kept foreign-grown wheat from coming over the tariff wall. Theoretically, the tariff should give the farmers for the portion sold in domestic markets a price equal to the world price plus the tariff, but the present method of handling exportable surpluses tends to depress the domestic price down to the level of the world price.

We are thus faced with this dilemma; the country generally is benefited by the production of agricultural surpluses, but the farmer is unduly penalized for producing such surpluses. How shall we deal with this problem so as to make it possible to provide a reasonable surplus without unduly depressing the price to the producers?

THE ACREAGE PROBLEM INEFFECTUAL

There are some who advocate the elimination of surpluses through control of acreage. Such a plan, however, would be impracticable, ineffective, and dangerous. To obtain reduction of acreage there must necessarily be unanimous action on the part of all producers or else those who refuse or fail to cooperate in such a program reap all the benefits of it at the expense of those who make the sacrifices. Such unanimous action is practically impossible under existing conditions with the majority of the farmers outside of farm organizations; and most farmers would probably resent any attempt by the Government to compel the individual grower to plant a certain number of acres and no more. Furthermore, any wholesale plan of limitation of acreage other than purely voluntary agreements entered into by the growers would be likely to result in injustice, because it would be difficult, if not impossible, to determine what acreage would be proper for every individual grower.

Even if it were possible and practicable to work out a plan by which the acreage of a certain crop should be restricted to

a given amount, there would still be no assurance as to what the production would be. There are numerous instances on record in which the total production in this country has increased greatly above a given amount during one year to be followed by as great a reduction in production the following year without any appreciable change in the amount of acreage. Change in weather conditions, ravages of insect pests, and plant diseases and greatly varying conditions of growth bring about tremendous fluctuations in production, even though the acreage should be maintained at the same level, so that it is impossible to assure satisfactory results from a program which is based entirely upon the control of acreage.

There is also the added danger that foreign countries would take advantage of an acreage-reduction program in this country by increasing their acreage. Southern cotton growers are faced now with just this possibility. They have been urged to plant less cotton in order to enhance the price, and now foreign countries are urging their growers to plant more cotton. As a remedy for the agricultural problem acreage control alone is a dangerous proposition.

If acreage control is an unsatisfactory remedy, the attempt to apply such a remedy under the existing conditions, with the farmers largely unorganized, would be doubly impracticable. Advocates of this plan, who say this is the only hope for the farmers' salvation, attempt to support their statements by trying to point out analogies between manufacturing industries and the business of farming. They argue that the manufacturer is able to maintain a profitable price by regulating the amount of the supply produced and that the farmer should follow a similar method. Theoretically, it is easy to advise the farmers to produce less, but the application to specific individuals is a far different matter.

The individual farmer is in a different situation from that of the great manufacturer. The manufacturing industry is much more concentrated than that of farming. The total number of manufacturers is smaller; large numbers of them are associated together in corporations and through interlinking of corporations; and the bulk of the industry is oftentimes confined to a relatively small area of the country. The business of farming, however, is made up of relatively small units, each one operating independently of the other, with the exception of the minority, who are associated in cooperative associations. With more than 6,000,000 farmers in this country, and more than 12,000 cooperative associations which handle only a small portion of the total production, the problem of controlling the production is obviously far more difficult for agricultural products than for manufactured products.

Furthermore, the manufacturer can decrease his production for six months or for one month, one week, or for even one day. He can entirely curtail his production for a given period, or he can limit the output to one-half the capacity of his plant; whereas the farmer must decide at the time of planting as to the amount which he expects to produce during the entire year, and having once planted the crop he must either carry through his program of production or else incur a considerable loss in labor and investment. Still further, the manufacturer who closes down his plant for a given period is able to eliminate his labor cost during that period, whereas the individual farmer, particularly the one who employs no labor other than himself, can not reduce his labor cost if he curtails his production below normal capacity.

This results in a higher cost of production to the farmer than to the manufacturer when the volume of production is reduced. Furthermore, in a period of depression and overproduction there are large numbers of farmers who are forced by economic necessity to add to their individual production in order to secure a larger number of bushels or a larger number of pounds of farm produce with which to meet their obligations. The control of acreage as a sole remedy for the surplus problem is therefore inadequate in its operation, impracticable of execution, and likely to be dangerous in its consequences.

MONEY LOANING NOT GOOD FOR FARMERS

Another remedy which has been proposed for dealing with the surplus problem is to extend more credit to the farmers and cooperative associations. While there may be individual instances in which farmers and cooperative marketing associations may require better credit facilities, this proposal as a remedy for the surplus problem is utterly inadequate. What the farmer needs is not more facilities for borrowing money, but a better price for what he has to sell so that he can pay back some of the money that he has already borrowed instead of going further into debt.

The Country Gentleman, one of the leading farm journals in this country, sought the opinion of representative farmers and farm leaders in all sections of the country last fall as to whether or not the farmer needed more credit for personal or cooperative use. Two questions were asked:

First. Does the farmer need more credit for personal or cooperative use?

Second. Will additional credit bring adequate farm relief?

The results of these inquiries were summarized in an editorial published in this journal in the October, 1926, issue, from which I quote the following:

> The replies left no doubt about the matter. * * * That better prices, or an evening up of advantages, should be the real objective of any measure undertaken for farm relief is the tenor of an overwhelming majority of opinions. * * * We have heard clearly and unmistakably the response of farmers in all sections of the country to any offer of further credits and nothing more. Such a relief plan will never do.

The board of directors of the National Association of Credit Men at their annual meeting in Atlantic City last spring issued a statement, from which I quote the following extract:

> Good planning, good marketing, and the reduction of waste, rather than more credit, are necessary.

In addition to these statements leaders of large farm organizations have publicly stated during the past year that the paramount need of agriculture to-day is not the extension of more credit but the creation of conditions which will make it possible for the farmer to secure a better price for his products.

COOPERATIVE MARKETING NEEDS STRENGTHENING

Another proposed solution for the difficulties of the farmers is to leave everything to the cooperatives. This would be very beneficial if all farmers were members of such organizations, but we must face conditions as they are and not as we would like to see them. When over two-thirds of the farmers are not members of any cooperative marketing association, and when the membership in such associations is split up among more than 12,000 organizations, it is impracticable to expect that these organizations shall be able to deal effectively with the surplus problem which demands for its solution concerted and coordinated action on the part of all producers.

There is an important wheel missing in our cooperative marketing machinery which prevents it from dealing effectively with the surplus problem. The missing portion in this machinery is the absence of control over the disposition of the surplus. Under present conditions the cooperatives do not dare to attempt to handle and dispose of surpluses, particularly when the surpluses are large in quantity, because most of the farmers are not members of cooperative associations, and the membership would be required to bear all the burdens incident to disposing of this surplus, while the nonmembers would share in the benefits in price enhancement without bearing any of the burdens. The effect of this would be to drive out from membership in the cooperatives those who are already members and to prevent nonmembers from joining; in other words, if the cooperatives, unaided and under present conditions, undertook to dispose of surpluses of commodities like wheat, the effect would be to destroy cooperative marketing organizations. Even when they have not attempted to handle and market the total surplus of a crop the cooperatives have had to battle for their lives, because nonmembers who stay out frequently share the same benefits as members and escape the burdens. Farm leaders have testified again and again that this has been one of the greatest hindrances to the development of cooperative marketing. To deal with this situation some means must be provided by which the burden of handling and disposing of the surplus of a farm commodity will be distributed equitably among all of the producers of such commodity and so that all producers may share alike in the benefits resulting therefrom.

Still other proposals have been offered which advocate arbitrary price fixing by the Government and the extension of direct subsidies out of the Federal Treasury. Such demands, however, did not come from the masses of the farmers. Representatives of great farm organizations and cooperative associations have repeatedly declared their opposition to arbitrary price fixing by the Government, and have stated time and time again that they do not want a Government subsidy. What they say they want is equality of opportunity, equality of bargaining power, and economic equality with other groups in this country.

WHY THE CURTIS-CRISP BILL IS NOT WANTED

The so-called Curtis-Crisp bill has been offered as a compromise measure; but it is not in reality a compromise measure but an inadequate substitute which fails to give the farmers what they want and offers them many things which they do not want. It fails to contain the equalization-fee principle indorsed by a large number of national farm organizations and declared by

them to be vital to the successful solution of the surplus problem. The Government must either be responsible for losses under this bill or else the operations must be restricted so much, in order to protect the Government from a loss, as to prevent much benefit being secured through handling the surplus. If there should be losses under the operation of this measure, the Government would have to pay the bill, whereas in the McNary-Haugen bill the Government funds which are advanced have, in addition to the usual security, the added protection of the equalization fund collected from the commodity. This proposal also involves price fixing based on "cost of production to efficient producers." The joint statement of representatives of farm organizations condemns this provision by pointing out that such a basis for price fixing would starve out the bulk of fellow producers of the so-called efficiency producers. Furthermore, the farmers, through their organizations, have expressed themselves very clearly as being opposed to arbitrary price fixing. These defects, as well as others which are pointed out in the report of the Agricultural Committee, serve to brand this measure as an inadequate and undesirable substitute.

REVISED HAUGEN BILL

Such are some of the proposals other than the Haugen bill which have been advocated. The Committee on Agriculture, after considering a large number of proposals and devoting a great deal of time to a study of this question, has given its approval by decisive vote to the Haugen bill. This measure would set up a Federal farm board of 12 members nominated by committees which are elected by the farm organizations. This board would be required to keep informed of agricultural conditions, and particularly concerning the probable existence of a surplus of the farm commodities included in the bill. Whenever such a surplus seemed to be imminent the board would have authority to enter into contracts with cooperative marketing organizations for the handling and disposition of the surplus. In order to finance these operations, including the payment of any losses that might be incurred in the handling of the surplus, the board would also have authority to collect a stabilization fee upon each unit of the said commodity. This fee would be collected at the point of processing, or upon the transportation thereof, or upon sale, whichever is deemed most practicable. Further finances are provided for in the form of a revolving loan fund of $250,000,000, which can be advanced by the board to the cooperatives with whom contracts are made for the handling of the surplus. These returns will have the protection afforded by the stabilization funds collected from the commodities. While the operations of the bill are to begin with corn, wheat, rice, swine, and cotton, provision is made whereby the board may recommend to Congress the inclusion of other commodities.

In the meantime, definite assistance may be rendered to any cooperative in the United States handling any commodity whatever through the special loan fund of $25,000,000 provided for in the bill, which can be used by the board to extend loans to the cooperatives at a low rate of interest and to amortize the repayment of such loans over a long period of time.

BENEFITS TO AGRICULTURE

Such, in substance, are the principal provisions of the Haugen bill. Let us see briefly just what it proposes to do for the farmers. If Congress sets up this machinery provided for in the bill, it will remove one of the greatest hindrances to the development of cooperative marketing and prove to be a great stimulus to the growth of cooperative organizations, because it will distribute equitably among all the cost and benefit of handling the surplus. One of the chief merits of this bill is that it contemplates using the existing cooperative associations rather than to set up an entirely new and independent marketing system.

By thus developing cooperative marketing of farm products and building upon the foundations of cooperative marketing which have already been built, the operations of this measure would not unnecessarily interfere with or endanger the existing economic structure, but would proceed along sound lines to secure for the farmers equality of bargaining power with other groups. If this measure did nothing else than to promote and coordinate cooperative associations so that they should be able to dispose of the farm surpluses so as to take the benefit of our protective laws, it would be well worth while.

The Government is not put into business and placed in competition with the cooperatives, but the Federal farm board would serve as a coordinating agency for the cooperatives and farm organizations through which effective control and disposition of surplus farm crops can be secured. It is not expected that the board shall make contracts with a view to handling the entire crop, but it will assist the cooperatives in disposing of the surplus so as to prevent the undue depression of domestic prices on the bulk of the crop. In other words, this legislation will make possible for the farmers themselves, through their own cooperative associations, assisted by a sympathetic Federal farm board, to deal effectively with one of the most distressing problems with which agriculture has to contend, namely, the surplus problem.

If this measure should be put into operation, the temptation for nonmembers to stay out of the cooperatives would be reduced and the incentive to become a member of such an association would be considerably enhanced, because the measure provides for the equitable distribution among all producers the cost and benefit of handling the surplus.

Another benefit which the farmers will receive from this legislation is that they will receive the full benefit of the tariff on foreign products. Manufacturers can maintain domestic prices at a level equal to the world price plus the tariff by selling their products abroad at a lower price than those in this country. Even though losses are sustained on the exportable surplus sold abroad at the lower price, the profits made on the bulk of the output which is sold in domestic markets at the higher price made possible through the tariff, much more than compensate for the losses sustained on the sale of the surplus; and the net return is greater as the result of these operations than if the exportable surplus were allowed to depress domestic prices. Under this legislation the farmers would be able, through their cooperative associations, assisted by the Federal farm board, to obtain the same benefits from the tariff which manufacturing and industrial groups have obtained.

COTTON

What I have just said in reference to the tariff does not apply, of course, to cotton. On account of the fact that the United States produces the major portion of the world's supply of cotton, the producers in this country would be in a dominant position and able to demand a profitable price for their product were it not for the fact that they are not sufficiently organized as to be able to market the bulk of the crop in an orderly fashion and regulate the flow of the raw material to market. This bill provides the necessary machinery with which to coordinate the existing cooperative organizations and others that may be organized later, and to give them such assistance as will enable them to withhold the cotton crop from the market and dispose of it in such quantities and at such times as will prevent undue price depression.

It is not contemplated, however, that a Government monopoly in cotton or any other farm product shall be instituted. There are no restrictions on the freedom of either producers or purchasers. Prices would still have to be determined through the operation of supply and demand. The bill does not contemplate the securing of arbitrary prices through Government monopoly such as has been attempted by other governments; and the farmers would still have to compete with foreign competition. The advantages which this measure would give to our farmers would be that it would enable them to secure the highest price for their products which market conditions and other economic factors would justify; it would distribute equitably upon all producers the burden of disposing of surpluses and enable the farmers to obtain all the benefits resulting from marketing their products in an orderly fashion instead of dumping the bulk of them on the market within a short time.

If the farmers can control the surplus problem and regulate the flow of their commodities to market, it will not only secure for them better prices on the average for their products, but it will tend to stabilize the whole industry of agriculture in the interest of both the producers and the consumers.

FOOD PRICES

Various criticisms have been aimed at the measure, but these fail to bear analysis. It is said by the enemies of this legislation that it will place an added burden on the consumer by raising the price of food products which they have to buy. While this may seem plausible, the actual operations of the bill would not work out that way in all probability. It is a well-known fact that the price of a loaf of bread remains the same despite large fluctuations in the price per bushel of wheat. This is true to a more or less extent of practically all farm products. The effect of this legislation would be to lessen the spread between the producers and the consumer, with the result that the farmer would get his fair share of profit which is now going to various middlemen between him and the consumer.

INDORSED BY LABOR

A representative of the American Federation of Labor, which represents one of the large groups of consumers in this country, appeared before the Committee on Agriculture last year in support of this legislation, and he denied unequivocally that it

would result in increasing the cost of living. I wish to quote the following extracts from his statement to the committee:

I have said in the past that if because of the enactment of any law it may be necessary that the workers shall pay more, why even then we are satisfied; but under this bill I can not see where we would be called upon to pay more. It is only an equalization bill. It is not even as far-reaching as the tariff is for manufacturers and industrial producers, inasmuch as it does not definitely raise prices. It just holds prices. Now, gentlemen, the American Federation of Labor is in favor of this bill and asks that it be enacted into law. * * * To me and to the American Federation of Labor it appears that this comes as near being a solution to the farm problem as anything that has been offered here.

In other words, organized labor representing a large group of consumers in this country is not expecting increased prices as result of this legislation, and they are in favor of such a measure even though it should result in higher prices, because they realize that the maintenance of a prosperous agriculture is essential to the well-being of the entire country, including themselves.

It has also been charged that this measure would stimulate excessive overproduction, and thereby defeat the purposes of the measure. It is claimed that an increase in the price which the farmer receives for his product would cause him to plant more next year, with the result that there would be a tremendous overproduction. Thus the opponents of this measure base their argument that it will cause overproduction upon the assumption that it will increase the price which the farmer will receive. In order to raise this objection, therefore, they are admitting that the measure will secure precisely the result which its advocates claim for it, namely, that it will bring the farmers a better price for what they have to sell, and this is exactly what the farmer needs.

Now that they have admitted this result, what about the conclusion which they draw from it, namely, that the increase in price will result in an overproduction so great as to depress considerably the prices during the succeeding year. Such a conclusion is unwarranted, but for the sake of argument let us assume for the moment that this would be true; then what they are saying in effect is that if we do something to give the farmers a better price we are doing something which we ought not to do, because it will lead them to produce a larger quantity. But what evidence do they offer in support of this conclusion? Are we going to deny the farmer a better income merely because we fear some purely academic "bogy"?

As a matter of fact there are many factors which would tend to prevent excessive overproduction. It appears doubtful that the total production of farm commodities will be very greatly increased in the near future even though prices should rise materially. This belief is supported by Dr. George F. Warren of Cornell University, one of the leading agricultural economists of the United States. I quote the following extract from his letter to a Congressman, dated May 1, 1926, which was published in the CONGRESSIONAL RECORD of May 25, 1926:

It takes a considerable period of time to increase yields per acre and a considerable period of time to decrease them * * * the present agricultural depression has been so drastic that the impetus to decrease production will undoubtedly occur for sometime even should the conditions improve. In other words, if conditions for farmers should at once be decidedly improved we would still expect production to continue to decline for some years * * * by that time we would probably need the increased production. For six crop years farming has been going through a period of agricultural depression. An imminent period of shortage of farm products is unavoidable. The longer the period of depression the longer and more violent the period of shortage will be.

In short I believe that if an improvement should occur in the agricultural situation at the present time that at first it would merely check the rate of decline in agriculture. It would be, I believe, some years before any actual increase in total production would occur.

The opponents of this measure raise the hue and cry that it would bring about disastrous overproduction but they overlook the fact that the individual farmer often increases his acreage following a period of low prices. He does this because he must secure a certain amount of income in order to pay his taxes, his fertilizer bills, his living expenses, and other costs; and when the prices are so low that he does not receive a sufficient amount from his present production to enable him to pay his bills he finds it necessary to increase his production per man in order to get a larger return per man. This situation is confirmed by Edwin S. Norse, of the Institute of Economics in his book entitled "Agriculture and the European Market" from which I quote the following extract:

The single individual reacts to falling prices by redoubling his effort thereby enlarging market supplies and continuing or even aggravating the downward tendency of prices. If corn is cheap the farmer with rent and taxes and interest to pay foresees the need of more bushels with which to pay these bills.

In addition to this statement which I have quoted from a well-known economist, this is a matter of common knowledge among those familiar with farming conditions.

In addition to these factors which will safeguard the farmers against overproduction, the McNary-Haugen bill contains several specific provisions which will serve as an added protection. One of the greatest arguments in favor of the equalization fee is that it will serve as a check upon excessive overproduction, because the larger the surplus produced the larger necessarily must be the equalization fee collected for handling the surplus. Furthermore, the board is authorized to advise with the producers as to production, and the various commodity advisory councils are empowered to cooperate with the board in suggestions to producers as to production. The result will be a tendency toward stabilization of production following a stabilization of prices so that the whole industry within a few years would probably reach a stabilized basis wherein production would vary but little beyond the fluctuations due to weather and climatic conditions. Under these conditions both the producers and the consumers would be able to anticipate their probable income and expenses with more degree of certainty and would be better able to plan their operations accordingly.

It has been further charged that the equalization fee is unconstitutional. This is one of the stock objections which opponents of legislation find convenient to fall back upon when they can discover nothing else that is seriously objectionable in a measure. If Congress had followed the policy of refusing to pass bills whenever anyone declared that they were unconstitutional, we would have been deprived of many important and useful measures which Congress has passed and which were later upheld by the courts. As a matter of fact, the questions as to constitutionality are thoroughly dealt with in a report of the committee. I will not take the time of the House at this time to give an account of the large amount of evidence which has been marshaled in support of the constitutionality not only of the equalization fee but of other provisions of the bill, but I merely wish to call attention to the fact that these matters are fully dealt with in the committee report.

In conclusion, Mr. Chairman, I wish to point out that we have before us for consideration a measure which has the indorsement of organized labor, representatives of business associations, an increasing number of State legislatures, and a large number of farm organizations representing every principal section of the United States. There is no other measure which has been considered by this Congress which has anything like the support which this measure has. There is no reference in the measure, whatever, to price fixing or price levels. It does not put the Government into buying or selling farm crops on its own account. Government funds, which are loaned to the cooperatives, are amply safeguarded. The measure uses and builds upon the cooperative movement which has already been developed rather than setting up a new system. It takes care of all commodities by authorizing the board to assist in disposing of the surpluses of five of the major farm commodities and to assist the producers of other commodities through extending amortized loans to cooperatives handling such commodities. It is not an attempt at securing unwarranted, artificial, and arbitrary prices through a government monopoly, but it provides a means by which the producers, through their own organizations, assisted by the farm board, can dispose of farm surpluses in such a way as to give the producers the full value of their product. In short it is a business proposition which will make it possible for the farmers to market their crops in an orderly manner so that they will be able to obtain the best price which market conditions and other economic factors justify and which will give to the farmers equal bargaining power and equality of opportunity with other groups. If this bill is passed it will stabilize the most important industry in this country on a basis of economic equality with other groups. I do not believe that Congress should deny these benefits to the farmer by refusing or neglecting to pass this legislation. I believe it to be the most constructive and most effective measure that has been proposed to us, and it is my purpose to vote for it.

Mr. HAUGEN. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. MAPES, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 15474) to establish a Federal farm board, to aid in the orderly mar-

keting and in the control and disposition of the surplus of agricultural commodities, and had come to no resolution thereon.

DEATH OF FORMER REPRESENTATIVE SAMUEL W. BEAKES, OF MICHIGAN

Mr. MICHENER. Mr. Speaker, it becomes my painful duty to announce to the House the death on the 9th day of the present month of my predecessor, Hon. Samuel W. Beakes, who served faithfully and well in the House of Representatives in the Sixty-third, Sixty-fourth, and Sixty-fifth Congresses.

Mr. Beakes was a man of ability and integrity, and always loyal to his friends. Politically he was a Democrat and held many positions of honor and trust in his home city and county.

Upon retiring from Congress he entered the Veterans' Bureau, and has made his home in Washington since that time. His death will be mourned by his many friends.

DEATH OF FORMER REPRESENTATIVE FRANCIS MARION GRIFFITH, OF INDIANA

Mr. CANFIELD. Mr. Speaker, it is with feeling of personal regret that I announce to the membership of the House the death of Hon. Francis Marion Griffith, which, as I am informed, occurred at his home in Vevay, Ind., on February 8, 1927, at the age of 77 years. Mr. Griffith was elected to the Fifty-fifth Congress to fill out the unexpired term of Hon. William S. Holman. He was also elected to the Fifty-sixth, Fifty-seventh, and Fifty-eighth Congresses, after which he retired from that body and again took up the practice of law. Mr. Griffith also served as circuit judge for six years, and from that time to the date of his death he had devoted his time exclusively to his law practice. For many years he was prominent in political affairs in Indiana and was one of the leaders of the State. In addition, he was one of the State's most esteemed characters whose death will not only be a distinct loss to the State of Indiana, but, I am sure, will bring sadness to many who knew him.

SENATE ENROLLED BILLS SIGNED

Mr. CAMPBELL, from the Committee on Enrolled Bills, announced that that committee had examined and found truly enrolled Senate bills of the following titles, when the Speaker signed the same:

S. 4553. An act granting the consent of Congress to the Chesapeake Bay Bridge Co. to construct a bridge across the Chesapeake Bay from a point in Baltimore County to a point in Kent County, in the State of Maryland; and

S. 4727. An act to provide for the widening of Nichols Avenue between Good Hope Road and S Street SE., in the District of Columbia.

ENROLLED HOUSE BILLS PRESENTED TO THE PRESIDENT

Mr. CAMPBELL, from the Committee on Enrolled Bills, reported that this day they presented to the President of the United States, for his approval, the following bills:

H. R. 4553. An act authorizing the President to restore Commander George M. Baum, United States Navy, to a place on the list of commanders of the Navy to rank next after Commander David W. Bagley, United States Navy;

H. R. 11421. An act to provide for conveyance of certain lands in the State of Alabama for State park and game preserve purposes; and

H. R. 14242. An act to authorize the Secretary of the Navy to proceed with the construction of certain public works at Quantico, Va.

ADJOURNMENT

Mr. HAUGEN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 4 o'clock and 43 minutes p. m.) the House adjourned until to-morrow, Saturday, February 12, 1927, at 12 o'clock noon.

COMMITTEE HEARINGS

Mr. TILSON submitted the following tentative list of committee hearings scheduled for Saturday, February 12, 1927, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON APPROPRIATIONS

(10.30 a. m.)

Second deficiency bill.

COMMITTEE ON FOREIGN AFFAIRS

(10.30 a. m.)

To provide for the expense of the participation of the United States in the work of a preparatory commission to consider questions of the reduction and limitation of armaments.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

962. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the fiscal year ending June 30, 1927, for the War Department, amounting in all to $210,000; also drafts of proposed legislation affecting existing appropriations for the War Department (H. Doc. No. 704); to the Committee on Appropriations and ordered to be printed.

963. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the fiscal year ending June 30, 1927, for the War Department, amounting in all to $2,338,233, for the removal of high explosive ammunition from the Raritan ordnance reserve depot, N. J. (H. Doc. No. 705); 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. WINTER: Committee on Mines and Mining. S. 3641. An act to amend an act entitled "An act to provide relief in cases of contracts connected with the prosecution of the war, and for other purposes," approved March 2, 1919, as amended; with amendment (Rept. No. 2041). Referred to the Committee of the Whole House on the state of the Union.

Mr. SINNOTT: Committee on Irrigation and Reclamation. H. R. 9493. A bill conferring jurisdiction upon the United States District Court for the District of Oregon or the Court of Claims to hear and determine any suit or suits, actions or proceedings which may be instituted or brought by the Klamath irrigation district, a public corporation of the State of Oregon, or the State of Oregon by intervention or direct suit or suits, to set aside that certain contract between the United States and the California-Oregon Power Co., dated February 24, 1917, together with all contracts or modifications thereof, and to set aside or cancel the sale made by the United States Government, through the Secretary of the Interior, of the so-called Ankey and Keno Canals, and the lands embraced in the rights of way thereof, to the said California-Oregon Power Co.; said sale having been made in the year 1923; with amendment (Rept. No. 2042). Referred to the Committee of the Whole House on the state of the Union.

Mr. LETTS: Committee on Indian Affairs. H. R. 16288. A bill authorizing an appropriation for the survey and investigation of the placing of water on the Michaud division and other lands in the Fort Hall Indian Reservation; with amendment (Rept. No. 2044). Referred to the Committee of the Whole House on the state of the Union.

Mr. McLEOD: Committee on the District of Columbia. H. R. 15343. A bill to amend an act entitled "An act to provide for the examination and registration of architects and to regulate the practice of architecture in the District of Columbia," approved December 13, 1924, and for other purposes; with amendment (Rept. No. 2045). Referred to the Committee of the Whole House on the state of the Union.

Mr. ZIHLMAN: Committee on the District of Columbia. H. R. 16948. A bill to increase the salaries of the Commissioners of the District of Columbia; without amendment (Rept. No. 2046). Referred to the Committee of the Whole House on the state of the Union.

Mr. WILLIAMSON: Committee on Indian Affairs. S. 1924. A bill for the relief of the Uintah and White River Tribes of Ute Indians of Utah; with amendment (Rept. No. 2047). Referred to the Committee of the Whole House on the state of the Union.

Mr. SMITH: Committee on the Public Lands. H. R. 139. A bill to provide for addition of certain land to the Challis National Forest; with amendment (Rept. No. 2048). Referred to the Committee of the Whole House on the state of the Union.

Mr. PORTER: Committee on Foreign Affairs. H. J. Res. 353. A joint resolution for the relief of the consulate general at Yokohama, Japan; without amendment (Rept. No. 2049). Referred to the Committee of the Whole House on the state of the Union.

Mr. COLE: Committee on Foreign Affairs. H. J. Res. 354. A joint resolution to provide for the payment of an indemnity to the Chinese Government for the death of Chang Lin and Tong Huan Yah, alleged to have been killed by members of the armed forces of the United States; with an amendment (Rept. 2050). Referred to the Committee of the Whole House on the state of the Union.

Mr. PORTER: Committee on Foreign Affairs. H. J. Res. 355. A joint resolution to provide for the payment of an indemnity

to the British Government to compensate the dependents of Edwin Tucker, a British subject, who was killed by a United States Army ambulance in Colon, Panama; with an amendment (Rept. No. 2051). Referred to the Committee of the Whole House on the state of the Union.

Mr. COLE: Committee on Foreign Affairs. H. J. Res. 356. A joint resolution to provide for payment of the claim of the Government of China for compensation of Sun Jui-chin for injuries resulting from an assault on him by a private in the United States Marine Corps; without amendment (Rept. No. 2052). 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. WINTER: Committee on Irrigation and Reclamation. H. R. 16336. A bill for the relief of Robert F. Neeley and Franklin E. Neeley; with an amendment (Rept. No. 2043). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, the Committee on Naval Affairs was discharged from the consideration of the bill (H. R. 15942) for the relief of Charles W. Buck, and the same was referred to the Committee on Military Affairs.

PUBLIC BILLS AND RESOLUTIONS

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

By Mr. BLACK of New York: A bill (H. R. 17083) to grant additional leave to Federal employees who are members of the American Legion; to the Committee on the Civil Service.

Also, a bill (H. R. 17084) to create the Gowanus Stone House Battle Memorial Park; to the Committee on Military Affairs.

By Mr. BLOOM: A bill (H. R. 17085) to amend section 300 of the World War veterans' act, 1924; to the Committee on World War Veterans' Legislation.

By Mr. CARTER of California: A bill (H. R. 17086) to extend medical and hospital relief to retired officers and enlisted men of the United States Coast Guard; to the Committee on World War Veterans' Legislation.

By Mr. ESTERLY: A bill (H. R. 17087) to authorize the United States Public Health Service to furnish expert assistance and advice in respect of water, sewer, and street-surface drainage systems; to the Committee on Interstate and Foreign Commerce.

By Mr. DREWRY: A bill (H. R. 17088) to authorize certain officers of the United States Navy to accept from the Republic of Haiti the medal of honor and merit; to the Committee on Naval Affairs.

By Mr. LITTLE: A bill (H. R. 17089) relative to the dam across the Kansas (Kaw) River at Lawrence, in Douglas County, Kans.; to the Committee on Interstate and Foreign Commerce.

By Mr. LEAVITT: A bill (H. R. 17090) authorizing the classification of the Crow Indians of Montana; to the Committee on Indian Affairs.

By Mr. GARNER of Texas: A bill (H. R. 17091) to transfer Willacy County in the State of Texas from the Corpus Christi division of the southern district of Texas to the Brownsville division of such district; to the Committee on the Judiciary.

By Mr. WINTER: Resolution (H. Res. 416) providing for the consideration of S. 3641, to amend the war minerals relief act, approved March 2, 1919; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. BLOOM: A bill (H. R. 17092) for the relief of Charles A. Brown; to the Committee on Claims.

By Mr. DAVENPORT: A bill (H. R. 17093) granting an increase of pension to Lorena Daniels Wample; to the Committee on Invalid Pensions.

By Mr. DOWELL: A bill (H. R. 17094) granting an increase of pension to Francis L. Scofield; to the Committee on Invalid Pensions.

By Mr. GARBER: A bill (H. R. 17095) granting an increase of pension to Sarah Marsh; to the Committee on Pensions.

By Mr. GREENWOOD: A bill (H. R. 17096) granting a pension to Elmyra E. Porter; to the Committee on Invalid Pensions.

By Mr. JENKINS: A bill (H. R. 17097) granting a pension to Minnie L. Barnett; to the Committee on Invalid Pensions.

By Mr. JOHNSON of Washington: A bill (H. R. 17098) to provide for a preliminary examination and survey of Grays Harbor, Wash.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 17099) for the relief of Letitia Spence; to the Committee on Claims.

By Mr. McSWEENEY: A bill (H. R. 17100) for the relief of Jennie Carroll, Mabel H. Lazear, Emily Lawrence Reed, and John R. Kissinger; to the Committee on Military Affairs.

By Mr. MENGES: A bill (H. R. 17101) granting an increase of pension to Mary C. Smith; to the Committee on Invalid Pensions.

By Mr. STALKER: A bill (H. R. 17102) granting an increase of pension to Margaret Davis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 17103) granting an increase of pension to Margaret Sanford; to the Committee on Invalid Pensions.

Also, a bill (H. R. 17104) granting an increase of pension to Mary Strong; to the Committee on Invalid Pensions.

Also, a bill (H. R. 17105) granting an increase of pension to Addie Champion; to the Committee on Invalid Pensions.

Also, a bill (H. R. 17106) granting an increase of pension to Sylvia A. Hollenbeck; to the Committee on Invalid Pensions.

By Mr. TEMPLE: A bill (H. R. 17107) granting a pension to Margaret Crawford; to the Committee on Pensions.

By Mr. TUCKER: A bill (H. R. 17108) giving jurisdiction to the Court of Claims to hear and determine the claim of the Butler Lumber Co. (Inc.); to the Committee on the Judiciary.

PETITIONS, ETC.

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

6495. By Mr. ARNOLD: Petition from citizens of Mount Vernon, Ill., recommending the passage of the Civil War pension bill; to the Committee on Invalid Pensions.

6496. By Mr. BLAND: Petition of voters of Accomac County, Va., urging that steps be taken to bring to a vote a Civil War pension bill carrying the rates proposed by the National Tribune, Washington, D. C.; to the Committee on Invalid Pensions.

6497. By Mr. BLOOM: Petition of directors of the Chicago Board of Trade, regarding the McNary-Haugen bill; to the Committee on Agriculture.

6498. By Mr. BRIGHAM: Petition of Alma Bugbee and 45 other citizens of Morristown, Vt., favoring the passage of legislation for the relief of Civil War soldiers and widows; to the Committee on Invalid Pensions.

6499. By Mr. BROWNE: Resolution of the American Legion, Department of Wisconsin, urging that the bill for the retirement of disabled emergency Army officers be brought up for action; to the Committee on World War Veterans' Legislation.

6500. By Mr. CANFIELD: Petition of Mr. J. H. Shutts and 59 other residents of Dillsboro, Ind., urging passage of legislation for the increasing of pensions of Civil War soldiers and widows of soldiers; to the Committee on Invalid Pensions.

6501. By Mr. CARTER of California: Petition of W. O. Leanbert and 117 other voters of Oakland, Calif., urging the passage of legislation granting increase of pensions to veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

6502. Also, petition of the National Council, Traveling Salesmen's Associations, representing 912,000 salesmen of the Nation, urging the repeal of the war-time Pullman surcharge; to the Committee on Ways and Means.

6503. Also, petition of S. C. Boyson and 49 other voters of Alameda, Calif., urging the passage of legislation increasing the pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6504. By Mr. CHALMERS: Petition signed by about 50 voters of Toledo, Ohio, urging that legislation be passed to increase the pensions of all Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6505. By Mr. DEMPSEY: Petition of citizens of Middleport, N. Y., urging passage of Civil War pension bill for relief to suffering veterans and widows of veterans; to the Committee on Invalid Pensions.

6506. By Mr. DOWELL: Petition of citizens of Polk County, Iowa, urging enactment of legislation increasing pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6507. By Mr. EATON: Petition of Mrs. Angie T. Bryan, 181 High Street, Somerville, N. J., and 32 other citizens of Somerset County, N. J., urging immediate steps be taken to bring Civil War pension bill to a vote and urging support by Members of Congress; to the Committee on Invalid Pensions.

6508. By Mr. ROY G. FITZGERALD: Petition of 149 voters of Butler and Montgomery Counties, Ohio, praying for the passage of a bill to increase the pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6509. By Mr. FRENCH: Petition of citizens of Viola, Idaho, protesting against enactment of Sunday legislation; to the Committee on the District of Columbia.

6510. By Mr. FUNK: Petition of citizens of Cabery, Ill., urging further relief for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6511. By Mr. GALLIVAN: Petition of Clarence O. Case, president New England Flour Co., Boston, Mass., vigorously opposing the McNary-Haugen farm bill as vicious class legislation; to the Committee on Agriculture.

6512. By Mr. GARBER: Petition of Dolman & Dyer, attorneys, Ardmore, Okla., expressing approval of House bill 8708, a bill to reduce the interest rate on railroad indebtedness to the United States from 6 per cent to not less than 4¼ per cent and to extend the time of payment of such indebtedness; to the Committee on Ways and Means.

6513. Also, petition of the American National Retail Jewelers Association, urging enactment of House bill 16545, known as the national platinum marking act, 1927; to the Committee on Interstate and Foreign Commerce.

6514. Also, petition of the National Retail Coal Merchants Association, opposing all legislation tending to substitution of political control for economic control, the domination of business by politicians, the increase of Federal bureaus and employees, or the transfer of State authority to the Federal Government, whether affecting coal or any other commodity; to the Committee on Interstate and Foreign Commerce.

6515. Also, petition of Drennan & Drennan, Medford, Okla., urging enactment of House bill 8708, to extend the period of payment of railroad indebtedness for a period not to exceed 30 years and to reduce the interest rate on this indebtedness from 6 per cent to not less than 4¼ per cent; to the Committee on Ways and Means.

6516. Also, petition of the United Mine Workers of America, protesting against the burdensome uneconomic freight rates on coal from the mines of Indiana, Ohio, Pennsylvania, and Illinois; to the Committee on Interstate and Foreign Commerce.

6517. By Mr. HICKEY: Petition of Charles D. Robison and other citizens of Warsaw, Ind., urging the passage of a bill increasing the pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6518. By Mr. HOCH: Petition signed by Capt. Wm. Schwartz and 115 voters of LeRoy, Kans., urging immediate action taken on bill increasing pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6519. Also, petition of five citizens of Plymouth, Kans., urging passage of the Civil War pension bill; to the Committee on Invalid Pensions.

6520. Also, petition of 16 citizens of Wabaunsee, Kans., urging passage of Civil War pension bill; to the Committee on Invalid Pensions.

6521. Also, petition of 62 citizens of Eureka, Kans., urging passage of the Civil War pension bill; to the Committee on Invalid Pensions.

6522. Also, petition of 30 citizens of Severy, Kans., urging immediate action on pending Civil War pension legislation; to the Committee on Invalid Pensions.

6523. By Mr. HOOPER: Petition of L. S. Dye and 98 other residents of Homer, Mich., in favor of pending legislation to increase the present rates of pension of Civil War veterans, widows of veterans, and dependents; to the Committee on Invalid Pensions.

6524. By Mr. JOHNSON of South Dakota: Petition of citizens of the second district of South Dakota, urging immediate action on legislation increasing Civil War pensions; to the Committee on Invalid Pensions.

6525. By Mr. JOHNSON of Washington: Petition of citizens of Buckley, Wash., praying for enactment of Civil War pension legislation; to the Committee on Invalid Pensions.

6526. By Mr. KIEFNER: Petition from the citizens of Fredericktown, Mo., urging Congress to pass legislation for the relief of the needy and suffering Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6527. By Mr. KIESS: Petition of citizens of Potter County, Pa., protesting against the passage of House bills 7179, 7822, 10123, and 10311; to the Committee on the District of Columbia.

6528. By Mr. KINDRED: Petition of Lieut. H. F. McCorkle Camp, United Spanish War Veterans, to the Members of the United States Senate and House of Representatives, requesting their approval and indorsement of Gen. George H. Woods's retention and reappointment as a member of the Board of Managers of the National Soldiers' Home; to the Committee on Military Affairs.

6529. By Mr. KNUTSON: Petition signed by P. M. Lovelace, of Hewitt, Minn., and others, urging Civil War pension legislation; to the Committee on Invalid Pensions.

6530. Also, petition signed by Rev. A. J. Oliver, of Pequot, Minn., and others, urging increase of pensions for Civil War veterans; to the Committee on Invalid Pensions.

6531. By Mr. LAMPERT: Petition from Fred H. Zermuehlen and 65 other citizens of Two Rivers, Wis., urging increase in pensions for Civil War veterans and for the widows of Civil War soldiers; to the Committee on Invalid Pensions.

6532. By Mr. MAGRADY: Petition of sundry citizens of Millville, Columbia County, Pa., urging that immediate steps be taken to bring to a vote the Civil War pension bill increasing pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6533. By Mr. MANLOVE: Petition of Mr. W. R. Gaddie, J. R. Hasting, H. W. Sterling, and 38 other residents of Jasper County, Mo., urging the passage of legislation for the relief of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6534. By Mr. MICHENER: Petition of residents of Deerfield, Lenawee County, Mich., asking that certain pension laws be enacted for Civil War veterans; to the Committee on Invalid Pensions.

6535. By Mr. MILLER: Petitions of citizens of Seattle, Wash., for increases in pensions for Civil War veterans and removal of limitation on date of marriage of Civil War widows; to the Committee on Invalid Pensions.

6536. By Mr. MOONEY: Telegram from Bishop Joseph Schrembs, of Cleveland, Ohio, urging favorable consideration of legislation to liberalize the immigration laws so as to permit the reunion of families; to the Committee on Immigration and Naturalization.

6537. By Mr. MICHENER: Petition of residents of Brooklyn, Jackson County, Mich., asking that certain pension laws be enacted for Civil War veterans; to the Committee on Invalid Pensions.

6538. By Mr. O'CONNELL of New York: Petition of the Board of Trade of the city of Chicago opposing the passage of the Haugen-McNary bill; to the Committee on Agriculture.

6539. Also, petition of National Federation of Federal Employees, favoring the passage of Senate bill 1077 or similar House bill now on the calendar; to the Committee on the Civil Service.

6540. By Mr. OLDFIELD: Petition of citizens of Jackson County, Ark., urging the passage of House bill 13450; to the Committee on Invalid Pensions.

6541. By Mr. ROBINSON of Iowa: Petition by the citizens of Waverly, Bremer County, Iowa, for the enactment of Civil War veterans pension legislation; to the Committee on Invalid Pensions.

6542. By Mr. ROMJUE: Petition of Hon. C. F. Hale, Dr. T. S. Watson, J. W. Nisbeth, et al., asking passage of legislation in behalf of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6543. By Mr. SANDERS of New York: Petition of residents of the town of Wethersfield, N. Y., urging immediate passage of a bill granting increased pension rates to Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6544. By Mr. STOBBS: Petition of residents of Shrewsbury and Worcester, Mass., opposing passage of Senate bill 4821, the Sunday observance bill; to the Committee on the District of Columbia.

6545. Also, petition of residents of Westboro, Mass., urging passage of Civil War pension bill; to the Committee on Invalid Pensions.

6546. By Mr. STRONG of Pennsylvania: Petition of citizens of Indiana County, Pa., in favor of the Sunday rest bill for the District of Columbia (H. R. 10311); to the Committee on the District of Columbia.

6547. Also, petition of citizens of Du Bois, Pa., urging immediate action on a bill to increase the rates of pension of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6548. Also, petition of citizens of Indiana County, Pa., urging immediate action on a bill to increase the rates of pension for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6549. By Mr. STRONG of Kansas: Petition of voters of Salina, Kans., urging enactment of Civil War pension bill; to the Committee on Invalid Pensions.

6550. By Mr. SUMMERS of Washington: Petition signed by Mrs. Mollie Maguire and 31 others, of Walla Walla, Wash.,

urging that the Civil War pension bill now pending be given prompt consideration; to the Committee on Invalid Pensions.

6551. By Mr. THURSTON: Petition of board of directors Creston (Iowa) Chamber of Commerce, indorsing the McNary-Haugen bill and recommending its passage; to the Committee on Agriculture.

6552. Also, petition of board of directors Bedford (Iowa) Chamber of Commerce, indorsing the McNary-Haugen farm bill and recommending its passage; to the Committee on Agriculture.

6553. Also, petition of the board of directors of the Des Moines (Iowa) Chamber of Commerce, indorsing the Mc-Nary-Haugen bill and recommending its passage; to the Committee on Agriculture.

6554. Also, petition of citizens of Creston, Union County, Iowa, relating to legislation in favor of veterans of the Civil War and their dependents; to the Committee on Invalid Pensions.

6555. Also, petition of citizens of Clarinda, Page County, Iowa, relating to legislation in favor of veterans of the Civil War and their dependents; to the Committee on Invalid Pensions.

6556. By Mr. TILLMAN: Petition of different citizens of the third congressional district of Arkansas, asking for pension legislation for veterans of the Civil War; to the Committee on Invalid Pensions.

6557. By Mr. VESTAL: Petition of John W. Grimes and others, of Madison County, Ind., favoring the passage of the Civil War pension bill; to the Committee on Invalid Pensions.

6558. Also, petition of Omer Sutton and others, of Madison County, Ind., favoring the passage of the Civil War pension bill; to the Committee on Invalid Pensions.

6559. By Mr. VINCENT of Michigan: Petition of residents of the eighth district, urging legislation to increase pensions of veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

6560. By Mr. WATRES: Petition by residents of Carbondale and Scranton, Pa., favoring Civil War pension legislation; to the Committee on Invalid Pensions.

6561. By Mr. WEAVER: Petition of citizens of Reems Creek Township, Buncombe County, N. C., asking increase in Civil War pensions; to the Committee on Invalid Pensions.

6562. Also, petition of citizens of Cataloochee Township, Haywood County, N. C., asking increase in Civil War pensions; to the Committee on Invalid Pensions.

6563. By Mr. WOODYARD: Petition of citizens of Sistersville, W. Va., favoring additional pension legislation; to the Committee on Invalid Pensions.

6564. By Mr. WYANT: Petition of citizens of Scottdale, Westmoreland County, Pa., urging the passage of the Lankford Sunday rest bill (H. R. 10311); to the Committee on the District of Columbia.

SENATE

SATURDAY, *February 12, 1927*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father, the God of our fathers in all the experiences of our national history, we bless Thee for Thy guidance and for every help that has come to us in days of darkness and of doubt. But we know that Thou wert the God of the past, and as Thou wert thus recognized we would have Thee as the God of the present and of the future.

We bless Thee for the history of one connected in our national life, whose name and influence add luster to its history, and we pray, our God, that in all the way of life we may recognize that righteousness exalts a nation.

Hear us and help us, so that in the midst of life's problems we may realize that the God of the past is now with us and ready to help us in every hour of need. Direct us for Jesus Christ's sake. Amen.

The Chief Clerk proceeded to read the Journal of the proceedings of the legislative day of Wednesday last when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were thereupon signed by the Vice President:

S. 4727. An act to provide for the widening of Nichols Avenue between Good Hope Road and S Street SE. in the District of Columbia; and

S. 4553. An act granting the consent of Congress to the Chesapeake Bay Bridge Co. to construct a bridge across the Chesapeake Bay from a point in Baltimore County to a point in Kent County, in the State of Maryland.

CALL OF THE ROLL

Mr. SMOOT obtained the floor.

Mr. LA FOLLETTE. 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	Gerry	Lenroot	Robinson, Ark.
Bayard	Gillett	McKellar	Schall
Bingham	Glass	McLean	Sheppard
Blease	Goff	McMaster	Shipstead
Borah	Gooding	McNary	Simmons
Bratton	Gould	Mayfield	Smith
Broussard	Greene	Means	Smoot
Bruce	Harreld	Neely	Stanfield
Cameron	Harris	Norris	Steck
Capper	Harrison	Nye	Stephens
Caraway	Hawes	Oddie	Stewart
Couzens	Heflin	Overman	Trammell
Curtis	Howell	Pepper	Tyson
Dale	Johnson	Phipps	Walsh, Mass.
Dill	Jones, Wash.	Pine	Walsh, Mont.
Ferris	Kendrick	Pittman	Warren
Fletcher	Keyes	Ransdell	Watson
Frazier	King	Reed, Mo.	Wheeler
George	La Follette	Reed, Pa.	Willis

The VICE PRESIDENT. Seventy-six Senators having answered to their names, a quorum is present.

Mr. SMOOT. Mr. President, I ask unanimous consent that I may be allowed for a few minutes to pay tribute to the memory of Abraham Lincoln.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senator from Utah will proceed.

ABRAHAM LINCOLN, STATESMAN

Mr. SMOOT. Mr. President, 80 years ago next December, Abraham Lincoln took his seat in the lower House of Congress, in what is now Statuary Hall in the National Capitol. He was elected as a Whig and a follower of Henry Clay. He entered the National Legislature at a momentous period. For a decade the Nation had been absorbed in industrial pursuits. Business and internal development were uppermost. Patriotism slumbered, national impulses seemed dormant.

A wild passion for war revived the spirit of Bunker Hill and New Orleans. The soldier supplanted the accountant; deed eclipsed the dollar. Few stopped to discuss the righteousness of war, to what end it might lead or its effect on the status of slavery.

Mr. Lincoln did not willingly enter into this military atmosphere. Albeit a patriot and as a Congressman elect, admonishing those who hastened to the front to "stand by the flag till peace came with honor," nevertheless he was one of thousands of sober, thoughtful, yet loyal, citizens, who looked far beyond a war of annexation to the addition of another slave State. Mr. Lincoln's background was an absorbing hostility to what he sincerely felt was a national peril.

While a man of peace and opposed to war with Mexico, Mr. Lincoln never failed to vote for any bill or resolution that had for its object the sending of supplies to our troops ordered to the seat of war. Once in the war he supported its prosecution.

With courage and faultless logic he challenged the President's justification of war and the shedding of the blood of American citizens on foreign soil.

> Let him [the President] remember—
>
> He said—
>
> he sits where Washington sat; and so remembering, let him answer as Washington would answer * * * and if, so answering, he can show that the soil was ours where the first blood of the war was shed * * * then I am with him for his justification.

This, his first great speech in yonder hall, should have won him a high place, were it not for the shifting standard of public opinion that confounds the thing of the moment with the ultimate principle.

In reply to sharp criticism from his Whig constituents, he sent a letter revealing his sincerity of purpose, his soberness of thought, and his adherence to the purposes of the Republic. He insisted that the important function of the Constitution in leaving the declaration of war with Congress, precluded the right of any one man to bring the oppression of war upon the people. Mr. Lincoln was not so elated with patriotism