The motion was agreed to; and the Senate proceeded to the consideration of executive business. After 15 minutes spent in executive session the doors were reopened.

RECESS

Mr. WATSON. I move that the Senate take a recess until to-morrow at 12 o'clock.

The motion was agreed to; and the Senate (at 5 o'clock and 10 minutes p. m.) took a recess until to-morrow, Friday, May 3, 1929, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 2 (legislative day of April 29), 1929

ASSISTANT COMMISSIONER OF INDIAN AFFAIRS

J. Henry Scattergood, of Pennsylvania, to be Assistant Commissioner of Indian Affairs, vice Edgar B. Meritt, resigned.

MEMBER OF THE FEDERAL FARM LOAN BOARD

Horace Paul Bestor, of St. Louis, Mo., to be a member of the Federal Farm Loan Board, to serve out the unexpired term of eight years ending August 6, 1931, in place of Eugene Meyer, resigned.

COMMISSIONER OF THE GENERAL LAND OFFICE

Charles C. Moore, of Idaho, to be Commissioner of the General Land Office, vice William Spry, deceased.

COAST AND GEODETIC SURVEY

The following-named officers of the Coast and Geodetic Survey in the Department of Commerce to be aide (with rank of ensign in the Navy) by promotion from deck officer:

Robert August Earle, of Pennsylvania, vice H. J. Healy, promoted.

Harry Franklin Garber, of the District of Columbia, vice J. H. Brittain, promoted.

Karl Border Jeffers, of Ohio, vice W. J. Chovan, promoted.

John Francis Fay, of New Jersey, vice G. A. Nelson, promoted.

APPOINTMENT IN THE REGULAR ARMY OF THE UNITED STATES

GENERAL OFFICER

To be brigadier general

Col. James Bartholomew Gowen, General Staff Corps (Infantry), from May 3, 1929, vice Brig. Gen. Michael J. Lenihan, to be retired from active service May 2, 1929.

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY OF THE UNITED STATES

JUDGE ADVOCATE GENERAL'S DEPARTMENT

Capt. Charles William Moffett, Infantry (assigned to duty with Judge Advocate General's Department), with rank from March 11, 1929.

ORDNANCE DEPARTMENT

First Lieut. Charles Wingate Reed, Field Artillery (detailed in Ordnance Department), with rank from July 1, 1920.

PROMOTION IN THE REGULAR ARMY OF THE UNITED STATES

To be colonels

Lieut. Col. George Brydges Rodney, Cavalry, from April 25, 1929.

Lieut. Col. Alexander Higbee Davidson, Cavalry, from May 1, 1929.

Lieut. Col. Christian Albert Bach, Cavalry, from May 1, 1929.

To be lieutenant colonels

Maj. Philip John Radcliffe Kiehl, Ordnance Department, from April 25, 1929.

Maj. Adelno Gibson, Chemical Warfare Service, from May 1, 1929.

Maj. John Lee Holcombe, Coast Artillery Corps, from May 1, 1929.

To be majors

Capt. Thomas Abner Dobyns, jr., Cavalry, from April 25, 1929.

Capt. John Thomas Minton, Cavalry, from May 1, 1929.

Capt. Horace Lincoln Whittaker, Quartermaster Corps, from May 1, 1929.

To be captains

First Lieut. William Harold Collette, Infantry, from April 25, 1929.

First Lieut. Herbert Becker Laux, Infantry, from April 30, 1929.

First Lieut. Charles Stevenson Denny, Coast Artillery Corps, from May 1, 1929.

First Lieut. Thomas Reed Willson, Field Artillery, from May 1, 1929.

To be first lieutenants

Second Lieut. Francis Marion Day, Field Artillery, from April 25, 1929.

Second Lieut. William Herbert Schaefer, Infantry, from April 30, 1929.

Second Lieut. Clarence William Bennett, Cavalry, from May 1, 1929.

Second Lieut. Gordon Byrom Rogers, Cavalry, from May 1, 1929.

MEDICAL ADMINISTRATIVE CORPS

To be captain

First Lieut. Horace Joseph Caterer, Medical Administrative Corps, from April 30, 1929.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 2 (legislative day of April 29), 1929

MEMBER OF THE FEDERAL RADIO COMMISSION

William D. L. Starbuck.

Charles McK. Saltzman.

GOVERNOR OF HAWAII

Lawrence M. Judd.

UNITED STATES CIRCUIT JUDGE

Curtis D. Wilbur, ninth circuit.

UNITED STATES ATTORNEY

John M. Goldesberry, northern district of Oklahoma.

PUBLIC HEALTH SERVICE

Lunsford D. Fricks to be senior surgeon.

Raymond A. Vonderlehr to be passed assistant surgeon.

Charles P. Waite to be assistant surgeon.

Edwin G. Williams to be assistant surgeon.

POSTMASTERS

IOWA

Hugh S. Pierce, Hopkinton.

Harold B. Plumb, Waterloo.

OHIO

Plummer D. Folk, Leipsic.

PENNSYLVANIA

Joseph M. Baltz, Ardmore.

SENATE

FRIDAY, *May 3, 1929*

(*Legislative day of Monday, April 29, 1929*)

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

The PRESIDENT pro tempore. Senate bill No. 1 is before the Senate as in Committee of the Whole, and the pending question is on agreeing to the amendment proposed by the Senator from Indiana [Mr. WATSON].

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

Mr. CARAWAY. Mr. President, will the Senator withhold the suggestion just a moment?

Mr. JONES. Very well.

The PRESIDENT pro tempore. Under the agreement upon which the recess was taken yesterday the Senator from New York [Mr. COPELAND] is entitled to the floor.

Mr. CARAWAY. Will the Senator from New York yield to me?

Mr. COPELAND. Mr. President, why have the roll called unless there is some matter of business requiring it? I am quite satisfied to dispense with it.

Mr. JONES. If the Senator thinks it is not necessary, I shall not press it.

Mr. COPELAND. I would not wish to interfere with the activities of Senators who are absent, and there is no particular reason on my part to ask that the roll be called.

Mr. WATSON. Mr. President, if the Senator from New York will yield——

Mr. COPELAND. Certainly.

Mr. WATSON. The chairman of the Committee on Agriculture and Forestry is not in the Chamber at the moment. There was a meeting of that committee this morning and I think the members have, perhaps, gone to their offices. I think we ought to have a quorum call that they may be notified.

Mr. CARAWAY. The chairman of the Committee on Agriculture and Forestry has just this moment entered the Chamber.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

The PRESIDENT pro tempore. The chairman of the Committee on Agriculture and Forestry having arrived, the Senate can proceed with its business. Does the Senator from New York yield to the Senator from Arkansas?

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

RELIEF OF FARMERS IN STORM-STRICKEN AREAS

Mr. CARAWAY. Mr. President, by direction of the Committee on Agriculture and Forestry I am authorized to report back favorably with amendments the joint resolution (S. J. Res. 25) to provide further relief for farmers and fruit growers in the storm and flood stricken areas of Virginia, North Carolina, South Carolina, Georgia, Florida, and Alabama. The joint resolution proposes to make available the unexpended balance authorized under the terms of Public Resolution No. 92, approved February 25, 1929, thus making available funds for seed and fertilizer to enable the farmers to make a crop.

The original resolution confined the benefits to the States of Virginia, North Carolina, South Carolina, Georgia, Florida, and Alabama. It is proposed now to include Mississippi, Louisiana, and Arkansas and to strike out certain restrictions with reference to the amount of money that could be loaned to those who grow vegetables and fruit and to authorize an additional appropriation of $1,000,000 for the purpose of carrying out the provisions of the act. I have been authorized to report it back favorably, with amendments, and to ask that the present unfinished business of the Senate be temporarily laid aside in order that it may be considered.

The PRESIDENT pro tempore. Is there objection?

Mr. McNARY. I have no objection, provided it does not lead to prolonged discussion.

Mr. GEORGE. Mr. President, I ask for the immediate consideration of the joint resolution.

The PRESIDENT pro tempore. Is there objection to the temporary laying aside of the unfinished business in order that the Senate may proceed to the consideration of the joint resolution reported by the Senator from Arkansas?

Mr. WATSON. Mr. President, I could not hear a word the Senator said with reference to the purpose of the joint resolution.

The PRESIDENT pro tempore. For the information of the Senate, the joint resolution reported by the Senator from Arkansas will be read by the clerk.

The CHIEF CLERK. The joint resolution reads:

Resolved, etc., That the unexpended balance of the sum appropriated by the second deficiency act, fiscal year 1929, to carry out the purposes of the joint resolution entitled "Joint resolution for the relief of farmers in the storm and flood stricken areas of Virginia, North Carolina, South Carolina, Georgia, Florida, and Alabama," approved February 25, 1929, shall be available for making advances or loans, and the procuring of seed, feed, and fertilizers for sale to farmers and fruit growers in areas in such States affected by storms or floods subsequent to the date of approval of such joint resolution but prior to the date of approval of this joint resolution. Such advances, loans, and sales shall be made for the purposes specified in such joint resolution of February 25, 1929, and subject to the provisions thereof.

The committee propose to add to the joint resolution the following provisos:

Provided, That the provisions of said joint resolution be, and hereby are, extended so as to include farmers and fruit growers in the storm and flood stricken areas of Arkansas, Louisiana, and Mississippi: *Provided further*, That the Secretary of Agriculture in his discretion may make loans and advances to vegetable, hay, and fruit growers for the fall and winter crop of 1929–30 to an amount not exceeding $50 per acre: *And provided further*, There is hereby authorized to be appropriated and made available for the purposes set out in Public Resolution No. 92, Seventieth Congress, approved February 25, 1929, an additional sum of $1,000,000, or such part thereof as may be necessary.

The PRESIDENT pro tempore. Is there objection to the unanimous-consent request proposed by the Senator from Arkansas?

Mr. SMOOT. Mr. President, I noticed or thought I noticed as the clerk read it a provision for $50 an acre to be advanced for hay. Is that what it proposes?

Mr. CARAWAY. The growers of certain kinds of crops, particularly the truck farmers in certain parts of the area, require a very much larger loan than the original act provided, which was restricted so as not to exceed $3 per acre for certain crops and $8 per acre for others. The committee, acting largely under the suggestion of the department, thought it wise to strike out that limitation and permit them to loan for certain crops if, in the discretion of the department, it was thought wise and necessary, not to exceed $50 per acre.

Mr. SMOOT. I would like to have the clerk read that provision of the amendment again.

The PRESIDENT pro tempore. The clerk will read, as requested.

The Chief Clerk again read the second proviso proposed as an amendment by the Committee on Agriculture and Forestry.

Mr. SMOOT. My thought was this: Is there any land in the South that will raise $50 worth of hay in a season?

Mr. GEORGE. If the Senator will pardon me, the original resolution which the Senate passed at the last Congress authorized and appropriated a specific sum of money for specific purposes, but the House put in it a limitation upon the loans to be made by the Secretary of Agriculture on an acreage basis of $8 for cotton and tobacco and $3 for all other crops. The State of Florida was most seriously affected by the storm of 1928, and the affected area of Florida is the fruit and vegetable area of the State. The limitation of $3 per acre advance really did not meet the situation in Florida and the State was unable to take any advantage of the provisions of the legislation. The amendment which the committee proposes simply takes out that limitation and leaves it in the discretion of the Secretary of Agriculture to make advances of not to exceed $50 per acre to those growers in Florida who suffered this injury.

Mr. SMOOT. That is as I understood the situation, but I can not see why hay should be included in the items. I do not see why there should be introduced an item for $50 an acre that may be advanced to hay growers and I can not understand why there should be included the item of hay. Is there any place in Florida or anywhere else on which $50 worth of hay can be raised on an acre of land?

Mr. GEORGE. No.

Mr. SMOOT. Then why not strike out "hay" and let the joint resolution include the other items?

Mr. GEORGE. Very well; let it be stricken out if the other members of the committee are agreeable.

Mr. SMOOT. I can see how fruit and vegetable lands in Florida might require that much, but I can not see that hay land would require it.

Mr. GEORGE. It costs more than $3 per acre to buy the seed to sow for hay. It is now too late to undertake to grow the other field crops. We must depend upon forage crops in the stricken area. This does not provide for a loan of $50 per acre but not exceeding that amount, and inasmuch as it applies to vegetables and fruits we simply inserted the word "hay" in the same clause. No such sum as that would be advanced to any raiser of forage crops.

Mr. SMOOT. It specifically mentions hay and having specifically mentioned it, of course, it virtually states that that amount is necessary. I would not have any objection to the advance for fruits and vegetables, because I can see where that amount would be absolutely necessary because of the fact that the amount raised of those crops would far exceed the sum advanced; but I do not believe there is an acre of land anywhere, at least that I know of, that would raise $50 worth of hay on an acre during the season.

Mr. GEORGE. I merely want to repeat that this provision merely authorizes the Secretary of Agriculture to make an advance not exceeding that amount. It is not contemplated that the Secretary of Agriculture would ever make an advance to a grower of hay of anything like that sum of money per acre.

Mr. SMOOT. I understand, but the very fact that it is specifically mentioned would enable the Secretary of Agriculture to say there was some reason for advancing that amount of money for the hay crop. I think it ought to go out.

The PRESIDENT pro tempore. If unanimous consent is granted for the consideration of the joint resolution, when the amendment is considered the Senator from Utah can move to strike out the word "hay."

Mr. SMITH. Mr. President, I want to state in this connection that the situation is such that subsequent storms that have occurred have made it almost impossible to plant the ordinary crop. Throughout the Southeastern States it is very profitable to grow the legumes, and they can be planted from now on until the 1st of July; indeed, some of them can be planted up as late as August. They are a fine substitute for corn as well as for the ordinary fodder or hay. The price of those seeds on account of the destruction of the crop in 1928 has risen to where a certain form of soy bean is as high as $10 to $11 a bushel.

Mr. SMOOT. But that does not apply to hay.

Mr. SMITH. I am speaking of hay now, the legumes, the Biloxi bean, the Laredo bean, the soy bean, and cowpeas of all kinds. They are used in our section for hay entirely.

Mr. SMOOT. But those are not hay.

Mr. SMITH. That is just the point. There is not a man from the South and Southeast who does not know that our hay crop is composed of cowpeas, soy beans, and the legumes of different kinds. That is the only hay we have.

Mr. SMOOT. I have not any objection to the joint resolution if the word "hay" is stricken out, but I shall object to its consideration if the word "hay" remains in it, at least until I can get some information from the department. I do not want to object to it at all and shall not do so if that word is stricken out.

Mr. GEORGE. Will the Senator consent with the statement that when that amendment is reached the Senator can move to strike it out.

Mr. SMOOT. Certainly.

The PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Committee on Agriculture and Forestry.

Mr. SMOOT. I move that in the amendment of the committee the word "hay" be stricken out.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. GEORGE. Mr. President, on Monday last the House passed the joint resolution (H. J. Res. 59) which is now on the desk. I ask that it be laid before the Senate, and then I shall move that all after the resolving clause be stricken out and the language of Senate Joint Resolution 25, as amended, be substituted therefor.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution (H. J. Res. 59) to extend the provisions of Public Resolution No. 92, Seventieth Congress, approved February 25, 1929.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Georgia to strike out all after the resolving clause and to insert S. J. Res. 25, as amended.

Mr. BLACK. Mr. President, I desire to offer an amendment to the pending measure. I desire to insert the words "work stock" after the words "for sale," on page 2, line 1.

Mr. SMOOT. Mr. President, there was so much conversation around me that I did not hear the Senator's amendment.

Mr. BLACK. I desire to move to insert, on page 2, line 1, the words "work stock," for the reason which I will state in about one minute, so as to satisfy the Senator as to what it is.

During the recent flood in Alabama 1,320 horses and mules were drowned, most of those animals being work stock. The Red Cross proposes to supply a maximum of 60, leaving a balance of 1,260 which the afflicted people must provide for themselves. I know of instances in Alabama where men who desired to take advantage of a loan have been denied that opportunity because they had no work stock with which to make their crops. That being true, there are many who will be denied the privilege of the benefit of this proposed legislation unless it shall also include the right to make loans for work stock. The sum necessary would be comparatively insignificant in comparison with the amount involved under the entire measure, but it would mean a great deal to the individual who has had all of his work stock drowned and will thereby be prevented from securing a loan in order to raise a crop. If the amendment be adopted, it will not increase the appropriation but will simply extend the scope of the measure to that extent. I desire to amend the joint resolution by including "work stock" as one of the objects to be covered by loans.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Alabama to the amendment proposed as a substitute by the Senator from Georgia.

Mr. CARAWAY. Mr. President, I sincerely hope the amendment to the amendment will not be agreed to. It proposes to introduce an entirely new element into the joint resolution which originally provided for the loaning of money to buy seed, feed, and fertilizers. A joint resolution providing for that purpose passed the House of Representatives, and this amendment would introduce an entirely new principle in the loaning of money by the Government to enable farmers to make crops. The Government never has loaned money to individuals in order that they might make permanent investments, and livestock is such an investment. It is not consumed by making the crop, but is an investment. I think if this amendment shall be agreed to it will imperil the prospect of securing the final passage of the joint resolution and of obtaining any relief at all. So I hope the amendment to the amendment may not prevail.

Mr. BLACK. Mr. President, just one word in addition to what I have already said. Of course, if the House of Representatives shall not agree to this amendment, it may easily be stricken out, but livestock with which a farmer may work his crop is as necessary as is the seed he plants, and is as essential as the fertilizer which he puts under the seed. What good would it do for a farmer to be able to borrow money to purchase seed and fertilizer if at the same time he had no work stock and had no credit with which to obtain it? I can see no difference in principle between the two propositions. I do not desire to embarrass the ultimate passage of the joint resolution, and, if the House of Representatives objects to my amendment, it may be easily stricken out; but I sincerely trust that the amendment will be agreed to.

Mr. HEFLIN. Mr. President, the amendment proposed by my colleague the junior Senator from Alabama [Mr. BLACK] is a meritorious one. The testimony before the committee was to the effect that 1,260 head of work stock destroyed by the flood will not be replaced by the Red Cross. I submit to the Senate that this is the situation: Distressed farmers have been deprived of their work stock; the Red Cross is not going to supply them with such stock, and if the Government does not do it we shall be in the attitude of the Government having furnished feed for stock when the afflicted farmers have no stock to feed.

Mr. CARAWAY. Will the Senator yield to me?

Mr. HEFLIN. And food for their families and seed with which to plant the crops when they have no stock with which to work their farms in order to make a crop. Why, then, furnish them seed if they can not plant them? I now yield to the Senator from Arkansas.

Mr. CARAWAY. The statement from the department was that in all of Alabama there were lost 1,320 head of work stock; that in the main it belonged to large landowners who were able to take care, or at least partially to take care, of their own situation; and that the Red Cross was supplying the rest of the necessities, amounting, possibly, to 60 head. That was the statement of the department. Personally I do not know the facts.

Mr. HEFLIN. Mr. President——

Mr. BLACK. Mr. President, will my colleague permit me to reply to the statement of the Senator from Arkansas?

Mr. CARAWAY. I have merely stated what the department reported.

Mr. HEFLIN. I yield to my colleague.

Mr. BLACK. I have been over the entire flood district, and I can say that it is not a district in which there are large landholders. Those who live there are small, individual farmers, owning or renting very small tracts of land. The surmise in the report made by Doctor Warburton that a majority of the 1,260 work stock were owned by large landowners is not justified by the facts and will not be borne out by a complete investigation.

Mr. CARAWAY. The Senator will admit that that is what the Red Cross reported, will he not?

Mr. BLACK. I admit that that is what Doctor Warburton reported.

Mr. CARAWAY. And he was representing and reported for the Red Cross.

Mr. SMOOT. Mr. President, will the Senator from Alabama yield to me?

Mr. HEFLIN. I yield.

Mr. SMOOT. I should like to ask the Senator from Arkansas whether this question has been presented before the committee?

Mr. CARAWAY. It has been.

Mr. HEFLIN. It was presented to the committee.

Mr. SMOOT. What was the attitude of the committee regarding it?

Mr. CARAWAY. The committee was opposed to the amendment.

Mr. HEFLIN. I regret to see opposition to this measure to grant relief to distressed people in Alabama coming from a Senator from that section who has had flood disasters in the past in his own State, including one where Mr. Hoover himself went down and personally looked after the situation, and the Red Cross, I believe, raised for flood relief in the Mississippi Valley about $17,000,000. In the case of that flood the Red Cross supplied livestock, and not only did that but helped to build houses which had been washed away. I understood that the Red Cross was to do as much in Alabama. The Red Cross did a wonderful work in my State, and I am not criticizing the Red Cross; but this is one thing that has not been done. When we provide money with which the farmer may buy seed in order to plant his crop and he has no stock to work in order to make a crop, I ask, How is he going to get the seed in the ground? It is proposed to help him to get fertilizer to put in the furrows in the field, but how is he going to open the furrows without a plow mule in order to help him prepare his soil to make his crop?

This is a new field; but, Mr. President, the Senate ought not to fail to do what is right because no question like this has

ever been presented before. We can not wait for precedents; we must make them. If this is the right thing to do—and I submit that it is—then the Senate ought to grant this relief. If the House does not want to accept it, then let the amendment be taken out over there; but here is a case, as my colleague says, where the farmers are not big planters, as the Red Cross report states. I do not know how the Red Cross got such misinformation, but according to my knowledge it is misinformation, because I know that section perfectly, as does my colleague, and he has recently been down there on a visit and toured the whole flood area. Those affected are small farmers; they have no livestock; their work stock were all washed away and drowned. Here we are in the attitude of furnishing fertilizer, of furnishing seed, of furnishing other things necessary, such as agricultural implements, plow stocks, and plows, and all that, to farmers who have not a mule or a horse with which to plow; and 1,260 head, we are telling you, are needed.

Senators who sit in this body voted for an appropriation of $46,000,000 at one time to be refunded to the Steel Corporation and did not bat an eye; they have voted millions and hundreds of millions of dollars in order to refund taxes to the big financiers of the Nation; but when these poor farmers of my State, afflicted by a disastrous flood which swept away all they had, their homes included, so that they were left with nothing except the clothes on their backs, Senators stand here and consume time in fighting a measure that would provide a small sum of money out of the money already to be appropriated—it is not proposed to increase the appropriation a dollar—in order to grant relief to these people in distress.

Mr. President, I hope the Senate will adopt my colleague's amendment; and if the House wants to strike it out, let that body take the responsibility.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Alabama [Mr. BLACK] to the amendment of the Senator from Georgia [Mr. GEORGE].

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

The yeas and nays were not ordered.

Mr. HEFLIN. I ask for a division, Mr. President.

The PRESIDENT pro tempore. A division is demanded.

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

The PRESIDENT pro tempore. The absence of a quorum being suggested, the clerk will call the roll.

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

Allen	Fess	King	Sheppard
Ashurst	Fletcher	La Follette	Shortridge
Barkley	Frazier	McKellar	Simmons
Bingham	George	McMaster	Smith
Black	Gillett	McNary	Smoot
Blaine	Glenn	Metcalf	Steck
Blease	Goff	Moses	Steiwer
Borah	Goldsborough	Norbeck	Thomas, Idaho
Bratton	Greene	Norris	Thomas, Okla.
Brookhart	Harris	Nye	Townsend
Broussard	Harrison	Oddie	Trammell
Burton	Hastings	Overman	Tydings
Capper	Hatfield	Patterson	Tyson
Caraway	Hawes	Phipps	Vandenberg
Connally	Hayden	Pine	Wagner
Copeland	Hebert	Pittman	Walcott
Couzens	Heflin	Ransdell	Walsh, Mass.
Cutting	Howell	Reed	Walsh, Mont.
Dale	Johnson	Robinson, Ark.	Warren
Deneen	Jones	Robinson, Ind.	Waterman
Dill	Kean	Sackett	Watson
Edge	Keyes	Schall	

The PRESIDENT pro tempore. Eighty-seven Senators having answered to their names, a quorum is present.

Mr. McNARY. Mr. President, in February of the present year the Congress appropriated $6,000,000 for the purpose of taking care of the distressed farmers in the devasted regions of six of the Southeastern States of the Union. About four million dollars of the six million has heretofore been expended. A few days ago the Senator from Georgia [Mr. GEORGE] presented a joint resolution providing for the appropriation of the unexpended balance, which now amounts to about $1,600,000.

The original act provided that the Government fund should be used for the purchase of seed, feed, and fertilizer for those living in the devastated regions. There has been no enlargement upon that substantive law, which was passed in February of the present year. However, this morning, when the committee was in session, the junior Senator from Alabama [Mr. BLACK] proposed an enlargement in the scope of the original act to include livestock.

After considering the matter the committee voted in opposition to the amendment upon this theory, which did not involve an element of sympathy: When the original act was passed some years ago, during my tenure in the Senate, it included wheat alone. Subsequently feed for livestock was included; and two years ago, in a measure similar to the one under consideration, the scope of that act was expanded to include fertilizer. The committee opposed this amendment because it thought it was an undue expansion of the Government experiment in this field. The purpose which Congress evidently had in mind was to provide seed for the farmer in order that he might maintain his family and raise an annual crop, upon adequate security; but when you go into the field of livestock or work stock you are going into a venture involving an expenditure which does not imply the need of an annual crop but a permanent investment by the farmer. Consequently, the committee felt that it would impair this whole legislation to go to the extent of including livestock in the legislation.

As to the sentimental side of the case, I am sure everyone has the same deep sympathy for those who live in Alabama as for those who live elsewhere; and, mind you, under this act the farmers in Alabama living in the flooded and devastated district will have the advantages that the law gives in the way of the purchase of seed, feed, and fertilizer. But here is the opinion of the Red Cross, which was submitted to the committee by the Department of Agriculture. It stated that there were 1,680 head of stock destroyed.

Mr. BLACK. Mr. President, will the Senator yield? I think it said 1,320.

Mr. McNARY. Very well—not as great a number. I wanted to be abundantly safe in my statement and to be sure that I was not understating the matter. I am speaking from memory. The report of the Red Cross was that most of the owners of the livestock are large landowners and capable of restoring the stock from their own financial resources. The Red Cross felt that the situation would be met by simply supplying an additional 60 head of livestock, showing, indeed, that there is no necessity for Congress expending public money to meet a situation which, of course, is unfortunate.

For that reason, because I doubt if there is a necessity for the expenditure of public funds, and further because I think it is unwise legislation further to expand the beneficence that Congress heretofore has bestowed upon those who have suffered in similar fashion, the Committee on Agriculture and Forestry, save the vote of the senior Senator from Alabama [Mr. HEFLIN], voted in opposition to further expansion of the act.

Mr. HEFLIN. Mr. President, the committee took no vote. I did not even present the matter formally. We had expressions of opinion about it; but when the measure was amended to add $1,000,000, as my colleague suggested $2,000,000, I gave notice that he would offer the amendment on the floor of the Senate.

Mr. McNARY. Very well. There was no roll call. I was simply trying to state the opinion of the committee; and I think all of the members of the committee save the Senator from Alabama spoke in opposition to the amendment, which I think is equivalent to a vote.

Mr. BLACK. Mr. President, a number of Senators have come into the Chamber who were not here when this matter was originally presented. For that reason, and for the further reason that this small amendment is of vital importance to many homeless men in Alabama to-day, I crave your attention to a brief statement of the facts.

The Congress has already established a policy. Whether that is right or wrong it is not for us now to determine, unless we desire to repeal the acts on which that policy is based. Congress has established a policy in this country and in Porto Rico, at the instance of the Senator from Connecticut [Mr. BINGHAM], of aiding devastated and flood-stricken districts by lending money for certain purposes. Heretofore, it is true, this loan was limited to seed and fertilizer; but these men do not own electric engines to work their farms. They are not financially capable of raising enough money to buy gasoline engines to plow the fields. Thirteen hundred and twenty horses and mules were wiped away at one time by this flood in my State alone. At the same time hundreds and hundreds of homes were washed away so far that they could not even find the remnants. Thousands and thousands of people have been fed by the Red Cross, and the Red Cross is compelled to feed thousands to-day; and yet we quibble over whether we will lend the money for fertilizer, for plow stock, or for the mule that is necessary to plow the soil.

I ask the gentlemen who seek to draw a distinction between lending money for the mule to work the crop and lending money for the fertilizer to grow the plants, What is the great distinction, pray?

Mr. BARKLEY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Alabama yield to the Senator from Kentucky?

Mr. BLACK. I yield.

Mr. BARKLEY. I did not hear the joint resolution very distinctly. Does it apply to the flood in Alabama alone?

Mr. BLACK. It applies to all. I do not seek to limit it to Alabama.

Mr. BARKLEY. The amendment which has been offered covers other States as well?

Mr. BLACK. It covers every State that is included in the joint resolution.

Mr. BARKLEY. Has the estimate been made large enough to cover any more than the 1,320 animals that have been referred to?

Mr. BLACK. It has not been made at all, Mr. President. I simply add the words "work stock."

Mr. BARKLEY. So that out of this fund expenditures may be made in any State where they are needed?

Mr. BLACK. Any State that is included in the joint resolution; and I recall that the Senator's State is included in it.

So we have this situation: I offer a simple amendment which will permit a loan for work stock. Now, mind you, that does not mean stock owned by a man having a big plantation. Rules and regulations can be and are promulgated by the Secretary of Agriculture. I ask this body, which has heretofore established the policy of lending money to aid in raising the annual crops, to make it effective so that the man who is called upon to raise a crop can not only borrow money for fertilizer and seeds but can borrow it for the stock without which the fertilizer and seeds are worse than useless, and are a vain and hollow mockery.

Mr. SIMMONS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Alabama yield to the Senator from North Carolina?

Mr. BLACK. I do.

Mr. SIMMONS. I think the Senator was inaccurate. He did not state his case quite strongly enough with reference to the present measure. The present measure does not use the word "stock."

Mr. BLACK. That is what I am asking that it do.

Mr. SIMMONS. It provides for feed—feed for work stock—which only means, as I can tell the Senator, the horse and the mule that is employed in cultivating the crop.

Mr. BLACK. Yes; I thank the Senator for that suggestion. I call the Senator's attention to this fact: The farmer who had his mule drowned in the flood, who had his horse killed in the flood, can now go to the Government and say, "I want to borrow some money for feed for my mule that has been drowned, and for feed for my horse that has gone away"; and yet in this situation we are met with the statement that it is all right for the Government to lend money for feed for the horse and mule, but it is entirely too great a departure to advance one inch and lend money for the mule without which the feed is absolutely useless.

Mr. BARKLEY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Alabama yield to the Senator from Kentucky?

Mr. BLACK. I yield.

Mr. BARKLEY. So that if the farmer does not find some way to get a mule, the feed is liable to go to waste?

Mr. GEORGE. Yes, Mr. President; and if he did not have any land to farm on, he would not need any mule.

Mr. BLACK. That is correct.

Mr. GEORGE. Let me say to the Senator that Congress has never followed the practice of making permanent investments or making these emergency loans to go into permanent assets and property, such as livestock or lands or houses. There is an intermediate credit bank; there are other available sources of currency and of money for these purposes; and why load down the joint resolution? Does the Senator want to kill it? It is perfectly certain that the House would not accept it if it were amended as proposed. It is perfectly certain that the House would reject it. The Congress is not going, in an emergency loan of this character, to advance money for the purpose of purchasing permanent assets of the farmer or anybody else who is being relieved. This is purely an emergency matter, not intended in any way to take the place of the intermediate credit bank and other loan facilities set up by the Government; but it is intended to supply those things that are consumed during the year which the farmer must have.

Of course, it is regrettable that livestock has been destroyed. It would be regrettable, of course, if lands had been washed away and destroyed: and that has happened in many cases.

Mr. BLACK. I think I yielded to the Senator for a question.

Mr. GEORGE. The Senator has spoken two or three times.

Mr. BLACK. I have not finished. I have not yielded the floor.

Mr. GEORGE. I thought the Senator had. Now, I want to make this statement again——

The PRESIDENT pro tempore. Does the Senator from Alabama decline to yield further?

Mr. BLACK. I yield for a short statement.

Mr. GEORGE. No; let the Senator go ahead and finish his statement.

The PRESIDENT pro tempore. The Senator from Alabama declines to yield further.

Mr. BLACK. I do not decline to yield further, Mr. President. I offered to yield for a short statement.

The first joint resolution dealing with this matter which was introduced in this Congress was introduced by me. It included the exact proposition which the Senator from Georgia now says I am seeking to load down. I introduced that joint resolution on the first day when it was possible to introduce bills and joint resolutions. I wanted something that would give real, genuine relief.

The Senator says it is a question of loading down his joint resolution, and wants to know if I want to kill his joint resolution. The Senator knows that I do not want to kill it. I want it passed, but I want added to it simple justice.

The Senator's joint resolution originally simply provided that this money could be loaned on the 1928 and 1929 crops. I had that in my joint resolution. We have amended his joint resolution to appropriate a million dollars. That has been recommended by the committee. What I seek to do now is not to provide for permanent investments in land, but to aid these people whose stock has been destroyed.

It is not a question of permanent investment. He says the intermediate credit banks do it, but the intermediate credit banks are not doing it. The loan I suggest is for those who can not borrow from the intermediate credit banks. It is not for those who can put up security so that they can borrow money, and then spend it on mules or horses. What we insist upon is a measure which will not only benefit Georgia, but will benefit Alabama.

I do not know how many mules and horses were destroyed in Georgia. I have been willing to vote for certain of the measures designed to benefit Georgia. I voted for the relief measure intended to benefit the Mississippi Valley. The proposition which I have here will benefit the citizens of Georgia if their mules have been destroyed, and if their horses have been killed by a flood or by pestilence such as is covered by this measure. It will give real, genuine, lasting benefit to the people of Georgia.

I insist that the joint resolution as it was originally offered does not extend anything like the benefit to the people of Georgia and the people of Alabama and the people of Arkansas that they have a just right to demand. Here is the situation: This resolution permits lending money for seed, for fertilizer, and for food for work stock. It does not provide for lending money for the work stock themselves. There is no fairness in it, there is no justness in it.

A man from Alabama went before the board and asked to make a loan. They said, "Can you make a crop? Have you any work stock?" He said, "No; my stock was washed away in the flood." They said, "Well, you can not negotiate any loan." Yet it is sought here to tell me that these citizens of Alabama, who had their mules washed away in the flood, must not have their plea indorsed because perchance it may injure a resolution for the benefit of another State.

I insist that it is within my right, it is within my province, and it is my duty, to attempt to amend this resolution in such way that the citizens of Alabama, stricken as they have been by flood and storm, shall receive a substantial benefit. All we ask is justice. I ask those Senators from the various States of this Union, who themselves frequently have just and right calls which they desire to make upon the Treasury of the United States, to recognize that the citizens of Alabama have at least some little right to come in and have their voice heard in order that an act of simple justice may be extended to them.

I ask those Senators who backed the resolution to protect the stricken areas of Porto Rico, now that the voices of the citizens of Alabama are heard, not to turn a deaf ear and refuse to do what they did so justly for the great island of Porto Rico. We ask simple justice. I hope we may have the yeas and nays, in order that we may find how the Senate stands on granting justice to people who have been injured by the flood beyond their hope to repair their injury without the assistance of this loan.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the junior Senator from Alabama [Mr. BLACK] to the amendment proposed as a substitute.

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

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. COPELAND (when Mr. WAGNER's name was called). My colleague [Mr. WAGNER] is detained on official business.

The roll call was concluded.

Mr. FESS. I desire to announce the following general pairs:

The junior Senator from Maine [Mr. GOULD] with the junior Senator from Mississippi [Mr. STEPHENS]; and

The senior Senator from Maine [Mr. HALE] with the senior Senator from Virginia [Mr. SWANSON].

Mr. BINGHAM (after having voted in the negative). Has the junior Senator from Virginia [Mr. GLASS] voted?

The PRESIDENT pro tempore. That Senator has not voted.

Mr. BINGHAM. I have a general pair with the junior Senator from Virginia. Not knowing how he would vote on this question, I withdraw my vote.

Mr. SCHALL. I wish to announce that my colleague [Mr. SHIPSTEAD] is ill in the hospital.

Mr. SHEPPARD. I desire to announce that the senior Senator from Mississippi [Mr. HARRISON] is necessarily detained on official business at the War Department. If present, he would vote "yea."

I also desire to announce that the junior Senator from Arizona [Mr. HAYDEN], the senior Senator from Missouri [Mr. HAWES], and the junior Senator from Montana [Mr. WHEELER] are necessarily detained on official business.

Mr. ROBINSON of Arkansas. I desire to announce that the junior Senator from Wyoming [Mr. KENDRICK] is necessarily detained by illness.

The result was announced—yeas 23, nays 55, as follows:

YEAS—23

Barkley	Broussard	La Follette	Simmons
Black	Copeland	McKellar	Thomas, Okla.
Blaine	Dill	McMaster	Trammell
Blease	Frazier	Nye	Tyson
Bratton	Glenn	Overman	Walsh, Mont.
Brookhart	Heflin	Sheppard	

NAYS—55

Allen	Goff	Moses	Smith
Burton	Goldsborough	Norbeck	Smoot
Capper	Greene	Oddie	Steck
Caraway	Harris	Patterson	Steiwer
Connally	Hastings	Phipps	Thomas, Idaho
Couzens	Hatfield	Pine	Townsend
Cutting	Hebert	Pittman	Tydings
Dale	Howell	Ransdell	Vandenberg
Deneen	Jones	Reed	Walcott
Edge	Kean	Robinson, Ark.	Walsh, Mass.
Fess	Keyes	Robinson, Ind.	Warren
Fletcher	King	Sackett	Waterman
George	McNary	Schall	Watson
Gillett	Metcalf	Shortridge	

NOT VOTING—16

Ashurst	Gould	Hayden	Stephens
Bingham	Hale	Johnson	Swanson
Borah	Harrison	Kendrick	Wagner
Glass	Hawes	Norris	Wheeler

So Mr. BLACK's amendment to the amendment was rejected.

The PRESIDENT pro tempore. Without objection, the joint resolution as amended will be substituted for the House joint resolution by striking out all after the resolving clause of the House joint resolution and substituting the Senate joint resolution as amended.

Mr. BLACK. Mr. President, I would like to have the joint resolution in its present form read.

The PRESIDENT pro tempore. For the information of the Senator from Alabama, the clerk will read the joint resolution in its present form.

The Chief Clerk read the joint resolution as amended, as follows:

Resolved, etc., That the unexpended balance of the sum appropriated by the second deficiency act, fiscal year 1929, to carry out the purposes of the joint resolution entitled "Joint resolution for the relief of farmers in the storm and flood stricken areas of Virginia, North Carolina, South Carolina, Georgia, Florida, and Alabama," approved February 25, 1929, shall be available for making advances or loans, and the procuring of seeds, feed, and fertilizers for sale, to farmers and fruit growers in areas in such States affected by storms or floods subsequent to the date of approval of such joint resolution but prior to the date of approval of this joint resolution. Such advances, loans, and sales shall be made for the purposes specified in such joint resolution of February 25, 1929, and subject to the provisions thereof: *Provided*, That the provisions of said joint resolution be, and hereby are, extended so as to include farmers and fruit growers in the storm and flood stricken areas of Arkansas, Louisiana, and Mississippi: *Provided further*, That the Secretary of Agriculture in his discretion may make loans and advances to vegetable and fruit growers for the fall and winter crop of 1929–30 to an amount not exceeding $50 per acre: *And provided further*, There is hereby authorized to be appropriated and made available for the purposes set out in Public Resolution No. 92, Seventieth Congress, approved February 25, 1929, an additional sum of $1,000,000, or such part thereof as may be necessary.

The joint resolution was reported to the Senate as amended, and the amendment was concurred in.

The amendment was ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

The PRESIDENT pro tempore. Senate Joint Resolution No. 25 will be indefinitely postponed.

DISABLED EMERGENCY OFFICERS' RETIREMENT ACT

The PRESIDENT pro tempore laid before the Senate a communication from the Director of the United States Veterans' Bureau, transmitting, in response to Senate Resolution 301 of January 25, 1929, additional information relative to the administration of the disabled emergency officers' retirement act—the Tyson-Fitzgerald Act—which, with the accompanying exhibits, was referred to the Committee on Military Affairs.

The letter of transmittal was ordered to be printed in the RECORD, as follows:

UNITED STATES VETERANS' BUREAU,
Washington, May 2, 1929.

Hon. CHARLES CURTIS,
President of the United States Senate,
Washington, D. C.

MY DEAR MR. VICE PRESIDENT: On January 30, 1929, certain information was furnished, in compliance with Senate Resolution 301, dated January 24 (calendar day, January 25), 1929, relative to the administration of the disabled emergency officers' retirement act (the Tyson-Fitzgerald Act).

At the time this information was furnished, the bureau was making a review of all disallowed cases as a result of the Attorney General's decisions dated January 18, 1929, and for this reason a list of disallowed cases was not furnished; however, at this time the review has been practically completed, and there is attached for your information a list of emergency officers who were rated 30 per cent or more permanently disabled at the time of the passage of the act and whose claim for retirement has been disallowed. This list is attached and marked "Exhibit A."

There is also attached, in accordance with your request, a supplemental list of those officers who have been awarded retirement with or without pay since January 30, 1929. This list is marked "Exhibit B." This list, together with the one previously submitted, includes the names of 3,826 officers who have been retired with pay and 581 who have been retired without pay, while the report of the emergency officers' retirement board for April 30, 1929, indicates that recommendation has been made for the retirement of 4,174 officers with pay and 687 without pay. To date 10,015 applications have been received.

When the review of disallowed cases has been entirely completed, a supplemental list of disallowances will be forwarded to you on these cases where the officers were rated by the bureau 30 per cent permanent prior to the passage of the emergency officers' retirement act.

Respectfully,

FRANK T. HINES, *Director.*

CLAIM OF FEDERATION BANK & TRUST CO. OF NEW YORK

The PRESIDENT pro tempore laid before the Senate a communication from the Comptroller General of the United States, transmitting, pursuant to law, his report and recommendation concerning the claim of the Federation Bank & Trust Co. of New York, N. Y., against the United States, which was referred to the Committee on Claims.

CLAIM OF BEAVER VALLEY MILLING CO.

The PRESIDENT pro tempore laid before the Senate a communication from the Comptroller General of the United States, transmitting, pursuant to law, his report and recommendation concerning the claim of the Beaver Valley Milling Co. against the United States, which was referred to the Committee on Claims.

PETITIONS AND MEMORIALS

The PRESIDENT pro tempore laid before the Senate the following joint memorial of the Legislature of the State of Colorado, which was referred to the Committee on Finance:

Senate Memorial 3 (by Senator Flebbe)

Memorial concerning the protective tariff on silver, lead, tungsten, and zinc

Be it resolved by the Senate of the Twenty-seventh General Assembly (the House of Representatives concurring), That this general assembly favors the prompt enactment of legislation by the Congress of the United States to establish a protective tariff on the metals, silver, lead, tungsten, and zinc which will effectively establish and maintain a fair price for these metals to the metal-mining industry of Colorado, reasonably in excess of that price now prevailing, and that this general assembly believes that such a tariff would completely revive the metal-mining industry of Colorado and would permit the labor of the Colorado miner to successfully compete with the cheap mine labor of Mexico and foreign countries; be it further

Resolved, That the United States Senators and Members of the United States House of Representatives representing the State of Colorado are hereby earnestly requested and urged to exert their efforts to secure

the passage of this legislation by Congress, and that copies of this resolution be sent to the President of the United States, the President of the Senate of the United States, the Speaker of the House of Representatives of the United States, and to Senators and Representatives of the State of Colorado in Congress.

The PRESIDENT pro tempore also laid before the Senate the following joint resolution of the Legislature of the State of Wisconsin, which was referred to the Committee on Agriculture and Forestry:

Joint resolution relating to agricultural relief and memorializing Congress

Whereas President Hoover has convened the Congress of the United States to meet in special session on April 15, 1929, to consider the problem of agricultural relief; and

Whereas the problem of agricultural relief presents two distinct aspects, namely, that of making the tariff effective as to those agricultural products in which American farmers face foreign competition and that of providing the equivalent of tariff protection to agricultural products of which we produce a surplus; and

Whereas the present tariff duties fall far short of adequately protecting the American farmers from the competition of more cheaply produced foreign products, as evidenced by the fact that $2,500,000,000 worth of farm products are imported into the United States annually; and

Whereas among the agricultural products imported from foreign countries there were in 1926: 78,000,000 pounds of cheese, which represented an increase of over 50 per cent in the last five years, a direct consequence of an inadequate tariff duty; 13,000,000 pounds of dried peas and 65,000,000 pounds of dried beans, which have rendered unprofitable the production of peas and beans in this State; and 245,000,000 pounds of coconut oil, which constituted the principal constituent of the more than 257,000,000 pounds of oleomargarine manufactured in this country, and all of which was imported absolutely free of duty; and

Whereas the Republican national platform of 1928 pledged revision of tariff duties to give the American farmer the entire home market "to the full extent of his ability to supply it" and the Democratic national platform pledged "equality of treatment between agriculture and other industries"; and

Whereas increase in tariff duties, while vital in the case of agricultural products which are imported in large quantities, obviously will not give relief to the producers of agricultural products of which we produce a surplus, but instead relief for the producers of such products must be sought through some method of disposing of the surpluses: Now, therefore, be it

Resolved by the senate, the assembly concurring, That the Legislature of Wisconsin hereby respectfully memorializes the Congress of the United States to promptly enact legislation for agricultural relief, along the two following lines:

1. Increase in the tariff duties upon agricultural products which are imported in large quantities, and particularly an increase in the duties upon cheese, condensed and evaporated milk, and other dairy products; and on dried peas and beans, and, above all, the imposition of a tariff duty upon coconut oil imported from the Philippines, to equalize the cost of manufacturing oleomargarine with the cost of production of butter.

2. An effective method for the disposal of the surpluses of agricultural products in such a manner that the domestic price will not be depressed to the level of the world price through the existence of such surpluses; be it further

Resolved, That properly attested copies of this resolution be sent to the presiding officers of both Houses of the Congress of the United States and to each Wisconsin Member thereof.

HENRY A. HUBER,
President of the Senate.
O. G. MUNSON,
Chief Clerk of the Senate.
CHAS. B. PERRY,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.

The PRESIDENT pro tempore also laid before the Senate a resolution of the City Council of Los Angeles, Calif., favoring the passage of the so-called Johnson resolution providing for the investigation of public utility companies supplying telephone communications, which was referred to the Committee on Interstate Commerce.

He also laid before the Senate a memorial of the City Council of Seattle, Wash., favoring the passage of legislation restricting the immigration of natives of the Philippine Islands to this country for the purpose of permanent residence, which was referred to the Committee on Immigration.

He also laid before the Senate a resolution adopted by the business council of the Blackfeet Indians of Montana, protesting against the recent action of the Secretary of the Interior and the President in prohibiting the exploration and development of mineral lands on the public domain, etc., which was referred to the Committee on Indian Affairs.

He also laid before the Senate a resolution adopted at a meeting of beet growers in the vicinity of Olney Springs, Colo., favoring the imposition of adequate tariff duties upon the importation of Cuban and Philippine sugars, which was referred to the Committee on Finance.

He also laid before the Senate a communication in the nature of a petition from the department commander and other officers of the Grand Army of the Republic, Department of Iowa, praying for the passage of legislation granting increased pensions to Civil War veterans and their widows, which was referred to the Committee on Pensions.

Mr. FRAZIER presented a resolution of the directors of the Grand Forks County (N. Dak.) Wool Growers' Association, favoring the imposition of adequate tariff duties on wool wastes and wool by-products, which was referred to the Committee on Finance.

Mr. HEBERT presented telegrams in the nature of petitions from the American Legion of Rhode Island, signed by Charles W. Anthony, department adjutant, at Providence, and the American Legion Auxiliary of Rhode Island, signed by Mrs. Mary V. Windsor, department secretary, at Runford, praying for the retention of the national-origins clause of the existing immigration law, which were referred to the Committee on Immigration.

He also presented numerous petitions and letters in the nature of petitions of sundry citizens and civic and religious organizations in the State of Rhode Island, praying for the repeal of the national-origins provision of the existing immigration law, which were referred to the Committee on Immigration.

REPORT OF THE COMMITTEE ON AGRICULTURE AND FORESTRY

Mr. McNARY, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 108) to suppress unfair and fraudulent practices in the marketing of perishable agricultural commodities in interstate and foreign commerce, reported it with an amendment and submitted a report (No. 6) thereon.

BILLS AND JOINT RESOLUTION INTRODUCED

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

By Mr. GOLDSBOROUGH:

A bill (S. 934) for the relief of Jennie Bruce Gallahan; to the Committee on the District of Columbia.

By Mr. SHORTRIDGE:

A bill (S. 935) to amend the act entitled "An act to fix the salaries of certain judges of the United States," approved December 13, 1926;

A bill (S. 936) to amend section 9 of an act entitled "An act to define, regulate, and punish trading with the enemy, and for other purposes," approved October 6, 1917, as amended;

A bill (S. 937) to amend the act entitled "An act relating to the use or disposal of vessels or vehicles forfeited to the United States for violation of the customs laws or the national prohibition act, and for other purposes," approved March 3, 1925, as amended; and

A bill (S. 938) to amend sections 726 and 727 of title 18, United States Code, with reference to Federal probation officers, and to add a new section thereto; to the Committee on the Judiciary.

By Mr. HAWES:

A bill (S. 939) to provide against destructive floods of the Mississippi River and its tributaries, for the protection of life and property along the Mississippi River and its trbutaries; to provide against the interruption of interstate commerce and delay of United States mails and for the protection and improvement of navigation; defining the policy of Congress with respect to flood control, and for other purposes; to the Committee on Commerce.

A bill (S. 940) to create an executive department of the Government to be known as the Department of Conservation; and

A bill (S. 941) to amend the act entitled "An act to regulate interstate transportation of black bass, and for other purposes," approved May 20, 1926; to the Committee on Interstate Commerce.

By Mr. ROBINSON of Indiana:

A bill (S. 942) for the relief of Brazier H. Coffing (with accompanying papers); to the Committee on Military Affairs.

A bill (S. 943) granting a pension to Rebecca Jenkins (with an accompanying paper); and

A bill (S. 944) granting a pension to Clara Wikel (with accompanying papers); to the Committee on Pensions.

By Mr. HARRIS:

A bill (S. 945) for the relief of Edward Shippen West; to the Committee on Military Affairs.

By Mr. MOSES:

A bill (S. 946) to authorize the construction and use of underground pneumatic-tube service; to the Committee on Post Offices and Post Roads.

By Mr. METCALF:

A bill (S. 947) granting an increase of pension to Abby Ann Bartlett (with accompanying papers); and

A bill (S. 948) granting an increase of pension to Sarah A. Russell (with accompanying papers); to the Committee on Pensions.

By Mr. BARKLEY:

A bill (S. 949) granting a pension to Mary L. Guffey; to the Committee on Pensions.

A bill (S. 950) for the relief of Homer N. Horine; and

A bill (S. 951) to remove the charge of desertion from the record of George W. Goldsby; to the Committee on Military Affairs.

By Mr. McMASTER:

A bill (S. 952) granting an increase of pension to Hattie Wade; to the Committee on Pensions.

By Mr. ROBINSON of Indiana:

A bill (S. 953) granting compensation to Roy M. Brackney; and

A bill (S. 954) granting compensation to Earl Roberts; to the Committee on Finance.

A bill (S. 955) to correct the military record of G. W. Gilkison; to the Committee on Military Affairs.

By Mr. FRAZIER:

A joint resolution (S. J. Res. 30) authorizing the use of tribal moneys belonging to the Fort Berthold Indians of North Dakota for certain purposes; to the Committee on Indian Affairs.

AMENDMENTS TO FARM RELIEF BILL

Mr. COPELAND, Mr. HARRIS, and Mr. JONES each submitted an amendment, and Mr. BROOKHART submitted four amendments, intended to be proposed by them severally to Senate bill 1, the farm relief bill, which were ordered to lie on the table and to be printed.

WORLD HIGHWAY COMMISSION

Mr. HEFLIN. Mr. President, I ask unanimous consent to have printed in the RECORD a joint resolution which I introduced a few days ago (S. J. Res. 26) authorizing the President to appoint a world highway commission.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the joint resolution introduced by Mr. HEFLIN on Wednesday was ordered to be printed in the RECORD, and it is as follows:

Senate Joint Resolution 26

A joint resolution authorizing the President to appoint a world highway commission

Whereas transportation facilities are among the greatest agencies for the material betterment of humanity and the civilization of mankind; and

Whereas world highways, as planned, will make aviation between America and foreign countries as safe and certain as the air mail in this country, expediting and increasing the postal service of all nations; and

Whereas world highways will aid enormously in the promotion of world peace, happiness, and prosperity: Therefore be it

Resolved, etc., That in furtherance of peace on earth and good will to all men the President of the United States is hereby authorized to appoint a world highway commission, the function of which shall be such cooperation with this and other nations as will develop an interest in and realization of world highways connecting North, Central, and South America by the way of Canada and Alaska, with Asia, Europe, and Africa. The personnel, compensation, and activities of this commission shall be under the direction of the President of the United States, who shall transmit reports of its work to Congress.

CONDITIONS IN THE TEXTILE INDUSTRY IN THE SOUTH

Mr. DILL. Mr. President, I have in my hand an article written by Paul Blanshard, to be published in The Nation on May 8, 1929, entitled "One Hundred Per Cent Americans on Strike." It is an extremely interesting and informative article regarding the conditions in North and South Carolina which brought about the strikes there, and the thing for which the strikers are struggling. I should like to have it printed in the RECORD.

The PRESIDENT pro tempore. Is there objection?

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

ONE HUNDRED PER CENT AMERICANS ON STRIKE

By Paul Blanshard

GREENVILLE, S. C., April 25.—"No, we don't want no organizers from outside or I. W.'s. We understand these here I. W.'s were born in Russia. We're doin' this ourselves. We just went to the boss and told 'im we couldn't stand it any longer and he didn't do anythin' about it and we come out."

So runs the declaration of independence of the leaderless strikes in South Carolina's cotton mills. Fifteen of these strikes have taken place in this Piedmont area in three weeks in protest against the stretch-out system—and not one has yet been lost. The words that I have quoted are those of a striker in the Poinsett mill of the Brandon Corporation, near Greenville, where the third great revolt of Southern textile workers is now centered.

The other two revolts are more spectacular but not more significant. At Elizabethton, Tenn., and Gastonia, N. C., the kidnaping of union organizers, the militia, and the night raids have attracted national attention. My last article on the communist fight in Gastonia was not on the newsstands before the anti-red hysteria there bore fruit in a raid upon the headquarters of the National Textile Workers' Union by men in white masks, who demolished the union's office and relief store. At Elizabethton 5,000 strikers of the great rayon plants struck for the second time in three weeks in order to compel the employers to stop discrimination against union leaders who represented the workers in the United Textile Workers, affiliated with the American Federation of Labor. Here in South Carolina no one is being kidnaped or killed, but there is going on the strangest struggle that ever took place in an American factory.

These 100 per cent Americans of South Carolina are determined to fight their own battle in their own way. They will have nothing to do with the communist leaders of the strikes in North Carolina or with any other labor organizers. Speaking of two northern labor leaders who visited them recently they told me:

"Two folks come down here from that bunch an' we just told 'em how much we appreciated their good feelin', an' gave 'em a drink of coca cola, an' put 'em on the street car."

These South Carolina strike meetings are opened with prayer. For three weeks the strikers have fought without a single call upon a policeman or sheriff to quell any kind of disorder. Says Sheriff Cliff Bramlet, of Greenville: "They [the strikers] have forbidden any bootleggers or liquor dealers of any kind to enter or practice their trade in their midst. They have put down drunkenness, and they have established guard systems to protect the mill's property." Many of them, when the strikes began, shook hands with their superintendents and managers as they filed out of the mills to "make certain that there was no hard feelin's." Although they average about $12 a week in wages, they have asked for no increase in pay or reduction in working hours. "We don't ask for ham and eggs," said one of them, "but only fatback and flour." They have fatback and flour already. Their one demand is the abolition of the stretch-out system.

What is this stretch-out system? In Lexington, N. C., where two strikes are in progress, I asked that question of the weavers who make the cloth for B. V. D.'s. The first thing that I discovered was that the man who weaves the cloth for a B. V. D. union suit receives one-half cent for his part in making a garment which sells at the stores for $1 and $1.50. That was startling enough, but the crudeness of methods used by "efficiency experts" in speeding up southern mill workers is more startling. About one month ago, according to the weavers, the plant which makes the cloth for B. V. D.'s compelled every weaver who had been running 24 looms to operate 72. Some assistants were added to the force in the weave room, but of the 19 weavers only 6 were left after the stretch-out system had been installed. They received a raise of $1 a week for operating the extra looms. Previously they had averaged about 135 cuts of cloth in two weeks at 27 cents a cut; now they are compelled to make cuts for 11 cents each. This without any new machinery or other pretext for changing the work habits of the plant. Their wages are now about $19 to $20 a week—and they are the aristocracy of the cotton-mill workers. Nominally they have the 55-hour week, which is shorter than the working week of their brothers in Elizabethton and Gastonia, but in practice they work 20 minutes before the official starting time in the morning and 30 minutes of the "hour" assigned for lunch. These practices are possible because there is no penalty in North Carolina for violating the laws concerning working hours.

The 400 workers who are on strike against the stretch-out system in Lexington walk about nervously in their dingy little mill villages with no money to go anywhere and no supplies for relief. Their narrow houses are built on a box-car pattern but not painted as well as most box cars. Behind every sixth house is a spigot which supplies water for the neighborhood. The mill villages are far removed from the parts of the town where the "best people" live, and the rest of the community seems hardly aware that a mill rebellion has taken place. A revival is going on in the town, and the leading soda fountain has a sign displayed upon it, "Closed during church hours."

South Carolina is the State which has no divorce, no workmen's compensation law, and no compulsory education. Its mill-village children pour into the mills at 14—and stay there. I saw the pay envelope of one woman in the Poinsett mill here who received $3.50 for 47 hours of labor. Weavers in that mill were averaging about $14 a week before the strike by starting work at 6.30 in the morning (one-half hour before the official opening) and by running the machines through the noon hour, with a stagger plan for lunch. "They lifted us to 48 looms at first," said one weaver, "then they shoved it to 96. When they saw we couldn't make it they dropped us back to 80; but they kept the same pay for each pound that they had when we were running 96, and it cut our pay $3 or $4 a week."

South Carolina opinion is overwhelmingly with the strikers in their fight against the stretch-out system. Many of the "old-line" mill owners are bitter against the newer executives for attempting it, and at least one great mill has called its people together and allowed them to veto the stretch-out system by popular vote. Of the 15 strikes against the system in this region in three weeks all but 4 have been won, and the leaderless strikers have returned with flying colors. The truth is that not one of these strikes could have been won if conventional strike tactics and union organizers had been used. The presence of an outside labor leader would have challenged that philosophy of class paternalism which is the corner stone of South Carolina life. For the time being the weakness of these leaderless strikers is their strength.

South Carolina also has COLE BLEASE, and he is chiefly responsible for a political miracle which has made many a northern visitor rub his eyes. South Carolina runs its cotton mills only 55 hours a week, while all around it North Carolina, Georgia, and Alabama mills are permitted to work 60 hours. The explanation is COLE BLEASE. This erratic gentleman bases his political strength on the votes of the mill workers and the "farm rabble." His machine at Columbia was not only largely responsible for putting through a 55-hour law for cotton mills, but it mustered a considerable vote for the 48-hour week at the last session of the legislature. The Blease influence is evident in the recent declaration of a committee of the South Carolina Legislature, "We find that the whole trouble in the textile area where strikes have occurred has been brought about by putting more work upon the employees than they can do."

These leaderless strikers are paying for the sins of a badly organized industry. Year after year the mills keep on making too many sheets and too many bolts of gingham for the good of the industry, but the employers are too jealous of each other to stop the practice. Probably three-fourths of the employers would be glad to see the abolition of the nightshift and the introduction of the 55-hour week, in order to prevent overproduction, but they are waiting for some outside force to compel joint action. Meanwhile they are not making much money—officially. In practice they can take almost any amount of concealed profits in the form of salaries. Through devious manipulations the family circles of many mill owners are enriched at the expense of the small stockholders. In Gastonia, for example, I have learned on good authority that the workers are paid $15 to $17 a week, the small stockholders receive miserable dividends, and one mill official receives a salary of $75,000, one $60,000, one $40,000, and several $25,000. But nobody can prove anything about the finances of a southern cotton mill, because stocks are not usually listed and financial transactions are shrouded in the deepest secrecy.

No amount of humanitarian agitation will prevent the southward march of cotton mills or the installation of efficiency systems—these things are implicit in our private competitive system. Here labor is cheaper, hours are longer, and taxes are lower than in the North, and just so long as they continue so new mill villages will spring up in the Carolinas and New England towns will die. The most that progressives can expect in the near future is the development of forces that will check the worst human abuses of the industry. I have found in this journey through the South many reasons for optimism. A powerful undercurrent of opinion has set in against low wages and long hours in the mills. Merchants affected by the low purchasing power of the millhands' wages are demanding a better distribution of the income of the industry. Several of the South's leading newspapers, including the Chattanooga News, Josephus Daniels's Raleigh News and Observer, and the Greensboro News, are sympathetic with the strikers in their fight against the present schedule of wages and hours.

The spearhead of the offensive against present conditions in the mills must be the labor movement. At present it is pitifully weak but gaining in importance. The communists in Gastonia are the shock troops. They are brave and spectacular shock troops, but it is inconceivable that they will make much headway in the South. To borrow an analogy from the strategy of chess, they are excellent in their opening game, tolerably competent in their middle game, but utterly hopeless in their end game. Using the strike as an instrument of revolutionary change, they are not prepared to stay in a mill center after the strike and continue that cooperative relationship with employers which is necessary for successful labor unions in a capitalist hegemony. That peaceful work of collective bargaining will doubtless be left to the American Federation of Labor—if and when it gains a foothold in this region. But it will not gain a foothold if the communists can help it. They are passionately resolved not to play John the Baptist to any American Federation of Labor messiah.

At the core of the southern mill workers' outlook on life are the Sunday school, the Star-Spangled Banner, and personal friendship for the boss. The American Federation of Labor is capable of fitting in with these traditions; the communists are not. The United Textile Workers of the American Federation of Labor have a new opportunity in the South if they can muster the energy and money to take advantage of it.

AIR COMMERCE REGULATIONS—SCHOOL SUPPLEMENT (S. DOC. NO. 6)

Mr. BINGHAM. Mr. President, we were told yesterday in our committee by the distinguished visitor, Colonel Lindbergh, that there are a good many thousands of young men now learning to fly or about to learn to fly. During the last session of Congress a bill was passed providing that the Department of Commerce might regulate flying schools. The department have now issued their regulations for this purpose. In order that Senators may have an opportunity to send to their constituents the latest information on this subject, which is causing very great concern to a good many parents and to their sons and daughters, I ask unanimous consent that these regulations may be printed as a Senate document.

The PRESIDENT pro tempore. Without objection, it is so ordered.

FARM RELIEF

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 1) to establish a Federal farm board to aid in the orderly marketing, and in the control and disposition of the surplus, of agricultural commodities in interstate and foreign commerce.

Mr. WALSH of Massachusetts. Mr. President, now that the farm relief measure is to be discussed, I would like to have printed in the RECORD in connection with the debate an editorial published in the New England Homestead, an influential publication and the only farm newspaper in New England. The editorial discusses the various proposals before the Congress for farm relief and also the tariff measure pending in the House. In the main I am in accord with many of the views expressed in this editorial.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The editorial is as follows:

[Editorial from the New England Homestead]

If the Hoover farm relief program goes through, as appears inevitable, American agriculture will be handed one of the most colossal gold bricks in the history of the industry. His Federal farm board legislation has already passed the House with an overwhelming majority, and the bill in the Senate is very similar except it calls for a board membership of 12, whereas the House voted for 6, and the Senate measure adds the export debenture provision, opposed by the House and by President Hoover. There is every expectation that the debenture idea will be voted out of the Senate measure before final enactment. Thus the presidential campaign "plank" becomes a "board"—Federal farm board. One international authority defines a board as "something long, thin, and narrow."

The football of Congress for eight years and in two presidential elections, farm relief it seems is to place the mantle of clever political sagacity upon President Hoover and his associates. His farm board places in Washington a supreme power that 10 years ago farmers would have repudiated en masse as bureaucratic and contrary to the spirit of American independence. The proposed legislation gives the board virtually unlimited power to dictate the policies and management of farm cooperative organizations. Yet by the clever provision that stabilization corporations, which are to handle exportable surpluses, shall be owned and controlled by the farmers and operated to avoid losses, any failure of the whole scheme will be blamed to the farmers and their organizations and not to the Federal board. However, any success would be credited to the administration plan. It is a clear case of "heads I win and tails you lose," with farmers holding the bag, as usual.

Who expects any corporation handling crop surpluses to make any profit under the pending provisions in the McNary-Haugen legislation? There must be a loss when there is no charge back, which the measure expressly forbids. The National Milk Producers' Federation, representing 44 member cooperative associations, is everlastingly right in its unqualified protest against such legislation. Too many alleged friends of agriculture, in Congress and out, either are asleep at the switch or have reasons of their own to rush through the pending legislation.

Bad as was the rejected equalization fee, and undesirable though the export debenture may be they are but mere incidents compared with the fundamental principles in the Hoover farm relief program that is

likely to be enacted. It will get agriculture nowhere except into further trouble. Basicly two things are overlooked, first, that farmers themselves and not Washington bureaucrats must relieve American agriculture, and, secondly, that farmers are not looking so much for $500,000,000 additional indebtedness as they are to reduce present obligations.

Formerly the bulwark of American individual development and progressive independence, it now appears that farmers are to be herded onto the Federal bureaucratic band wagon. The great agricultural industry is to be dictated to and ruled over by boards and bureaus with another army of officeholders, clerks, and helpers which taxpayers can support. With the experience of the Federal Farm Loan Board and its doings so fresh in mind, it is strange that farmers can not foresee the outcome of a Federal farm board, with unlimited power and a personnel of which they have not a scintilla of voice in naming.

The other string of the farm relief bow for which the special session of Congress was called is the tariff. What will happen here is problematical, but two interesting angles already are apparent. President Hoover advanced 10 reasons for opposing the export debenture, yet the debenture plan, if enacted, never need be applied if a protective tariff becomes effective in raising the domestic prices of crops above the world price by even one-half as much as the import levied upon them. Are not the 10 Hoover objections an outright admission that the tariff can not benefit agriculture? In the second place, all his arguments against the debenture apply with equal force to any protective tariff whatsoever. Therefore, if farmers are to accept the Hoover line of reasoning, they should appeal for lower duties or entire removal instead of increasing them. How can Congress or the administration ride two horses at the same time headed in diametrically opposite directions? To be consistent, after turning down the export debenture or bounty Congress would lower tariff duties. Who expects that degree of courage?

Evidence multiplies that this whole problem, so far as real solution is concerned, will end where it has for the past eight years, except that it may land farmers from the frying pan into the fire. New England farmers take little stock in this super farm board with all its satellites and $500,000,000 working capital. They rather take their chance with business acumen and the resulting adaptations into economic conditions.

Mr. COPELAND. Mr. President, when the Senate proceeded yesterday to the consideration of executive business I was in the midst of a colloquy with the Senator from Nebraska [Mr. NORRIS]. In the course of my remarks I had stated that the debenture plan as written in the bill seemed to me an evil thing. It has been so much improved by the amendment of the Senator from Nebraska that, as I said yesterday, by holding my nose I may vote for it.

The Senator from Nebraska had raised the question as to whether or not the debenture and the tariff were not comparable in that the tariff necessarily results in an increase in the manufacture of articles for human use, while, of course, the charge made against the debenture plan by everybody, including the Senator from Nebraska, is that it would result in increased production. My own theory is that the debenture plan would result in serious and dangerous increase of production except for the amendment proposed by the Senator from Nebraska. This demands that when there is a surplus of the crop of 20 per cent or more in excess of the then existing surplus, the amount of the debenture may be decreased in corresponding degree.

Mr. CARAWAY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from Arkansas?

Mr. COPELAND. I yield.

Mr. CARAWAY. Has the Senator read the new proposition to reduce freight rates an average of 9 cents a bushel on grain that is to be exported?

Mr. COPELAND. Yes.

Mr. CARAWAY. That is a debenture. It is not quite half of 21 cents, but it is a pure bonus.

Mr. COPELAND. I do not think there is any objection to a reduction in freight rates by the railroads, because that is not a direct raid on the Treasury.

Mr. CARAWAY. They will be permitted to recoup along some other line.

Mr. COPELAND. I have no doubt they will. It may be depended upon that the railroads will recoup somewhere, and in the last analysis the public pays the freight.

Mr. BLEASE. Mr. President——

The PRESIDING OFFICER (Mr. BRATTON in the chair). Does the Senator from New York yield to the Senator from South Carolina?

Mr. COPELAND. I yield.

Mr. BLEASE. Does the Senator believe there will be any real farm relief until freight and express rates are reduced?

Mr. COPELAND. I said yesterday that I wanted to enlarge upon that question at some time, and I might as well do it now, because the Senator from Nebraska [Mr. NORRIS] is not in the Chamber at the time, and I really would like to have him here when the debenture matter is under discussion.

I can not speak at all for cotton, because I do not know anything about it. I know a little bit about wheat, and I wish to say that in my opinion the wheat farmer is going to suffer more and more because the American wheat farmer can not compete with the Canadian wheat farmer. One of the reasons which I shall enlarge upon in a moment is the very matter of freight rates, which give the Canadian farmer a tremendous advantage.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Tennessee?

Mr. COPELAND. I yield.

Mr. McKELLAR. The Senator said a tremendous advantage. As a matter of fact, how many cents per bushel advantage is it?

Mr. COPELAND. To the Canadian farmer?

Mr. McKELLAR. Yes.

Mr. COPELAND. It is the difference in the freight rates between Saskatchewan to Alberta as contrasted with the rate from Montana, the same distance, to the lake head. The Canadian farmer puts his wheat into Fort William for 26 cents a bushel. The American farmer puts his wheat into Duluth at 44.5 cents per bushel. There is a difference of 18.5 cents per bushel between the freight rates from the Canadian Northwest to the lake head and the freight rates from the American Northwest to the lake head. The Senator from Arkansas [Mr. CARAWAY] asked a question about that matter, but he has left the Chamber now.

I think it would be unfair to the American railroads to say that they are extorting from the American farmer and from the American public this sum representing a difference of 18.5 cents in the freight rate, because the railroads in Canada, which are used by the farmers of that country, are nationally owned and they have every year a deficit. I am not sure what the deficit was last year, but year before last it was $60,000,000. The taxpayers of Canada contributed $60,000,000 to the operation of the Canadian railroads. Under the franchise which provided for the construction of the Canadian railroads that cheap railroad rate is pinned, is nailed, is glued, is fastened to the plan so it can not be changed. In other words, the American wheat farmer of the Northwest will always have to contend with that differential unless perchance something to offset it is provided on this side of the Canadian line.

Mr. PITTMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Nevada?

Mr. COPELAND. I yield.

Mr. PITTMAN. If the wheat of the farmers of Alberta or of northwest Canada is hauled at a rate that results in a deficit in the Government operation of the Canadian railroads, then to that extent it is in the nature of a debenture; indeed, to that extent it is undoubtedly a bonus to the shippers of wheat.

Mr. COPELAND. It comes out of the public treasury or at least out of the pocketbook of the taxpayers which in the last analysis is the same as the public treasury.

Mr. PITTMAN. We have recognized the fact that conditions of that kind exist in foreign countries. If there be a bonus given to a manufacturer in a foreign country in any form whatever, we recognize in our own tariff bill the right to compensate our own manufacturers by an increase in the tariff which ultimately is a charge on the entire people. So, when we get back to it again, the whole question of the discussion of the debenture is that it is a form of equalization to the farmer who apparently thus far has not been able to be protected by a tariff as has the manufacturer.

Mr. COPELAND. Yes; and I will go farther. The charge made against the plan under discussion and all other farm plans is that they are unsound economically. What could be more unsound economically than the tariff system? It violates the law of supply and demand in order that the manufacturer may be protected against cheaper costs of production abroad, and so certainly if we give relief to the farmer we are not going aside from our regular practice. We are simply putting the farmer on the same economic basis as the manufacturer, which, to my mind, is perfectly proper.

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

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from North Carolina?

Mr. COPELAND. Certainly.

Mr. SIMMONS. The Senator is wrong in saying the debenture goes quite as far as putting it upon an absolute parity with

the tariff protection now given to the manufacturer. The farmer gets only one-half of the benefit of whatever rate of tariff the Congress may impose upon his products.

Mr. COPELAND. I thank the Senator from North Carolina for what he said. At a later time in my remarks this morning I want to go into some detail with reference to the economic side of the question; but just now I will continue my discussion about Canada.

I listened with great interest to the maiden speech of the junior Senator from Kansas [Mr. ALLEN]. I thought it was eloquent; I thought it was logical from his standpoint. It was not quite convincing to me, but I nevertheless listened to it with great pleasure. The Senator from Kansas, if I did not misunderstand what he said, was making the point that the cooperatives, the organization—the pools, I think he called them—of Canada are largely responsible for the increase in the prosperity of the Canadian wheat farmer. I think I am right, in effect, in what the Senator said. If not, he will correct me.

But the Senator does not go far enough. I hope those pools are effective, and I have no doubt they have been, but they are not responsible for the greater prosperity of the Canadian wheat farmer. That is the point I want to make. I have already pointed out the fact that the Canadian wheat farmer, to the extent of some percentage of $60,000,000, has been subsidized by the Canadian Government. By that I mean the fact that the Canadian nationals were operated at a loss of $60,000,000 and that the chief eastbound business of the Canadian nationals is the carrying of wheat. I have no doubt that a very considerable portion of that $60,000,000 might be properly considered as a contribution on the part of the Government.

But that is not all. The Canadian wheat lands are better than ours.

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield?

Mr. COPELAND. I am always glad to yield to my good friend from Massachusetts.

Mr. WALSH of Massachusetts. Before the Senator leaves the point he has just developed I want to call attention to a fact with which he is familiar, namely, that the Canadian Government is planning to such an extent in giving preferential freight rates to its export wheat growers that it is spending large sums of money to further develop the ports of Halifax and St. John in order to divert its export grain transportation, which now passes through our ports during the winter, to its own new ports that can take care of winter shipments.

But, further than that, it has provided for freight rates from Buffalo to St. John and Halifax as low as the freight rates from Buffalo to New York or to Boston or to Philadelphia, though the rail distance is about twice as great. With that advantage in freight rates, and also the advantage in water rates by reason of the nearness to Europe of the ports from which shipment is made, a still greater advantage in the future is certain to accrue to the benefit of the Canadian wheat farmer.

Mr. COPELAND. Mr. President, the Senator from Massachusetts is entirely right, and I wish he would correct me in my figures if I am wrong when I state that in 1927 there went through the port of Montreal about 60,000,000 bushels of American-grown wheat. That statement is correct, is it not?

Mr. WALSH of Massachusetts. Yes; approximately. But Senate Document 219, of the last Congress, gives the figures for 1928 as 129,371,552 bushels of grain, which includes wheat.

Mr. COPELAND. Sixty million bushels of American-grown wheat went through the port of Montreal last year, while through our Atlantic ports only 23,000,000 bushels went. Is not that true?

Mr. WALSH of Massachusetts. I believe 30,000,000; and it is due largely to the favorable system of inspection of grain in Montreal. I wish to call the Senator's attention to the fact that from the report in the press to-day of the meeting of certain railroad presidents held yesterday with the administration it appears that the railroad presidents made the request of the administration which we have been petitioning for—the Senator from New York, myself, and other Senators—during the last session of the Congress, that a change be made in the grain-inspection system in the United States of America, in order that our railroads and our grain produced in the West should not be at the disadvantage they now are under the present system of inspection.

The press reports state that a statement issued yesterday by the presidents and traffic executives of the eastern railroads to the press contains the following:

> It is also expected that the Department of Agriculture will so revise its regulations with respect to the grading of grain as to place United States growers and exporters on as favorable a basis as shippers using Canadian ports.

Perhaps the railroad executives can get results from the Department of Agriculture that the Senate has been unable to obtain.

Mr. COPELAND. Mr. President, the Senator from Arkansas [Mr. CARAWAY] a moment ago called attention to the fact that the railroads have petitioned for a reduction in the freight rates on export wheat of about 9 cents a bushel, but, as the Senator from Massachusetts, who has studied this question, points out, there can be no doubt that the grain inspection law passed by Congress is doing the ports of our country great harm.

Mr. WALSH of Massachusetts. I referred to the regulations fixed by the Department of Commerce under the authority, of course, of Congress.

Mr. COPELAND. Yes; that is it. Those regulations have placed such a standard upon export wheat, making a difference of about 2 cents a bushel, as I recall, that our grain merchants prefer to send the wheat over Canadian lines to Montreal, for two reasons: First, that they may have the benefit of the reduced freight rate; and, secondly, that they may evade the necessity of accepting the American standard of grain inspection.

Mr. WALSH of Massachusetts. I do not care to divert the Senator's attention further, except merely to agree with him in his first proposition, that the preferential freight rates which the Canadian wheat growers in the far west of Canada possess, and the preferential ocean rates and the Canadian grain inspection system give them a decided advantage in entering the European grain market; and that advantage is bound to increase and grow to the disadvantage of the wheat growers of America because of the difference in grain-inspection standards and because of the higher rail and ocean rates.

Mr. COPELAND. The Senator is entirely right, and I am glad that he has turned the discussion in this direction, because I think that every Member of the Congress should inform himself on this subject, and that the question should be so presented to the departments that we may be preserved and protected against what is now a real invasion of American rights.

Mr. WALSH of Massachusetts. Up to the present time, as the Senator well knows, it has been impossible to prevail upon the department to change its position. The Senator has in mind also, I know, the report submitted during the last session of Congress, in which it practically turned down the suggestions for a change in grain inspection which all the public authorities of the Atlantic seaboard ports and all the Senators representing the Atlantic seaboard States and also Senators from the wheat-growing States urged upon them.

Mr. COPELAND. It is a pathetic thing that bureaucracy grows up to the extent that every morning they sing the doxology, "As it was in the beginning, is now, and ever shall be, world without end. Amen." When once the regulation of a bureau of the Government has been put in force, there is hardly power enough in the world to change it; yet, to my mind, it is a serious matter that the great ports of our country are discriminated against by our own Government and the port of Montreal is built up.

Mr. WALSH of Massachusetts. And also Halifax and St. John now.

Mr. COPELAND. And now Halifax and St. John by governmental aid are becoming very important, indeed.

In this connection, showing the relationship of freight rates to sales of farm products and their effect upon the farmer, I desire, without reading, to introduce in the RECORD Exhibit B of the proposed report of the examiners in connection with the so-called Hoch-Smith investigation into the grain situation. It will be remembered that we adopted a resolution providing that the Interstate Commerce Commission should make such an investigation, and this is the advance report. I inquired if I had the privilege of using it in this way, and found that it was perfectly proper to do so. Therefore, I ask unanimous consent, Mr. President, that there be inserted at this point in the RECORD Exhibit B, of Docket No. 1700, relating to the so-called Hoch-Smith investigation.

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

The matter referred to is as follows:

EXHIBIT B

CONCLUSIONS

The foregoing review of the evidence indicates that the last five or six years have been a period of substantial improvement in the condition of grain agriculture. The industry has not been able, however, to hold all the gains it has made in recent years and is still in a somewhat depressed condition. Without having regained a normal earning power it has to carry a considerably greater than normal burden of indebtedness and to maintain, along with other classes of American society, a standard of living which has risen in considerable measure in the last decade or so.

It is difficult, to be sure, to point to any series of years which all will agree constitute a normal period in the economic life of agriculture. The tests of normalcy are many and diverse. Doubtless the period of approximately five years preceding the outbreak of the European war were uncommonly good years for American agriculture. Attention has therefore been called to this fact when in the preceding pages this period has been used as a basis of comparison.

The depressant factors in grain agriculture to-day are redundant supplies and heavy farm indebtedness. Wheat in the crop year 1927–28 had 90 per cent of its pre-war purchasing power; in July, 1928, 85 per cent; and in September, 69 per cent. There is no immediate prospect of reduction of supplies or of significant expansion of demand. The competition of newer domestic and foreign sources of supply, some of which use modern power equipment in an effort to achieve low costs, is particularly felt by the older regions of wheat production. No finding of the existence of depression should be made as to the areas of expanding wheat production in the United States.

Agriculture as a whole is also carrying a heavier burden of interest and taxes than it did before the war. The indebtedness was incurred for a number of purposes, previously indicated, during the period of high prices, or was accumulated as the result of the conditions which followed the collapse of agricultural prices. Some of this indebtedness has been wiped out and many farmers never became involved in it. At the present time this burden is therefore unevenly distributed. Where the losses had not been fully taken earlier foreclosures and bank failures were still running at an unusual rate at the time of the hearings.

Much was said by the carriers of the increased efficiency of farming operations in late years. The enlarged volume of products and decreased number of workers were pointed to as proof of the soundness of agriculture at the present time. Such a view does not accord full or proper weight to the increase of farm acreage or to the added investment in machinery and equipment.

Not all of the difficulties of grain agriculture are attributable to the factors which have been named. Adverse climatic conditions have played a large part, and in some regions declining fertility is a factor of considerable moment.

Much of what has been said has applied principally to wheat. The condition with respect to oats is at least as unfavorable as that of wheat. Corn has shown great variability of position in recent years, but also greater and better-sustained price recovery than has wheat.

In addition to the testimony relating to the economic condition of agriculture, there was extensive discussion on the record of whether or not the farmer would derive benefit from a reduction of transportation charges. Phases of this question are discussed in the pages following.

WHO BEARS THE FREIGHT RATE?

There are striking and persistent differences of opinion as to how transportation charges enter into the prices which producers receive for their grain. With equal finality it is urged that the farmer pays and bears the freight charges on his products, and therefore stands to gain from a reduction of them, and that the consumer pays the freight and would be the sole beneficiary of a reduction. In considerable part this conflict of opinion results from the belief that there is a single answer to the problem, valid under all conditions, and from a failure to distinguish clearly between its immediate and its long-run aspects. The present discussion is addressed primarily to the short-run effects of a possible general reduction of rates. It does not embrace a consideration of the effects of changes in particular rates or of certain existing rate relationships, about which much was said in the course of the hearings.

The ensuing discussion is principally in terms of wheat. The basic fact with respect to this commodity is the constant increase in the volume of production compared with the lagging of consumption. The per capita consumption of flour in the United States is said to have declined 21 per cent from 1904 to 1923. On the other hand, world production of wheat shows large increases and potentialities for future expansion. In the United States new areas, some previously considered unsuited for crop production, are now being devoted to the raising of wheat. Such are the former pasture lands of western Kansas and Nebraska and parts of Oklahoma and Montana among the Northern States.

It will be helpful at the outset to call attention to certain basic economic propositions. The first of these is that normally the consumer of any commodity pays the transportation charges as well as any other costs incurred in making the commodity available for his use. Thus the buyer of a motor car understands that in the price he pays is an amount intended to cover the transportation expense on both the delivered car and on the raw materials which have entered into it. This is not to say that the automobile manufacturer is not interested in freight rates, for his sales may be affected by changes in both the level and the relationship of rates. No different in principle is the case of bread, in whose price there is covered the cost of transporting, first, the wheat and then the flour. However, just as at times it is possible to purchase manufactured articles at prices which are not fully remunerative of the costs incurred in their production and delivery, so the consumer of agricultural products may under some conditions secure them at prices which do not fully compensate for the costs they represent, including transportation costs.

The second proposition is closely related to the first. If producers are not fully remunerated for the costs they incur, they tend to go out of business, thus diminishing the supply and causing prices to rise to a remunerative level.

Third, adjustments of supply to selling price are more difficult to make in agriculture than in most lines of industry. The result is that the processes sketched are less clear cut than they are in manufacturing and other lines of business. For one thing, costs in agriculture are generally undetermined and so do not furnish the basis for immediate adjustments, and large differences occur in the costs of individual producers. These are attributable in part to differences in the capacities of farmers and in part to differences in the lands which they use. The latter differences tend, however, to be equalized through adjustments of the values, or, what is the same thing, the rents of lands. Lands whose productivity is low or whose products must move under higher transportation charges than those of other equally productive lands command a lower price. Land values similarly tend to reflect differences in taxes or in interest rates.

The foregoing propositions have had to do primarily with the long-run aspects of the incidence of rates. Attention may now be called to a few propositions having more of a short-run application.

First, a crop once planted is, for all practical purposes, beyond the producers' control. This is true of any part of the world's supply and of the entire supply. Adjustments of supply can not be made at less than yearly intervals.

Second, the value of a particular crop depends upon the prices which consumers, competing with one another, put on the different parts of it until the entire supply is removed from the market.

Third, a change in transportation charges does not work any change in the value of the crop to consumers.

Before turning to the application of these propositions, indication may be given of the part which the marketing process plays in the pricing of grains. The grain merchant stands between the producer and the consumer and reflects the forces at work on each. He buys with a mind always to where he can sell. Marketing is therefore not a series of disjointed steps; all parts of it are bound together by a highly developed marketing mechanism and by sensitive instruments of communication, and present and future are constantly related by means of several types of marketing specialists. The belief, expressed by many, that farmers are concerned with the freight rate to the primary markets but not beyond is clearly without foundation. The workings of the market are not, however, always clear. Market price is complex and ever changing. Too many forces are at work to permit of simple analysis, and differences in grades of grain, seasonal variations in the sources of supply, and constant fluctuations in the demand for particular varieties of grain add many complications. To all divergencies of this character the market mechanism adapts itself as effectively as possible.

These, then, are the long-run and short-run forces and processes at work in the pricing of grain. There are few opportunities to test under controlled conditions the effects of a change in transportation charges. The possible effects of a general reduction of rail rates may, however, be traced along the following lines:

The volume of a given year's crop of a grain is well known in advance of its coming on the market. Grain buyers, including millers and importers' agents, gauge on this basis the time of purchase and the price they will pay from time to time for such grain as they require to meet the users' needs. Their calculations are generally made under highly competitive conditions. Each buys with a view to what he can sell for; in fact, in both milling and exporting the price which can be secured is commonly known in advance of the purchase of the grain. The accumulation of supplies during the season of heavy movement of grain is also with a view to what the future course of prices will be. Demand at any time therefore registers the maximum price which users are willing to pay or which those prepared to carry the grain are willing to give for it in view of the anticipated price at subsequent periods. Assuming, as is necessary in the present discussion, that the grain at the time of the rate change is still in the hands of the producers, the supply is practically fixed and ready to move onto the market under the rates previously prevailing. Farmers are not equipped or financially able, as a rule, to hold their grain. A reduction in rates would therefore affect neither the supply nor the maximum price which takers are willing to pay. Barring extraneous forces, all the price-making factors would remain unchanged except for the reduction of rates. The reduction therefore creates a fund on which buyers or sellers can draw. Where the benefit of the reduction would go, leaving out the purely momentary effects of changes in rates on supplies in the hands of dealers which were purchased before the change of rates, would depend on the relative bargaining position of buyers and sellers. The latter, already parting freely with a supply over which they have little control, are for the most part passive rather than active factors. Where the reduction in rates will go will therefore

depend on the state of the demand, or, in other words, on how keenly buyers feel one another's competition in procuring the supplies they need.

Buyers quickly take cognizance of reductions in transportation charges. Seeking always the cheapest market, they look with increased interest to a section or country where rates have been lowered, just as they tend to look elsewhere for supplies if rates, or any of the elements of cost to them, are increased. The means of transmitting these influences are the grain dealers, who, of course, buy in competition with other buyers and sell in competition with other sellers. Their interest is solely in volume of sales, and for the most part they work for and achieve a fixed return per bushel regardless of the price, though at times they may reduce their commission to get business or miscalculate as what they should pay. The degree of activity of the demand is reflected in the calculations of the grain dealers.

Assuming, then, a general reduction of grain rates in the western district, the great surplus grain producing section of the United States, buyers would turn to what they would look upon as potentially a cheaper supply of grain. They would set out to obtain for themselves so much as possible of the benefit of the reduction. If their competition was already keen and under the changed condition became even more intense, the previous maximum price, which represented an equilibrium of the price-making forces prior to the rate reduction, would remain unchanged. With a lower freight rate used in calculating the local price, the producer would net a larger return per bushel than he did before. But if the demand is lagging in the sense that supply is redundant and buyers can not induce users or accumulators to bid actively at the time for supplies, purchasers will tend to bid the local buyer on a lower basis and in turn force the producer to accept a price which will net him approximately the same return per bushel that he enjoyed before the rate reduction. Equilibrium would be restored but on a lower price basis which would reflect the benefit of the reduction to the purchaser. The process is not, of course, a clear-cut one. Differences in local bargaining ability and many other factors may obscure the result, and changes in the demand for grain independent of the rate reduction are certain to work obscuring changes in the price the farmer receives.

Who would receive the benefit of a general reduction of transportation charges is then somewhat problematical. Much depends on the condition of supply at the time, or, what is much the same thing, on the activity of buying demand for grain in the aggregate or for particular grades. Pertinent considerations at this time are the fact of general oversupply of wheat, to which the contribution of the United States is large, and the fact that in most recent years our exports, whether as wheat or as flour, have gone out on a distress basis. Foreign buyers who have come to expect the lower qualities of wheat from this country are quick to take whatever advantage they can command in securing their requirements at the lowest possible cost. Unless competition forced them to bid very actively, they would be likely to succeed in securing a benefit from the reduction of rates. A more rapid movement of the export surplus might, on the other hand, have a stimulating effect on the price of the remaining supplies. These generally represent about three-fourths of the domestic production. The most that can be said at this time is that the benefits of the reduction might be shared rather than go in their entirety to either buyers or sellers.

But, it may be urged, this analysis is limited to a single year's crop. What of the crop of the succeeding year? The answer is not materially different. Since farmers were willing to bring on the market a certain quantity of grain under the former scale of rates, they would not bring on a smaller crop in the following year, and in fact if they had benefited or thought there was a prospect of benefiting from the rate reduction, they would be inclined to bring a larger supply on the market. But they could reap the advantage of the reduced rates only by checking the supply. Control of this kind is practically impossible, partly because of the competition of foreign supplies in the world market and partly because of the propensities of the individual farmer to maximize the production of what appears to be a profitable crop and of the difficulties of curtailing production even when conditions are unfavorable. Also, the presence in this country of newer regions where costs under large-scale operation with modern machinery are lower means a continued addition to supply regardless of the condition of the older regions. So far as the next few years are concerned, barring unexpected changes in the condition of supply in other producing countries, the present buyers' market is likely to continue. It will be difficult, therefore, for the American farmers to retain any advantage they might secure from a general rate reduction.

This discussion has been directed to a general region where the bulk of the surplus of grain is produced. Small areas within this great region might obtain the benefit of reduced rates accorded them and not to others, because the play of competition would not be fully directed upon them.

A few words may be said about the longer-run effects of a change in rate levels. If rates are advanced and are assumed to work a temporary reduction in the profitableness of grain agriculture supply will tend to be drawn in and price will rise, barring changes in foreign supplies. On the other hand, a reduction of rates, if it tended to stimulate supply, would cause a lowering of price. In both cases the consumer rather than the producer is the one primarily affected. But changes in rate relationships do have important long-run effects on the position of farmers through affecting the net earning power and, therefore, the value of lands. Land values will in the course of time adjust themselves to such changes. The process of adjustment has its costs, however, in those cases where present owners must witness a reduction in the value of lands whose products, compared with those of other lands, are required to pay added transportation charges, and its benefits when a differential advantage in rates is created.

This principle has international application. The producers of one country in competing with those of others will feel the benefit of a rate reduction as a long-run proposition only if rates elsewhere are held up; likewise, an increase of rates in one country is considerably mitigated in its effects if rates in competing countries also are advanced. Nothing of record would warrant an opinion as to whether a reduction of export grain rates at this time would be met by similar action in competing countries.

No attempt will be made here to estimate what, in dollars and cents, the farmer would be ahead in the event grain rates were reduced and all the reduction were assumed to inure to the farmer's benefit. Attention may be called to the fact that the farmer is a consumer of many commodities which he does not produce, though he is very much more self-sustaining than any other class of society and therefore is less affected by changes in inbound rates.

Mr. COPELAND. Mr. President, to revert to the Canadian situation, every American hates to say that another country is better than his own. Of course we never want to admit that, but it must be admitted that the farm lands of the Canadian Northwest are richer than ours. They are virgin lands; they are not yet exhausted. They still have 80,000,000 acres of land undeveloped ready to be tilled as demand increases.

What has been the effect of the conditions prevailing in Canada upon the production of grain there? In 1910, 19 years ago, Canada had in wheat 8,000,000 acres of plowed land. What has happened in 19 years? The acreage of wheat in Canada has trebled; they now have under cultivation in Canada 25,000,000 acres of wheatland.

In 1910 Canada exported 56,000,000 bushels. Year before last Canada exported 324,000,000 bushels.

What has happened in the United States in the meantime? Where we had under cultivation in 1910, 45,000,000 acres we now have under cultivation only 50,000,000 acres, in spite of our almost doubled population since that time. Canada has trebled her acreage while our acreage has remained practically stationary.

As a result, see how our exports have lessened. In 1910, when Canada exported 56,000,000 bushels of wheat, we exported many times that quantity, while now Canada is exporting very much more wheat than we are. What does all that mean? I think it is a situation which must be faced by the American wheat farmer.

The more favorable freight rates, the richer land, the cheaper labor—because there is no doubt that the labor costs on the farms of Saskatchewan and Alberta are now very much less than on our farms—and the further fact that blood is thicker than water, have resulted in a great advantage to the Canadian farmers. The wheat market of the world is Liverpool, which is, of course, in England, and of necessity, naturally, and no doubt properly, England will prefer to buy wheat from Canada rather than to buy it from the United States. We should face these things. We do not get very excited over them. Luncheon is infinitely more important than any discussion of debentures or relief for the wheat farmer, but we have a problem to face and it must be solved.

If the President had seen fit to recommend a bill which had in honest-to-goodness relief to the wheat farmer, I would say it was a noble thing to call the Congress in session to pass a bill which would afford such relief, because the farmer must have help or else go into bankruptcy. He will not get any relief, however, from the pending bill. If in all the history of legislation there was ever a "gold brick" handed to a group, the bill that will go out from this Congress will be the finest example of "gold brick" ever produced by legislation. If it had in it the modified debenture plan proposed by the Senator from Nebraska [Mr. NORRIS], or what, in my judgment, is far better, the equalization fee which came from the fertile brain of the brilliant and charming Senator from Oregon [Mr. MCNARY], there would be real relief for the farmer, but we are not going to have such a bill. We are going to have another—I dislike to use slang expressions—but we are going to have another "fake" bill.

Mr. SIMMONS. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from North Carolina?

Mr. COPELAND. I yield.

Mr. SIMMONS. Let me ask the Senator if he does not think it would be well to have a quorum call at this time?

Mr. COPELAND. I am very much obliged to the Senator from North Carolina. He suggests that there should be a quorum call, but I would not be so cruel as to want that done. I am a doctor, Mr. President, and I would not want to interfere for a moment——

Mr. SIMMONS. Mr. President, if the Senator will permit me——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from North Carolina?

Mr. COPELAND. Yes; I yield.

Mr. SIMMONS. I want to say, in that connection, that I think it is to be deeply regretted that when a question about which there is such difference of opinion in this body, and which so large an element of the people of this country believe of paramount importance to them, is being discussed as ably as the Senator from New York is discussing this question, he should have such a meager audience.

Mr. WALSH of Massachusetts. Mr. President——

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

Mr. COPELAND. Yes.

Mr. WALSH of Massachusetts. It is regretable that the hour is the lunch hour. A great many of the Senators are at luncheon. I am sure a great many of them will return shortly; but I want to join the Senator from North Carolina in expressing regret that there are not more Senators here, and I ask the Senator from New York if he will not permit me to suggest the absence of a quorum?

Mr. COPELAND. No; I beg the Senator not to do so, because I preach regularity of eating, and I would not for a moment disturb Senators at this time.

Mr. SIMMONS. They are not all at lunch.

Mr. COPELAND. They will come back after a while; but please do not have a roll call. I rather enjoy the present situation.

Mr. President, as I see it, we will not have a worth-while bill, but I find that some of the Members of the House, according to the RECORD, spoke of this bill as having great virtue. Yesterday morning I saw a very interesting résumé of the bill—and, since it is a matter of record, I think it is perfectly proper for me to refer to it—a very interesting résumé of the bill in the extension of the remarks of Hon. JOHN Q. TILSON, of Connecticut, found at page 583 of the RECORD of April 25, where he says:

> It is comforting to note that the House bill rigidly refrains from using the term "Federal instrumentality," so that there may be no question in regard to such activities as may be set up under the bill being not governmental agencies but private agencies, organized, owned, controlled, and directed by the farmers themselves. Every precaution should be taken to make it clear that the Government is not projecting itself into business.

I quote further from Colonel TILSON:

> I reiterate that in my judgment, so far as it can be done without entering upon a scheme of governmental price fixing, bonuses, or subsidies, it is a proper purpose, and will be useful legislation.

Mr. President, I have understood—I would not wish to say that it is the practice—that physicians sometimes give their patients a placebo. They put a little sugar of milk in a piece of pink paper and tell the patient to take a powder three times a day after each meal—sugar of milk. The doctors do that for the moral effect.

According to this RECORD, the House has passed a bill which has not any medicine in it. It has not any stimulant in it. It has not any sedative in it. It does not "fix prices" or "put the Government into business," but it is purely a placebo to quiet the nerves of the disturbed farmers.

If there is anything in the world that the Republican Party can do, it is to administer, and successfully administer, placebos for farmers. They have been administering this kind of fake medicine year after year, and the farmers take it just before election, and, even though it has in it nothing of human value, they go out and vote the Republican ticket. They will continue to do that year after year, I suppose, until they finally become aroused and find that the doctor, the Republican Party, is only a quack, and that he is not, after all, giving anything of substantial value.

I have told you the position taken by the Republican leader of the House; but when he says there is not any price fixing in the bill, I wonder, after all, if that is true.

There is not anything like the record, Mr. President. A very popular man in my State, governor of the State for years, who ought to have been elected President, always says, "We will speak by the record." I want to give you a little of the record.

The Republican leader of the House says that this bill, which will ultimately become the law, is not a price-fixing bill; but what does Mr. DICKINSON, of Iowa, say about it? He "belongs to our lodge," does he not? He is a real friend of the farmer, is he not? Mr. DICKINSON says, on page 166 of the RECORD of April 19, in the first column, at the beginning of the sixth paragraph:

> Mr. Chairman, I am a great believer in the stabilization plan. When we stabilize the price—

Mark you, now, "when we stabilize the price"—

> once you fix a price where you can carry it through from one end of the season to the other, once you determine there is machinery enough in this law whereby there will not be a speculative fluctuation up and down, then you have established the next step that can be taken following that; and what is it?—

And so forth.

Mr. DICKINSON says this is a price-fixing plan. Is Mr. DICKINSON right, that it is a price-fixing plan, or is Mr. TILSON right, that it is not a price-fixing plan? They can not both be right. If it is a price-fixing plan, it is "unsound economically"—quotation marks, Calvin Coolidge!

Mr. WALSH of Massachusetts. Mr. President——

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

Mr. COPELAND. I yield to the distinguished ex-governor of the State once presided over by President Coolidge.

Mr. WALSH of Massachusetts. The Senator has stated that the farmers as in the past would accept the administration farm-relief program, which he believes ineffective, and continue to support the Republican ticket. I want to call his attention to some evidence of awakening upon the part of the farmers in the eastern sections of the country.

This morning I had introduced in the RECORD an editorial to be published next week in the New England Homestead, the only farm paper published in New England, and one which is read by nearly all New England farmers. I want to call attention to what that editorial says about the administration farm relief bill.

Mr. COPELAND. I shall be glad to hear it.

Mr. WALSH of Massachusetts. I will read only an extract:

> If the Hoover farm-relief program goes through, as appears inevitable, American agriculture will be handed one of the most colossal gold bricks in the history of the industry.

Mr. COPELAND. I never saw that before, and yet that is the same language I used, is it not?

Mr. WALSH of Massachusetts. It is. The editorial continues:

> His Federal farm board legislation has already passed the House with an overwhelming majority, and the bill in the Senate is very similar except it calls for a board membership of 12, whereas the House voted for 6, and the Senate measure adds the export debenture provision opposed by the House and by President Hoover. There is every expectation that the debenture idea will be voted out of the Senate measure before final enactment. Thus the presidential campaign "plank" becomes a "board"—Federal farm board. One international authority defines a board as "something long, thin, and narrow."

The editorial proceeds along the same lines to condemn very seriously and very strongly the administration farm relief program.

Mr. COPELAND. Mr. President, that is very hopeful. That shows at least that one farm leader is aware of the fact that the Republicans have been passing out gold bricks and are going to give another one. That is exactly what will happen if this bill which passed the House should be passed by the Senate and no provision made for replenishing the fund, either by modified debentures or by an equalization fee.

Yesterday, Mr. President, I confessed frankly that in my State there is no enthusiasm for farm relief. I think that may be said of many of the Eastern States. I can not help it. When I stand on the floor of the Senate and urge farm relief—real farm relief—I am doing something that, in my opinion, makes for the welfare and prosperity and financial advancement of the State of New York. And yet I would not be honest with you if I did not say I am bitterly criticized for this.

I want to refer to an editorial which came into my hands this morning. I want the RECORD to show that I do not do so because I blame the editor, or because I am seeking to make an explanation which may win his support. I do not blame the

editor; and, frankly, I do not care whether he supports me or not. That is plain enough; is it not? I never could carry that county anyway, Mr. President, even if I had the support of this fine newspaper!

I want to present this brief editorial in order that you may see what the attitude of many of our newspapers is regarding the question of farm relief. Then I shall attempt to show how fallacious are these arguments, in order that anybody who may possibly be at all influenced by anything I say may realize that there is an answer, and I hope it will be an effective answer; but, anyhow, I shall attempt to make it.

In the issue of the Poughkeepsie Eagle News for Saturday, April 27, just a few days ago, is an editorial headed Dr. COPELAND and Farm Relief. Of course, since there is nothing complimentary in this editorial, I will not be charged with being at all immodest if I read it to the Senate:

Back again in Washington for six years more after his victory last fall over Alanson B. Houghton, Senator ROYAL S. COPELAND is giving New York the same sort of representation that marked his first term in the Senate. A typical example was his attempt on Wednesday to have the equalization fee revived and written into the farm relief bill to replace the export debenture plan.

Senator Copeland's offense in this matter is twofold. In the first place, the equalization fee is utterly unsound economically, and would prove disastrous not only to the farmers but to the whole country if it should be adopted. In the second, his advocacy of it is a flagrant misrepresentation of the attitude of his constituents.

I would not have the Senator from Iowa [Mr. BROOKHART] miss this next statement for the world:

Nowhere in the country are the fallacious legislative attempts to monkey with economic laws more strongly opposed than in New York, and no State would suffer more severely from them through the effect upon the welfare of its consumers.

Senator COPELAND went politically agricultural in support of Al Smith's presidential candidacy, and sought by radical agrarianism to win the favor of the Middle West for him both at Houston and throughout the campaign. He might have been excused then for the fallacies of his economics; but there are no extenuating circumstances now. He either fails to understand a very simple problem or is willfully aligning himself with those whose programs are contrary to the interests of his own State and of the Nation.

Mr. BROOKHART. Mr. President——

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

Mr. COPELAND. I yield.

Mr. BROOKHART. I am delighted to see the Senator standing by his guns, but I am sorry he has to hold his nose while he votes for this.

Mr. COPELAND. I am much obliged.

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield?

Mr. COPELAND. I yield.

Mr. WALSH of Massachusetts. I want to say that I think I have seen few more striking examples of legislative courage and bravery than that displayed by the Senator from New York when he voted for the equalization fee at the last session of Congress on the eve of his candidacy for reelection to the Senate. The equalization fee was not popular with the people or press in the Eastern States. I think he was one of the very few Senators from the East who voted for it. I think he demonstrated remarkable courage, and showed by his conduct at that time that he was a real, genuine friend of agriculture, seeking seriously and honestly to find a solution for the agricultural problem.

Mr. BROOKHART. Mr. President, I approve that statement. I think the Senator is correct.

Mr. COPELAND. I am really very much obliged to the Senators. I could not support any plan of farm relief, however, or any other measure, which I honestly believed was damaging to my State. It takes no bravery to do right. People talk about having the "courage of their convictions." The trouble is a lot of people have not any convictions. Courage is a natural accompaniment of convictions.

This Poughkeepsie editor is mistaken. I am not finding any fault with him. He may have an editorial in his paper next week saying I made an attack on him; that would not be true at all. What he says is the belief of most of the editors in my State. It is the belief of most of the business men of my State, and of the bankers and the big men of the State, because they have never given any serious thought to it; that is the reason.

I do not know the editor of this paper, but he had a right to assume that a New Yorker who would introduce an amendment providing for an equalization fee must be, as he says, "monkeying with the economic laws" more strongly than a New Yorker ought to do.

Let me show exactly what the fact is: Poughkeepsie is a fine little city on the Hudson River, known everywhere as the home of Vassar College, and a fine community.

I took pains this morning to take from the records of the Commerce Department figures showing what they do in the way of manufactures in Poughkeepsie. I find they have four establishments for making beverages. We will not indulge in any discussion of that subject, because I assume those beverages are consumed locally. They have 11 bread and other bakery product manufactories.

They have eight establishments manufacturing men's clothing, where they employ 1,285 wage earners, drawing wages of $1,174,000, with products valued at three and one-half million. Some of those products are overalls. There may be some farmerettes from Vassar who wear overalls, but I venture to say that most of those overalls are sold to farmers of the male persuasion. Nearly $4,000,000 worth of men's clothing is manufactured in Poughkeepsie. I will recur to that in a moment.

They have eight establishments where they make women's clothing, with 331 wage earners, and products worth $634,000. I suppose most of those are bought by the students at Vassar College, although they do say the Smith College students are the most expensively dressed in America; but where do the students come from? Many of them come from farm homes, and if there were no prosperity in the farm homes in the future, there would not be any young women in Vassar from the farm homes of this country.

They have 5 planing-mill product manufactories in Poughkeepsie, 5 electric-machine apparatus and supply establishments, and 6 foundry machine shops. It appears from these figures that there are manufactured in Poughkeepsie goods to the value of $22,000,000.

Where do those goods go? They are sold largely on the farm. I told the Senate yesterday that the manufactures of my own city, New York, in bulk and volume, exceeded the combined output of the cities of Pittsburgh, Cincinnati, St. Louis, Milwaukee, Cleveland, Detroit, Boston; and what do we do with those things? We sell them, and the chief customers are the farmers. There can be no prosperity in the city of New York and no prosperity in the city of Poughkeepsie unless there is buying power on the part of 50 per cent of our population living upon the farms.

That is what I would like to say in all fairness to the editor of the Poughkeepsie Eagle News. He could not run his newspaper, there would not be anybody in Poughkeepsie with money enough to pay the advertising—and I will say to the editor that I owned a newspaper in the Hudson River Valley, and I know something about what uphill work it is to get money enough to run those papers—he could not get the money to run the Poughkeepsie Eagle News if the farmers of New York and of Pennsylvania and of Iowa and Kansas and Nebraska could not buy the products made in the manufactories of Poughkeepsie.

I may be criticized by this paper and other papers, have been and will be, but I do not care. I know that there can be no continued prosperity in the cities of my State unless there is prosperity and buying power on the farms of America. It takes no bravery to say that, because I believe it is true; and if I am the last man in the State of New York to vote for farm relief I am going to cast that vote.

This editor says the equalization fee is unsound economically, and that this is "a fallacious legislative attempt to monkey with economic laws." Please bear in mind, Mr. President, that I am quoting when I say that. This editor says that I was excused for the fallacies of my economics during the late campaign, but now that I am willfully aligning myself with those whose program is contrary to the interest of my own State and of the Nation.

Mr. President, if there is one thing in this world that I believe, it is that when I help to bring prosperity to the farmer, I am helping my own State, and whether I am alone in that thought or not makes no difference. What I am doing here to-day, what I did in voting three times for the McNary-Haugen bill, was an act in each instance which, in my opinion, would have been helpful to the State of New York if it had been put into effect.

Yesterday I found fault with the Republicans because, advocates as they are of the protective-tariff system, they have appeared on many occasions, and in regard to many matters, to disregard the rights of the farmers of America. The Republican Party could long ago have given relief to the farmers, material relief, by applying exactly the same system to agricul-

tural products that they have applied to manufactured products. I cited what is happening regarding the admission into this country of products raised abroad which could be raised upon the farms of the United States, and I want to say just a little more about that.

Senators will be most interested to learn that 75,000,000 acres of plowed lands could be utilized in raising products which are brought in from abroad and which could be raised here—75,000,000 acres! How much land is that? All the acres of the United States now devoted to the raising of wheat, plus all the acres of Canada now devoted to the raising of wheat! The sum of those two items represents 75,000,000 acres. We are bringing into the United States, because of our failure to give the farmer the same form of protection that we have given the manufacturer, products which would give employment to 75,000,000 acres of land now unplowed.

I stated yesterday some of these figures. I am not going to give them in detail, but here are some of the products that we bring in: $7,000,000 worth of cattle, $5,000,000 worth of hogs, $2,000,000 of horses, $14,000,000 of meat, $9,000,000 of milk and cream, $4,000,000 of butter, $25,000,000 worth of cheese, $95,000,000 of hides, $7,000,000 of eggs, $2,000,000 of poultry. Then when we come to agricultural products, $18,000,000 worth of wheat, $5,000,000 of wheat bran and other by-products, $3,000,000 worth of rice, $10,000,000 worth of molasses. Would it not be a good thing to make more molasses in Louisiana?

Mr. RANSDELL. I should say it would.

Mr. COPELAND. And then we bring in various fruits and fruit products representing about $59,000,000. Nuts—well, Mr. President, I do not know that we need to bring any in—$24,000,000 worth. Beans, $9,000,000 worth. Vegetables? Potatoes?

I had a letter last fall from a farm agent in one of the counties of Pennsylvania. He said, "You talk on the radio every day about food. Will you please talk about potatoes? We have an enormous crop and we can not sell it." He wanted to create a demand for potatoes. We brought in $7,000,000 worth, as well as $3,000,000 worth of onions and $4,000,000 worth of raw tomatoes. Where are the Senators from the South?

Of other vegetables we brought in $3,000,000 worth. We brought in $37,000,000 worth of cotton; $2,000,000 of flax and hemp; $83,000,000 of wool; $15,000,000 of manila and other products. All in all, we brought into this country—how much do you think?—$1,223,000,000 worth of stock which, if raised here, would have plowed 75,000,000 acres of American land.

Mr. WALSH of Massachusetts. Mr. President——

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

Mr. COPELAND. I yield.

Mr. WALSH of Massachusetts. The Senator's present argument would necessitate raising the protective-tariff duties on these agricultural products so high that we would enact legislation amounting to an embargo on many of them?

Mr. COPELAND. The Senator is right. I do not believe it would be possible and probably would not be desirable with many of those articles which I have mentioned. They are of such a type, of such varieties that they are in demand, many of them in the nature of luxuries, that I would not think it wise to place an embargo upon them. I was pointing out merely the fact that the Republican Party could long ago by its own method have given relief to the farmer, but it never gives him relief except by the administration of pink placebos just before election, and they will not give him any real relief. In my opinion, with all respect to the President—I am not putting it upon him, but upon those back of him—there would not have been a special session of the Congress this spring if they had not been able to link tariff legislation with farm relief.

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield?

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

Mr. COPELAND. With pleasure.

Mr. WALSH of Massachusetts. In other words, I take it the Senator means that no Republican who is for the highest protective duties upon manufactured products can consistently oppose the debenture plan in this farm relief bill.

Mr. COPELAND. That is exactly what I mean.

Mr. WALSH of Massachusetts. I am in general accord with that statement.

Mr. COPELAND. Any man who accepts as gospel the protective-tariff system as applied to manufactured articles and then denies to the farmer the same sort of protection is a man who either neglects to see the truth or else he willfully perverts the conditions for his own benefit.

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

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

Mr. COPELAND. I always like to yield to the Senator from Nebraska.

Mr. NORRIS. I want to preface my question with the statement that I agree with the statement made by the Senator from Massachusetts and, of course, the statement following his made by the Senator from New York, which is that any man who favors particularly a high protective tariff for the same reason and with the same logic that he favors it ought to favor the particular debenture proposition which is now before us.

But I want to go a little further and ask the Senator from New York if, under the circumstances, having the protective tariff, without regard to whether the Senator favors it or not, but having it and knowing that it is going to continue, does it not follow likewise that every other person, even though he is not in favor of the high protective tariff, but who wants to give the farmer the same benefit of a protective tariff as the manufacturer, must likewise be in favor of the debenture plan?

Mr. COPELAND. I think that is the logical conclusion.

Mr. NORRIS. So that, as a matter of fact, assuming that we want to give the farmer the same benefit of the tariff laws that the manufacturer gets, we ought to be unanimously in favor of the debenture proposition.

Mr. COPELAND. I think we should be unanimous in favor of the proposition of doing one of two things—either we must tear down the protective system and destroy it utterly and let the law of supply and demand operate, so the farmer can buy everything in the open field of competition, and we must destroy the labor unions which fix the price of labor, so that labor conditions will be normal and the farmer can hire in a glutted market of labor—both unthinkable from my standpoint. We must do that or else put the farmer on the same plane of economic equality with the other two groups. I do not see how anybody can deny the logic of it. To me it is just as convincing as the fact that we are now in this Chamber. I do not see how it can be questioned.

The farmer now is the victim of the protective-tarff system which we have had to build up in order to protect American labor, in order to have our manufacturers compete with the manufacturers of Europe. We have had to have the labor union to make it possible for the laboring men to get some of the gravy of life which they never had until they dealt collectively with their problem. But both of those things victimized the farmer, and the only way that I see is to take one of two courses, either to destroy the protection to the manufacturer and to destroy the protection to labor or else give the farmer the same sort of protection that the manufacturer and labor now have.

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield?

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

Mr. COPELAND. With pleasure.

Mr. WALSH of Massachusetts. To turn to the debenture plan for the purpose of extending it at least to agriculture we have to assume, have we not, that the farmers get no benefit from tariff protection, and yet the Senator knows and everybody in this body knows that every time a tariff bill has been urged here by the Republican majority the claim has been made that the farmers do get benefits from tariffs levied upon agricultural products, and upon that claim tariffs have been levied upon agricultural products. Now, if those tariff duties levied upon agricultural products are effective in increasing the price of farm products in the same way that manufactured products have their prices increased by tariff protection, then the farmers have no just claim for asking a debenture plan. Is not that true?

Mr. COPELAND. That is true.

Mr. WALSH of Massachusetts. It seems to me the majority ought to take the position of stating whether or not tariff protective duties upon farm products are a benefit to the farmer. If they deem that they are, then they ought to give the farmer rates corresponding to those given the manufacturer. But if they claim that the tariff rates are not beneficial to the farmer, then there is some possible ground of justice to argue that the debenture plan ought to be invoked as a substitute for the protection which is enjoyed by the manufacturers.

Mr. COPELAND. I think that is very well stated. All we need to do is to take the prices paid upon the farm to see what the prevailing system has done to the farmer. The Republicans brag about the free admission of agricultural implements and harness, but they fail to tell the farmer about various kinds of machinery needed in making his products in this country and the labor conditions which necessitate higher prices.

But out of the economic system prevailing to-day see what happened to the farmer in 15 years. Where he used to buy a hand corn sheller for $8 he now pays $17.50, more than double in price. A sulky plow which he used to buy for $40 now costs

him $75; a grain binder used to be $150 and now costs him $225; a wagon box used to cost him $16 and now costs him $36. I ask permission to insert in the RECORD without reading the table from which I have just quoted a few of the figures.

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

The table is as follows:

Implements	1914	1929
Hand corn sheller	$8.00	$17.50
Walking cultivator	18.00	38.00
Riding cultivator	25.00	62.00
1-row lister	36.00	89.50
Sulky plow	40.00	75.00
3-section harrow	18.00	41.00
Corn planter	50.00	83.50
Mowing machine	45.00	95.00
Self-dump hayrake	28.00	55.00
Wagon box	16.00	36.00
Farm wagon	85.00	150.00
Grain drill	85.00	165.00
2-row stalk cutter	45.00	110.00
Grain binder	150.00	225.00
2-row corn disks	38.00	95.00
Walking plow, 14-inch	14.00	28.00
Harness, per set	46.00	75.00

Mr. COPELAND. In the matter of taxes, I was in my native county the other day talking with a man I have known all my life. He moved into the village about 19 years ago. He said at that time the taxes on his 160 acres were $63, while now he pays $243. His taxes are four times what they were 20 years ago and he can not raise as much stuff on his farm to-day as he did 20 years ago, due to depletion of the lands. The prices that he gets for the stuff raised on the farm are no more than they were 20 years ago, and yet in taxes alone he pays four times now what he paid then.

How can we expect the farmer to meet conditions as they are at present? I regard his plight as a terrible one. He has everything to contend with. This morning I saw this headline in an Associated Press dispatch from St. Louis:

Severe blizzard hits the Middle West. Missouri and Illinois swept by icy gales. Bring 3 to 6 inches of snow. Cold menace Fruit Belt. Ruinous frost forecast. Region's worst spring storm in 50 years follows rain, hail, tornado.

When the farmer plants his grain he has lost control over it. It will grow or it will not grow just as climatic and other conditions decree. He is at the mercy of elements far beyond his control. His plight is much worse than that of the manufacturer who can regulate the output of his factory in accordance with the demand for his goods.

O my friends, I do not see why any one of us should shudder at the thought of violating economic law, if need be, in doing something to put the farmer on a plane of economic equality with all the other producers of the country. Why should we not do so?

Mr. President, when I think about the farm, I think about the women on the farm. I was born on a farm; I was brought up in the atmosphere of the farm. I know the loneliness and the shut-in lives of the women of the farm. Choate at one time, in speaking about the Pilgrim fathers, said, "They speak of the hardships and the sufferings, of the frost of winter, and of the privations endured by the Pilgrim fathers, but," he said, "the Pilgrim mothers had all of these to bear, and besides that they had to put up with the Pilgrim fathers." [Laughter.]

If we have any kindness left in our hearts we are going to seek to remedy the conditions upon the farm so that the farm women of America may have some of the simple luxuries of life. As I said, when I consider the conditions which prevail upon the farm I am eager to see legislation enacted that will give to the women on the farm some of the privileges of life in addition to the radio and Ford cars which they now enjoy.

If we fail to add to this bill the modified debenture plan proposed by the Senator from Nebraska [Mr. NORRIS] or the equalization fee which we have adopted several times in the Senate, we shall have passed a bill which will fail in its operations, according to all the testimony from farm authorities. In proof of that I read you a letter I received to-day from the board of directors of the Dairymen's League Cooperative Association, one of the most successful cooperatives in America. I have been interested in it from its inception. I helped as an official when in the New York Health Department with certain matters which had to do with the progress of the organization of this cooperative. I know the farmers who are operating it. They are sensible, hard-headed men, and they are on record as opposing the bill as it passed the House of Representatives. Their major objections to that bill are these:

First. That it shifts to cooperative associations all of the odium that will result from the failure of stabilization corporations to do anything that will appreciably relieve agriculture.

Second. They believe it is unjust for the Government to shift this burden onto the shoulders of the cooperatives, and they believe such stabilization cooperation as formulated under the provisions of the bill would be doomed in advance, either to insolvency or to a high degree of impotence. If it became insolvent that fact would be broadcast together with generous statements that the farmers can not manage big business even with the assistance of the Government.

Third. If the stabilization cooperation operated so as to avoid losses, then such operation would not result in any material raise in the price level of farm commodities.

Fourth. They believe that the most that could be done by such stabilization corporation under this bill is to cause fluctuations in prices to be a little less violent but would give no material relief.

In addition, the bill makes no provision for actual assistance to cooperatives already formed to strengthen them to the point where such a bill as this one might become workable.

For those reasons this organization and, so far as I know every other one in my State is in opposition to the House bill; and, so far as I am concerned, with such ability as I have, little as it is, with such study as I have given the measure, I am convinced that without the modified debenture plan or the equalization fee we might as well adjourn and go home. I beg of Senators that before they vote they give thought to the needs of the buyers of the products of the cities, and to the prosperity of the country at large, by enacting a measure which will give such a degree of relief as to place the farmer on a plane of economic equality with the manufacturer and with the laborer.

Mr. SMITH obtained the floor.

Mr. McNARY. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Oregon?

Mr. SMITH. I yield.

Mr. McNARY. Does the Senator from South Carolina desire to address the Senate now on the pending bill?

Mr. SMITH. I am going to occupy about 10 or 15 minutes, and I will state to the Senator in justification of my intention that, for reasons beyond my control, it may be possible that I can not be present to-morrow in case this bill shall be then considered, and I do want to have something to say about this measure which affects the primary producers of this country in so vital a way.

Mr. McNARY. Very well.

Mr. SMITH. Mr. President, I have listened very attentively to this debate, but it seems to me that we have started out without fully understanding the premises upon which we ought to discuss this measure and the conditions upon which we ought to base relief. I wish to state in the beginning of what I have to say that if there is an element of our economic life that should receive the attention of our Government and the benefit of any law which we can pass it ought to be the agricultural element, the farmers. The very nature of their business makes it incumbent upon us to take the most particular care of that element; and yet, strange to say, we have reversed the very order of things.

From the time when Alexander Hamilton introduced the idea of protecting our infant industries, the manufacturers, the Government has devoted its legislative power to building up, protecting, and sustaining that element which to-day is the most powerful element in the world.

If there is an element amongst our people that needs no Government aid whatever, an element which can defy the world by virtue of the ingenuity of our inventors and the application of labor-saving devices, it is the manufacturers of America. I say this as introductory to what I want to state, drawing a comparison between the only two forms of production in this country, namely, natural production and artificial production, or, in other words, production on the farm and production in the factory.

President Wilson said in a conversation I had with him when the question came up as to fixing the price of wheat, and possibly the price of cotton, "It is true the farmers only have a turnover once in 12 months." He had mistaken his facts. The farmer does not have a turnover in 12 months; it takes 24 months for the completion of the processes of production and distribution of farm commodities. It takes 12 months to produce our staple crops of grain and commodities which enter into the manufacture of textiles, and it takes the subsequent 12 months to consume them. What manufacturer in America could hope to succeed if for 12 long months his factory was merely producing the finished article and then within 30 days

the doors of the factory burst open with a 12 months' supply which had to be disposed of, and in the production of which he had incurred 12 months of liabilities?

There has been pointed out in this debate in rather a sketchy way the comparison between the natural producer and the artificial producer.

The manufacturer runs no risks such as those incurred by the farmer; he has control of his seasons; he has control of his output; he has control of the quantity and quality of the thing that he produces; and every factory in America at the end of each 12 hours has the assets to meet the liabilities incurred in the previous 24 hours. On the other hand, the agricultural producer buys at a fixed price everything necessary to produce his crop. His fertilizer is bought at a fixed price. The price of the seed that he buys, if he does not produce them himself, is fixed. The price of his agricultural implements is fixed. Every cost and every expenditure incident to the production is fixed, not by the law of supply and demand, but fixed by the producer or manufacturer of those things that the farmer has to buy.

Once he has incurred all these elements necessary to the production of his crop, he incurs expense during its cultivation, during its harvesting, and then within 30 days to 60 days he has on his hands a 12 months' supply, and has incurred a 12 months' obligation which practically compels him to sell his product below cost, as the experience of myself and other farmers shows.

Let me say here that I suspect that I am perhaps the only Simon-pure farmer in this body. I suspect that I am the only member of the Senate whose only business or whose only occupation—it is not a business—is farming.

When the farmer has on his hands a 12 months' supply of wheat or cotton, the debts incurred in its production are then due; and the experience of the last 45 or 50 years is that the price that he is to receive is hardly equal to the expenses incurred in its production, because the farmers of America have gotten so poor that they can not economize. One of the penalties of poverty is that you can not economize. You must buy on credit. You are a bad risk; and the consequence is, you pay the highest rate of interest, and get the most indifferent goods at the highest price.

In addition to that the farmer has no control over his seasons; he has no control over the quantity or quality of the product that he produces; and by virtue of his unorganized, unfinanced condition, he has less to say about the price of what he has to sell than he does about the quantity and quality of what he produces. There is not a producer of wheat in America who has ever sold a bushel of wheat. There is not a cotton farmer in the South who has ever, in the real sense of the word, sold a pound of cotton. The wheat man delivers his wheat at the price fixed without regard to his cost. The cotton farmer sells his cotton at the price fixed in Liverpool. He has no word whatever to say in regard to it.

This whole farm problem resolves itself into a question of whether or not we are going to provide the means by which the producers of the farm products of this country can have something to say in regard to the price of what they sell.

Mr. EDGE. Mr. President——

The PRESIDING OFFICER (Mr. FRAZIER in the chair). Does the Senator from South Carolina yield to the Senator from New Jersey?

Mr. SMITH. I do.

Mr. EDGE. Does the Senator, in developing his viewpoint, go so far as to assert that the tariff on wheat, for instance—42 cents a bushel—is no protection whatever to the wheat grower?

Mr. SMITH. Mr. President, I leave that to my good friends over here, the advocates of the debenture of 21 cents, which is half of the tariff. If the tariff on wheat protects, why do they come here and ask the Senate to pass an act that will give them just half of what is provided in your tariff law as protection? In other words, the price of American wheat to-day, as I understand, is practically the world's price for wheat. The Senator from Nebraska [Mr. NORRIS] is sitting before me; and I ask him, What is the difference between the price of American wheat and the world's price for wheat?

Mr. NORRIS. No difference.

Mr. SMITH. The question is answered.

Mr. President, this is not my thought, but I want to read from an editorial in the New Republic which bears on the very point about which the Senator from New Jersey has asked, and which I am going to ask to have put in the RECORD. I think it is without doubt as clear—not clever; I do not want to use that term—I think it is as clear a presentation of this attempt——

Mr. EDGE rose.

Mr. SMITH. I do not want to yield now, Mr. President. I want to put this in.

Mr. EDGE. Before the Senator reads the editorial I should like, if I may, to make simply a further observation in regard to the question I asked.

Mr. SMITH. I yield.

Mr. EDGE. If, as the Senator from Nebraska has indicated, the world's price prevails—and I am not disputing that—then would it not be just as well for us to put wheat on the free list and not have any duty whatever on it?

Mr. SMITH. I am coming right to that point now.

This is the issue of May 1, 1929, of the New Republic, and it has an editorial entitled "Hoover's Debenture Decalogue." I am going to ask to incorporate this editorial in my remarks. I desire, however, to call attention to this paragraph, which I shall read:

> The debenture plan is essentially an export bounty—a payment to exporters, paid out of our tariff revenues on imports, which would stimulate the shipping of surplus crops out of the country and would raise the domestic prices. Any foreign crops then attempting to take advantage of the higher prices in our market would meet the tariff wall surrounding those crops, and protection would thus embrace the farmers who produce surpluses for export, as it can not now do. The original plan, in an effort to make agricultural tariffs as nearly effective as possible, contemplated paying debentures equivalent to the whole duty on the product in question, but the plan in the Senate bill modifies this proposal by specifying debentures of only one-half the amount of the import duty. These are to be applied only when the situation calls for it. The reason for the rejection of so moderate a proposal should enlighten the farmers in a way that Mr. Hoover appears not to have suspected.

Now, listen:

> There are two inevitable conclusions:
>
> First, if a protective tariff were effective in raising the domestic prices of crops above the world price by even half as much as the import duty levied upon them, the debenture plan, if enacted, would never need to be applied.

If your duty of 42 cents a bushel on wheat raised the price of American wheat 21 cents a bushel above the world's price, you could not invoke the debenture under this bill.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER (Mr. STECK in the chair). Does the Senator from South Carolina yield to the Senator from Nebraska?

Mr. SMITH. I yield.

Mr. NORRIS. I think the statement just read from the editorial is incontrovertible. If those who believe that the farmer is getting the benefit even of one-half of the tariff on wheat will just let this debenture provision go into the law, it will not make a particle of difference—not a particle.

Mr. SMITH. Not a bit.

Mr. NORRIS. In other words, the debenture plan will have no effect whatever if the protective tariff will do the work.

Mr. SMITH. Exactly.

Mr. President, I do want those who are present and listening to appreciate fully the unanswerable logic of this article. The Senator from New Jersey [Mr. EDGE] asked me whether I thought the 42 cents a bushel tariff helped wheat. Not being in the wheat region, I asked the Senator from Nebraska [Mr. NORRIS], who is in the Grain Belt, what is his opinion. He said the domestic price of wheat is the world price for wheat, and therefore the tariff of 42 cents a bushel does not avail.

Mr. EDGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Carolina further yield to the Senator from New Jersey?

Mr. SMITH. I do.

Mr. EDGE. Then I said, "Why not put wheat on the free list, if it makes no difference at all?"

Mr. SMITH. Precisely. Then the Senator from New Jersey comes back and says, "Why not put wheat on the free list?" That is exactly what is intended to be done with it now—so to frame the law that it will be just as it is now, practically on the free list. I will show you what the conclusion is.

Mr. FRAZIER. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from North Dakota?

Mr. SMITH. I yield.

Mr. FRAZIER. In answer to the question of the Senator from New Jersey, I want to say that the tariff on wheat is practically annulled by existing laws that we have on our statute books.

The only wheat that comes into competition with wheat produced in the United States is Canadian wheat. It is the hard spring variety that has a high protein content, and is very valuable in the making of high-grade flour. We have a provision in our law at present in regard to what is known as

milling in bond. Canadian wheat can be shipped under bond to the mills in the United States and ground into flour, and the flour shipped out. The trouble is, when the wheat gets into the mill it loses its identity and no one can tell whether it is flour from the Canadian wheat that is shipped out or flour from what wheat it is. The general practice, as I understand, is that they are allowed to mix a certain amount of winter wheat—so-called soft winter wheat, that produces a lower grade of flour than the Canadian wheat—with this Canadian wheat. The flour that is wanted for export, however, is a comparatively low grade of flour; and the Canadian wheat is mixed with a little of the winter wheat here and sold at home in direct competition with the hard spring wheat of the Northern States; and a lower grade of flour, made largely from winter wheat, is shipped out in export to take the place of the flour that should be shipped out, made from the Canadian wheat.

Mr. EDGE. May I ask the Senator just one question, in view of the fact that his explanation was more or less directed to my interruption?

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from New Jersey?

Mr. SMITH. I yield.

Mr. EDGE. I recognize and admit the Senator's clearer knowledge of all relationships in the raising and milling of grain; but even with that explanation, would the Senator from North Dakota favor the elimination of the 42-cent duty on wheat?

Mr. FRAZIER. Unless this milling-in-bond law is repealed the tariff might as well be taken off, in my estimation.

Mr. SMITH. Mr. President, this is to me the most surprising colloquy. Here are two Senators from the wheat-growing region stating that the duty on wheat of 42 cents a bushel for one reason or another has been of no benefit to the wheat grower.

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

Mr. SMITH. I yield.

Mr. BARKLEY. The Senator will recall that on the 6th day of March, 1924, the President increased the tariff on wheat from 30 cents a bushel to 42 cents a bushel. On that day wheat in Chicago was selling at $1.15 a bushel. Three weeks later than that, on the 27th day of March, in spite of the 12-cent increase in the tariff, wheat was selling in Chicago at $1 a bushel.

Mr. SMITH. Yes. Mr. President, we have been here discussing the question of farm relief——

Mr. SIMMONS. Mr. President, before the Senator gets into that, I want to make an inquiry.

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from North Carolina?

Mr. SMITH. I yield.

Mr. SIMMONS. I believe it is understood that, in addition to the present tariff duties imposed upon agricultural products, it is in contemplation greatly to increase those duties in many instances, and in other instances to impose duties where there are none at present.

When we were discussing the agricultural emergency tariff bill imposing duties not only on wheat but on a great many other things, Senators in this Chamber declared that that would afford great relief to the farmers of this country. Other Senators declared that it was a mere gold brick, that it was a mere paper tariff, that it would do the farmer no good.

That controversy goes on to this date. The real wheat farmers, like the Senator from North Dakota [Mr. FRAZIER], who has just spoken, have said that the tariff on wheat is practically ineffective in affording any relief to the farmers. On the other hand, there are those who contend vigorously that it greatly helps the farmers, and the same controversy is going on with reference to every item where we impose a tariff duty on farm products, or practically every one, except as to some only a small quantity of which is produced in this country.

With reference to the provision of this bill allowing a debenture of one-half of the tariff duty on wheat, or other agricultural products, the Senator says that if, under the terms of the bill, it shall be ascertained by investigation on the part of the board that this bill would set up, that the American producer of wheat is getting the benefit of one-half of the tariff rate, then he will not be entitled to the debenture.

Mr. SMITH. Yes.

Mr. SIMMONS. The Senator says that. That is true of other products likewise, is it not?

Mr. SMITH. Yes.

Mr. SIMMONS. Therefore, Mr. President, if we pass this bill, it will be a test in every case where a debenture is sought whether the tariff upon that farm product is effective, will it not?

Mr. SMITH. That is right.

Mr. SIMMONS. In other words, when the wheat farmer comes to the board to ask for a debenture, the board must institute at once an investigation, as thorough as it thinks is necessary to enable it to reach a conclusion as to whether the wheat farmer is now getting the benefit of that rate. That has to be carried on as to every item upon which a debenture is demanded. Therefore, Mr. President, this deception of the farmer, by pretending to him that a tariff rate has been given that is a great benefit and bounty to him, will be exposed in every instance, and this effort to lull the farmer to repose by giving him a paper tariff will necessarily be brought to an end, and therefore is not this bill very beneficial, in that it will explode these pretenses, which in some instances have captured the imagination of the farmer, and from which he has realized no real advantage?

Mr. SMITH. Mr. President, as I brought up this particular phase of this editorial, I want to say that this is the situation in a nutshell. It is proposed that a tariff act be passed putting certain tariffs on all agricultural products. The debenture plan is put so as to make it possible to ascertain not whether the full benefit of the tariff accrues to the individual making the product but whether it has benefited him to the extent of one-half of the tariff rate. If, upon investigation by the farm board, it is found that any tariff placed upon a farm product has not reached, in its benefit, to the producer, to the extent of one-half the tariff thus imposed, the debenture is invoked. If it is up to one-half, it can not be invoked. Therefore, every man who votes against the debenture plan admits that the probabilities are that the producers of the farm products affected, whom they propose to benefit by the tariff, are not going to get the benefit, and they do not propose to set up any machinery by which they shall get a benefit.

I defy any man on the other side to say why he should oppose the debenture, when the provision in the bill is to the effect that it can not be imposed unless and until the board finds that the benefits accruing under the protective tariff are less than one-half, or are not one-half.

Mr. WALSH of Massachusetts. Mr. President——

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

Mr. SMITH. I yield.

Mr. WALSH of Massachusetts. As I understand the Senator's position, he is supporting the debenture plan upon the theory that tariff protective duties levied are not beneficial to the farmers. If tariff protective duties that have been levied by the majority party upon agricultural products are effective, and do operate to help the farmer, and do increase prices for the farmer, then the debenture plan is an additional aid, plus tariff protection, and will justify manufacturers and others coming here and asking for additional aid. The theory upon which the debenture is being supported by the Senator, as I understand it, is that tariff protective duties on agricultural products are not effective, are not beneficial, and the debenture plan is a substitute, equalizing the benefits for the farmer which the manufacturer gets from tariff protection.

Mr. SMITH. Just to put it in a word, Mr. President, it is an insurance feature put in the bill so that the farmers can, through the operation of the board, if they see fit, get at least half of what has been provided as a protection for agriculture.

To illustrate: There is a tariff duty of 42 cents a bushel on wheat. Wheat is bringing the world price. With this measure in effect, and the board operating, all they would have to do would be to declare a debenture of 21 cents a bushel and immediately all export wheat would bring the world price plus the 21 cents.

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

Mr. SMITH. I yield.

Mr. BARKLEY. Even assuming that the farmer, under the debenture plan, would obtain an amount equal to one-half of the tariff that is levied upon a particular product if it were imported, even that benefit will not approximate the reimbursement to the farmer of the outlay which he suffers on account of the protection given to industry in general for the things which he has to buy and use on the farm.

Mr. SMITH. Mr. President, no man here, none of us, can calculate what has been the amount of money the consumers of the manufactured articles have had to pay on account of duties imposed. None of us can even approximate the loss to the Treasury by virtue of the prohibition of importations. But that is an established policy, and we are not likely now, nor in the near future, to get rid of it.

To show the legislative program of the Republican Party, Congress was called in session for a dual purpose—that is, to afford farm relief and to revise the tariff. What did they do in reference to the tariff? At the other end of the Capitol, being

committed to the protection of organized industry, knowing that they could get exactly expressed what that industry wanted, they closed the doors, shut out the opposition party, and said, "We will write this bill to suit our pledges, write this bill to suit those for whom we are writing it. We will fix it." They shut the doors, and are perfecting a tariff bill for industry.

When it came to agricultural relief they referred the matter to the Committees on Agriculture of the House and the Senate, and went through the same old process of calling in indiscriminate and nondescript witnesses from everywhere, and some "experts" appeared before us. I do not mean, now, by using the illustration, to discredit or reflect on my genial colleague the junior Senator from New York [Mr. WAGNER], but the Washington Post this morning had in its "Postscripts" a paragraph that came pretty near making me do violence to myself at my breakfast table. I had the paper by me, and I saw that the writer of those "Postscripts" said in substance that we were considering an amendment to the farm relief bill, and that there had been quite a lengthy speech from the vast experience that our friend had from his window-sill ranch in New York.

Mr. President, it is that kind of thing that irks us here. It has been stated that the debenture plan has been put in here only for the purpose of operating when the law we have passed fails for any reason to operate, and I shall state some of the reasons why it can not operate as to agriculture as it does with industry. When it fails to give the farmer the benefit it has been said he will receive through the tariff on his products, then he can invoke the debenture plan, and see that he gets at least one-half of the tariff rate which he has been told you desire him to get.

Mr. EDGE. Mr. President——

The PRESIDING OFFICER (Mr. CUTTING in the chair). Does the Senator from South Carolina yield to the Senator from New Jersey?

Mr. SMITH. I yield.

Mr. EDGE. The Senator from Massachusetts [Mr. WALSH] introduced what appeals to me as a very important thought that justifies some consideration in this debate. That was the probable request on the part of industries if they, in endeavoring to market their surplus products abroad and in meeting world market prices or other conditions, sell at a loss. Following this proposed policy they should ask for a debenture upon their exports. I assume that the Senator agrees that all surplus products, be they agricultural or be they industrial, are unprotected by the tariff.

Mr. SMITH. No, Mr. President, I can not allow the Senator to assume what I have sat here and listened to, and which, according to my mind, is absolutely not the case and has nothing whatever to do with the problem that now confronts us. The surplus is what we are setting as our export part of the crop. The difference between the manufacturer and the farmer is that the manufacturer controls his market. He is organized. He has reserve capital. The Senator knows and I know that what he sells in America he sells at the American price, while what he ships abroad he ships at the world price.

Mr. EDGE. And sells for what he can get.

Mr. SMITH. Yes; and sells for what he can get, while in the domestic market he sells to the full measure of whatever he can get plus the tariff, whereas the farmer, having no say so in his price whatever, never having had the power even to name one-half of 1 mill, has to sell at what the purchaser sees fit to fix as his price and that purchaser has seen fit to fix the world price; so that both his domestic sale and his foreign sale have been at the world price. If the Senator from New Jersey will join with me and others and we can get a majority, we will see to it that the price of the farm products is the cost of production measured by the cost at home and abroad plus the same amount of tariff that is imposed on the industrial production, and the farm problem will then be solved and we need have no further legislation.

The trouble with agriculture is that it is unorganized and has no bargaining power. The farmer is not able to sell a bushel of wheat or a pound of cotton or a head of livestock because he is stripped of resources and has no organization. He can not control his output. When his crop is perfected with a 12 months' supply that he is forced by debt to dispose of within 30 to 90 days, he has to take the price offered him, and, God save the mark, the price of American wheat and American cotton is fixed in the world market at Liverpool, while the price of American manufactured products is fixed by the manufacturers themselves, and when they sell their surplus they sell at whatever they may get.

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

Mr. SMITH. Certainly.

Mr. EDGE. With much the Senator has stated, which has been iterated and reiterated many, many times, I am not in disagreement. I recognize absolutely that the farmer is not well organized, which the Senator emphasized very forcefully. I recognize that conditions make it very difficult for him to do so. One of the features of the pending bill which appeals to me quite strongly is the effort to help him through the stabilization process. A nation-wide farm board will, to a great extent at least, assist him to meet the condition already met by industry through their well-developed sales organizations, their well-developed plans of world-wide publicity and advertising, and their popularized mechanical products. So far as it is humanly possible through legislation the set-up of this type of board should, in my judgment, help the farmer to dispose of his surplus. I have understood the farmer problem all the way through to be a problem to dispose of an exportable surplus; to provide machinery and assistance and cooperation now enjoyed by the automobile manufacturer and many other industrial producers. They all have surpluses, all needing a foreign market, and all unprotected by tariff, so far as surpluses are concerned.

I make this observation as one who has not lacked interest in agricultural credit problems, although I represent an eastern industrial State. The Senator from South Carolina will well remember, as will the Senator from North Carolina [Mr. SIMMONS], that 10 years ago, when I first had the privilege of being a Member of this body, the one bill in which I was most interested, and which finally became a law, and I had the honor of sponsoring was backed by the Senator from South Carolina and backed by the Senator from North Carolina and a large majority of the Senate at that time, was for the specific purpose of furnishing a method of credit so that the cotton farmers of the South and the wheat farmers of the Northwest and all other particularly agricultural producers in that direction could take advantage of the foreign market and extend the credit necessary in those days following the war. Under the terms of that act, as I recall it, hundreds of thousands of bales of cotton were exported abroad, and in due time those who raised and sold the cotton were remunerated.

Mr. SIMMONS. Mr. President——

Mr. SMITH. Let me answer the Senator from New Jersey first, and then I shall be glad to yield to the Senator from North Carolina.

I want to say to the Senator from New Jersey that I have no great objection—the fact of the business is I believe that the ultimate solution of the farm problem, and it is a problem, is going to be through cooperative organization. But up to the present time no feasible plan for universal cooperation has been even intimated. We tried cooperation in the Tristate Tobacco Association. The trouble there was that on account of the financial condition of the tobacco producers they could not join. The Senator from North Carolina [Mr. SIMMONS] knows that is a fact. Until and unless we get at least a majority of the commodity within the grip of the cooperative crowd it will never benefit the members one iota. The fact is, it will have a contrary effect. It may raise the price, as it did raise the price of tobacco; but that was simply because those who were fighting the organization and who were fearing its competition put the price up among the independents in order to induce men not to join, while those who were loyal to the principle showed their loyalty by suffering a loss. They could only give a partial payment, because those who had charge of the amount of tobacco put in the cooperatives did not have enough to force the independent and the outsider to buy from them, and they did not buy from them, until at last they destroyed the cooperative marketing system.

I will say to the Senator from New Jersey that ultimately we will have to have a cooperative marketing system for each product that will control the marketing of the entire product. As to the bill as now written, I doubt if the sons of men who are to-day young and active on this floor will ever see one penny of benefit come therefrom.

Now, I ask the Senator from New Jersey this question, or rather I make this statement to him, because I do not want to invite any interjection in what I am having to say right now: While you are setting up a tentative plan of organization, what earthly objection can you have to insuring this disorganized man who is deprived of participating in American prosperity——

Mr. SHORTRIDGE. Mr. President——

Mr. SMITH. I will yield to the Senator in just a moment.

Mr. SHORTRIDGE. I was going to show the Senator the way out.

Mr. SMITH. I do not know how large the Senator's window-sill ranch is.

Mr. SHORTRIDGE. Five and one-fourth acres.

Mr. SMITH. Oh, my, he is 500 per cent larger than that of the junior Senator from New York [Mr. WAGNER]. [Laughter.] But the point I make is this: While you are setting up this plan—and I want this definitely understood as being the position I take—and trying it out, while we are all agreed that the farmers of the country are bankrupt and their condition growing daily worse, why not incorporate in it as a temporary measure and a temporary support the debenture plan, because we know that the very moment the processes set up in this bill shall do what it is claimed they are going to do, then through his organization he can so control the business as to benefit his business as industry is doing; but in the meantime, while he is struggling to complete that organization, why do you deny him the positive but temporary relief that is involved in the debenture plan?

You have to admit one of two things, either that you do not believe the farmer can be protected by the tariff or that you are going to vote for a debenture plan, for this reason: There is 42 cents a bushel tariff on wheat to the wheat growers, but they say it does not benefit them one penny. The price of American wheat to-day is the world price. If the farmers were getting one-half of the 42 cents, the debenture end of the plan could not be applied. Yet you sit here and solemnly vote to deny him the means by which he could get that one-half.

I am not an advocate nor a disciple of protective tariff. I think that it has already produced in America an industrial feudalism the extent of which Almighty God in His wisdom only knows that will ever be broken. There is not a man on the floor of the Senate but who will admit that America is in the grip of an industrial feudalism in comparison with which the intolerable feudalism of feudal days sinks into insignificance.

Mr. SHORTRIDGE. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from California?

Mr. SMITH. Yes.

Mr. SHORTRIDGE. If that be so, why is it that all the poor, struggling men and women of all nations of the earth are striving and praying and hoping to come to America?

Mr. SMITH. Merely because they are fooled, just as the average voter is fooled about the Republican Party; they do not know what in the dickens they want; that is why. [Laughter.] Furthermore, as to most of them who come to America, we never hear of them going to the farm. A trainload of them were carried down into my State, but when they saw the conditions on the farm they hotfooted back to that great agricultural place known as New York City. [Laughter.]

Mr. SHORTRIDGE. If they will come out to California they will all be happy.

Mr. SMITH. And if they go to heaven they will all be happy.

Mr. SHORTRIDGE. They will be near heaven when they come to California.

Mr. SMITH. I would not be sure as to that. If I could get so much conjecture out of as little fact as is done in California I also could advertise my State. Some time when I travel in the West through some of those wonderfully arid States I think about what a great American wit said. He once said, "My son, I want you to come to the Capitol, and particularly to the Senate, for I want you to see what a great amount of conjecture they can get out of so little fact." [Laughter.] That is true about some of the advertisements of the States of the West.

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. WALSH of Massachusetts. I hope the Senator from South Carolina will not embarrass the Senator from California by asking him if Hollywood is near heaven. [Laughter.]

Mr. SHORTRIDGE. Mr. President, if the Senator will permit me to answer that suggestion, if I may judge from the number of men from Massachusetts who are seeking to go to Hollywood it would rather impress me that they thought it was heaven itself.

Mr. SMITH. Mr. President, I do not care to discuss some of the things that pertain to Hollywood. [Laughter.]

Mr. SIMMONS. It would not be parliamentary to do it, would it?

Mr. SMITH. No, exactly; and I want to be honest with myself, and so I will not discuss that question.

Mr. President, we discuss here in an academic way, and, perhaps, as one easily disposed of, a question which affects 30,000,000 Americans who are being denied the ordinary comforts of civilization. The present condition can not continue forever. The modern schoolhouse dotting every hillside and found in every village affords the advantages of real education, not the mere three R's but real education, which is the power to think logically, to think truthfully, and to think to such an effect that the thinker can take the letters and figures of nature's law—not of Greek nor Latin, not of modern nor ancient languages—and translate them into an automobile; can bring forth the radio, which spans the world with its invisible power of reproducing the human voice; can conquer the air and set one law against another, so that a heavier-than-air machine can carry passengers and freight across continents. Those who may not have been touched by the divine fire of genius certainly can learn after the manifestations of the wonderful genius of those who have produced such marvelous results. In our laboratories and factories they are learning that inexorable logic that time has taught, and you, Mr. President, and I have got to reckon with that generation. We can not sit in a legislative assembly and write a measure which is "as sounding brass or a tinkling cymbal" and expect them to honor us as American statesmen and American patriots when we deny to them under law the right to enjoy that which they have produced and through the form of an ungodly tax under the guise of a high protective tariff take from them that which rightfully belongs to them and give it to those who do not need it. The day of reckoning is bound to come. It is long delayed; but you know, Mr. President, and I know, that of all classes of men in America to-day the American manufacturer is the least in need of protection.

Mr. President, I meant to take the floor this afternoon as a real Democrat from the historic State of South Carolina, the little storm center of the Nation. That is my birthplace; I am proud of it; I am proud of the traditions of my State and proud of her great men who have helped to write history in this country. I have tried, in an humble way at least, to keep the traditions of my State and of my Nation as far as God gave me the brain and the capacity to do so. I am not an apostle of special privilege; I believe it runs counter to every instinct, every tenet, and every dogma of the American principle of government; but the farmers of this country are groaning under a load which they can not bear. I rose this afternoon to show the absolute absurdity of Republicans voting against the debenture plan, which is only a temporary measure and which can only be invoked when one-half or less of the tariff which was promised to the farmers is not being received. When the benefit received by the farmer goes above that point, though automatically it could be applied, it would be illegal if it were applied.

I said a moment ago that the farmers of this country never sold a bushel of wheat or a pound of cotton, and they have not done so. The farmer has gone to market and delivered his products at the foreign price, which was made without any regard whatever to his cost of production and without any regard whatever to any of the elements entering into production. Not only has the farmer sunken in his estate in the marketing world, but what else is true? There is actually deducted from what is given the farmer every cost incident to taking his products from the place where he ships them to the place where they are consumed.

I am familiar with conditions as they affect cotton, which is one of the major products. Not only is the price of cotton fixed in Liverpool but 6 per cent—30 pounds out of every 500-pound bale—is deducted for bagging and ties, which the farmer has to buy in order to put the cotton in a shape to reach Liverpool. He is not actually allowed to charge in the cost of his product the container in which it is shipped.

Not only that but the freight is deducted, and not only that but the cost of the services of every man in America who represents a foreign buyer is also deducted, so much so that they actually have a legend, and the contract is known as the c. i. f. and 6 contract, meaning commission, insurance, freight, and 6 per cent for tare are deducted, so that the foreign buyer gets the American cotton laid down at his door without one penny's cost to him, while the poor devil who made it has it all to bear. They deduct his bagging and ties, the freight, the insurance, and also the salaries and expenses of the men who come to America to buy it. Every American buyer follows that European standard. Then Senators come here on the floor of the Senate and debate as though agriculture were on an equal footing with industry; as if agriculture bore the same relation to government that industry bears to it; as if agriculture somehow or other has the power of organizing itself when it represents every phase of human intelligence. Nature has provided that for any man who can run a furrow in the ground and put in the seed she will start up a factory, and if he has intelligence enough to cut out the weeds and obstructions she will produce something for him. That is not true of industrial production. That takes a higher order of technical training and a vast amount of capital, and consequently those who are engaged in it are amply able to take care of themselves.

Mr. President, even now the unemployment situation in America is becoming a menace to organized society. I heard the Senator from Utah [Mr. SMOOT] say here that one of the prime causes of unemployment was the introduction of labor-saving devices. Mr. Babson tells us that in the process of puddling in metal manufactures one machine takes the place of hundreds of erstwhile laborers; that in the textile industry one girl hardly of legal age to be employed in a factory takes the place of 50 women of 40 years ago. It is needless for me to call your attention to the calculating machine or to call your attention to the development of the telephone. The Senator from Utah was the author of the statement that the installation of little automatic disk machines in place of the telephone exchange would put out of employment in New York City alone 45,000 girls. American genius and American capital and American enterprise have installed labor-saving devices to the point where a maximum of production is reached at a minimum of cost. That is the order of the day. The small business man can not compete, and is consequently wiped out. So vast are the holdings of the great trusts and combines that they have entered into the field of the great department stores and chain stores and are driving out the ordinary local merchant. Industrially we are overdeveloped in comparison with that other half who are working to-day under conditions worse than when there was no manufacturing industry. We here are speaking about the farm problem as though we were about to deal out a gift to those who feed us and those who clothe us and those who shoe us, and yet who are the most notoriously poor class in all America, saying that they are not asking charity—and they are not. They are asking for a square deal under the law.

My overseer in South Carolina wrote me just this morning that he had bought a lot of new cultivators at a little over double the price that I gave for the identical cultivator just before the war. An acquaintance of mine lived in the city of Sao Paulo, Brazil. She bought a sewing machine, and under the terms of our tariff law she was allowed to bring it in as household goods. It was an American-made machine. She carried it across, brought it to New York, and down to South Carolina for some fifteen or twenty dollars less than she would have had to pay for the identical machine here in America.

You know and I know that we would not bother ourselves one minute with a tariff bill if we did not believe that the tariff in its terms raised the price and shut out competition in the manufacture of the various articles covered by the bill. Now we come and say to you, "The condition of agriculture differs radically from the condition of manufacturing. Under the one there is small number, great capital, marvelous output, easily organized and easily financed, with an asset every day to meet the liabilities incurred on the previous day, and a turnover of capital every 24 hours; while agriculture, which furnishes the raw material that supports all this vast army of industry, has a turnover only every 24 months—12 months to make it and 12 months to sell it—with no control over quantity or quality, and not a word to say about price; with thirty millions of competitors, each vying with the other to see how quickly they may get to market to escape the sheriff or the dun of him to whom they are indebted; and we sit here and talk about a gift to this army who feed and clothe and shoe us! It is a shame and a disgrace to the American Senate.

The other day my cook went down and bought some strawberries, and came back jubilating over the fact that she had gotten them for 15 cents a basket. I was just down from the great berry fields of Carolina. There I saw women and children who are of as good blood as you are, in the burning sun on their knees, with bent backs and hopeless hearts, picking berry by berry, to ship to you and me, and we sit in Washington and thank God that we can get them for 15 cents a basket, when the little container costs half as much as the fruit itself and the freight, and the grower ships them perhaps to get rid of them.

I have in my desk the return sales of two barrels of artichokes shipped from Dillon, S. C. The price agreed upon was $5 a barrel delivered in New York. The return sales showed that the commission merchant kept his promise. He gave $5 a barrel, and the freight was $4.90 a barrel. They happened to overlook 10 cents.

You and I here passed the railroad bill. I am not going to talk now about the exorbitant freight rates, but I am going to talk about one phase of that bill that we enacted that is exactly in keeping with the tariff act. I refer to the fourth section, which allows the railroads to run from New York to San Francisco and carry freight cheaper by half or three times what they will put it off for at intermediate points; and what do they say is the reason? They say, "Why we meet water competition at San Francisco and, therefore, in order to carry the goods we will carry them at cost, providing you let us charge enough freight on the intermediate points to make up for that, and more"; and we have granted it to them.

We say to the protected people, "We turn over to you America, to charge what you please; but when at the water front you meet world competition you can sell your surplus at what you can get for it."

The farmer comes along and says, "All right; if we are committed to this system do not try to put the tariff just on my article. I have no bargaining power. The manufacturer has. I have no organization. He has. I have no possible way of producing a bale of cotton each day, or a bushel of wheat each day, and stop or go on as I see fit. He has. My business is radically different from his, and yet it is the sine qua non, it is the basis of all America. Will you not lay aside the policy that you apply to industry, but, applying the same principle to me, adapt the policy to me? I need enough capital to fix the price at my cost of production, measured, if you wish, by the difference between the cost of labor at home and abroad."

My God! I have heard it said, iterated, and reiterated on this floor that you wanted to put the highest possible protection on manufactured articles in order to measure the difference between the pauper labor of Europe and the high standard of living in America.

Mr. SHORTRIDGE. Mr. President, if the Senator will pardon me—on agricultural products as well.

Mr. SMITH. Ah, yes; it is just like tying a bundle of hay in the top of an oak and telling a horse, "Help yourself." He does not climb trees. The manufacturer might.

Now, I say, apply the same principle. Do not mock the farmer by putting a tariff on wheat when you know that the man who bids for his wheat can ignore the tariff, but fix it so that when you put the tariff on his wheat he can say, "I demand it," and enable him to hold his wheat until he gets it.

What is the use of doing a futile thing? I have tried to draw the distinction between the artificial manufacturer and the natural one.

Mr. SHORTRIDGE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from South Carolina yield to the Senator from California?

Mr. SMITH. Just one minute. I think it is hardly necessary for me to go farther; but before I begin the next phase I will yield to the Senator from California.

Mr. SHORTRIDGE. Not to indulge in levity, nor to lead to any great digression by the Senator——

Mr. SMITH. I do not think the Senator would sin against the general attitude here if he were to indulge in levity. I think this matter is taken as a joke.

Mr. SHORTRIDGE. I do not wish to speak unkindly of the dead. I do not wish to reflect upon the Democratic Party. It would not be chivalrous on my part to do so.

Mr. SMITH. No; and it is not the only thing you have killed, either.

Mr. SHORTRIDGE. Common chivalry requires us to speak kindly of the dead, even of the most unrepentant sinner.

Mr. SMITH. I hope the Senator will speak kindly of the farmer, who is now in the process of being murdered.

Mr. SHORTRIDGE. But, with admiration for the Senator's motives and for him personally, his remarks are addressed more particularly, as I gathered, to cotton, for example, and to wheat. May I ask him whether he believes there should be a tariff put upon imported grapefruit, for example, or oranges, or lemons, or walnuts, or almonds, or rice, or many of the other agricultural products raised in America?

We have imposed tariffs upon the imported articles named, and upon many others. I gather that the Senator launched an attack, indulging in more or less invective language, against the whole system of a protective tariff. Does the Senator believe it is wholesome or helpful to America to put what would be held to be an adequate tariff rate on certain of the imported products I have mentioned? Is that desirable or not?

Mr. SMITH. My idea is that you have no right; it is not honest, it is not fair for you to apply a principle under a certain policy that is totally inapplicable to other things that are just as much entitled to protection. In other words, if you are going to protect, it is your duty to see that an adequate protection of the same measure shall be given every one that contributes to the natural wealth of the country.

Mr. SHORTRIDGE. We fully agree as to that, of course.

Mr. SMITH. Mr. President, I do not see how Republican Members and some of the Democratic Members who really propose to vote against this debenture can justify themselves, in view of the actual state of facts that exists.

In closing, I simply desire to reiterate that the bill without the debenture proposes the beginning of an organization which is

ultimately to absorb in its membership and control the different agricultural articles of this country, particularly those producing an export amount.

In the meantime, the condition in which the farmers find themselves must continue. There is not a man here so sanguine as to dare believe that the process outside of the debenture can be available for several years to come. Outside of the $500,000,000 provided for in the bill, you have not put into the bill one single thing that is not available for the farmer now under previous laws you have passed. You have not put into the bill one new feature. You have appropriated a certain amount of money, and then, after having appropriated a certain amount of money, you have tied a string to it, because you say that none of it shall be available until the farmer has exhausted all possibilities of a loan from private sources. You do not say all the possibilities of a loan under a given percentage, you do not say to whom or where, but, broadly, until the farmer has exhausted every private source that he can not have the advantage of this. Then, at the discretion of the board, he may get it, or he may not get it.

What objection could there be, during the time we are trying out this plan, and trying to get the machinery working to the point where it will be more profitable for a man to be inside than outside—that is what has killed every cooperative organization up to the present, those outside getting the immediate benefit without any of the cost or inconvenience of organizing, while those inside bore all the expense—while we are developing the plan suggested, what objection can there be to granting an insurance to the farmer that, in the meantime, he will be getting the benefit of one-half of the tariff?

Mark you, the minute the tariff becomes effective, no matter by what means, to the extent of one-half of the duty imposed on any article, automatically, under the law, the debenture can not issue, but until it does come up to one-half it must issue. What objection upon the face of the earth is there to giving the farmer an insurance that he can get at least one-half, when, by not giving it to him, you are absolutely saying he not only will not get half but he will not get anything, as he is getting nothing now under the tariff.

Mr. President, I have about concluded what I had to say. I want no man in this audience or elsewhere to think from what I have said that I am in any sense in favor of a high protective tariff, but I do say that the farmers to-day need the immediate, extraordinary, unprecedented aid this Government should give them in order to help them now, so that they can begin to look hopefully toward organization.

Mr. President, I want to have printed at the conclusion of my remarks an editorial from the New Republic, with some parallels. I will mark what I want printed.

Mr. SIMMONS. Mr. President, I hope the Senator will let the whole article go in the RECORD.

Mr. SMITH. I will let it all go in.

Mr. SIMMONS. That is the most illuminating article I have read in a long time.

Mr. SMITH. I desire to have printed also an editorial, which I think a good many of the Senators have received, from the Progressive Farmer, edited, I believe, by Mr. Clarence Poe.

Mr. SIMMONS. Mr. President, will the Senator permit me to say for Mr. Poe that that paper is published at Raleigh, N. C.—that is the home office—but I think the Senator should call the attention of the Senate to the fact that the Progressive Farmer is also published at Dallas, Tex., at Birmingham, Ala., I think——

Mr. SMITH. At Louisville, Ky., and Memphis.

Mr. SIMMONS. Louisville, Ky., and Memphis, Tenn. It is distinctively a farm paper.

Mr. SMITH. Mr. President, I ask that these two articles be printed at the conclusion of my remarks.

The PRESIDENT pro tempore. Is there objection?

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

[From the New Republic]

HOOVER'S DEBENTURE DECALOGUE

Having said that he would suggest no detailed plan for farm relief because that was the prerogative of Congress, President Hoover has objected to a possible assertion of the congressional prerogative by denouncing the debenture plan. His 10 arguments against it lack precision and clarity; they are so confused and overlapping that one suspects some one fixed on the mystic number 10 before the arguments were drafted. Nevertheless, they are worthy of careful study by the farmers and their representatives.

The debenture plan is essentially an export bounty—a payment to exporters, paid out of our tariff revenue on imports, which would stimulate the shipping of surplus crops out of the country and would raise the domestic prices. Any foreign crops then attempting to take advantage of the higher prices in our market would meet the tariff wall surrounding those crops, and protection would thus embrace the farmers who produce surpluses for export, as it can not now do. The original plan, in an effort to make agricultural tariffs as nearly effective as possible, contemplated paying debentures equivalent to the whole duty on the product in question, but the plan in the Senate bill modifies this proposal by specifying debentures of only one-half the amount of the import duty. These are to be applied only when the situation calls for it. The reason for the rejection of so moderate a proposal should enlighten the farmers in a way that Mr. Hoover appears not to have suspected.

There are two inevitable conclusions:

First. If a protective tariff were effective in raising the domestic prices of crops above the world price by even half as much as the import duty levied upon them, the debenture plan, if enacted, would never need to be applied. Mr. Hoover's note is therefore an outright admission that the tariff can not benefit our agricultural staples.

Second. Every argument against the debenture is equally good against all protective tariffs. If the farmers accept Hoover's logic, their next move should be to oppose all increases in import duties, and press for tariff reduction. The following parallel will illustrate this point.

HOOVER'S ARGUMENTS	APPLICATION TO TARIFF
1. The issue of debentures to export merchants and their redemption in payment of import duties amounts to a direct subsidy from the United States Treasury. If the plan proposed be generally applied, it would cost in excess of $200,000,000 a year, as it would decrease the Treasury receipts by such an amount.	1. The imposition of protective duties which substantially decrease imports amounts to a subsidy from the United States Treasury. Lower duties, with larger imports, would yield more revenue. The cost of protection to the Treasury may be much in excess of $200,000,000 a year.
2. The first result of the plan, if put into operation, would be a gigantic gift from the Government and the public to the dealers and manufacturers and speculators in these commodities. For instance, in the principal export commodities the value of the present volume of stocks in possession of these trades would, if the plan worked, rise by from $200,000,000 to $400,000,000, according to different calculations, without a cent of return to the farmer or consumer. Every speculator for a rise in our public markets would receive enormous profits. Conversely, if after this elevation of prices the plan were at any time for any reason withdrawn, the trades would suffer a like loss and a long line of bankruptcies must ensue. But in the meantime the trades, out of fear of withdrawal or of reduction in the subsidy, would not engage in normal purchase and distribution. Either exorbitant margins would be required or, alternatively, the farmer would be compelled to himself hold the Nation's stocks until there was a demand for actual consumption.	2. The first result of any increase in a protective tariff, if it is effective, is a gigantic gift from the Government and the public to the dealers and manufacturers and speculators in the product protected. In the principal commodities now seeking more protection, the value of the present volume of stocks in possession of these trades would, if protection worked, rise by many hundreds of millions of dollars, depending on the increase of duties levied, without a cent of return to the farmer or consumer. Not only would every speculator for the rise in our public markets receive enormous profits, but manufacturers themselves would speculate in their inventories. Conversely, if after this elevation of prices the increase in duty were at any time for any reason withdrawn, the trades would suffer a like loss. If the trades feared such an outcome they would not engage in normal purchase and distribution. This is the reason that any threat to reduce a tariff, however injurious the duty may be, produces fears of business disturbance and leads to an unholy alliance between business and the high-tariff party.
3. If the increased price did reflect to the farmer, the plan would stimulate overproduction and thereby increase world supply, which would in turn depreciate world prices and consequently decrease the price which the farmer would receive and thereby defeat the plan. Stimulation of production has been the outstanding experience abroad where export subsidy has been applied. Overproduction will defeat the plan, and then upon its withdrawal agriculture would be plunged into a catastrophe of deflation from overexpanded production. The farmer's difficulties to-day are in some part due to this process after the war.	3. If an increased tariff does increase prices (whether for the benefit of farmer or manufacturer) it stimulates overproduction which in turn depreciates domestic prices and thereby defeats the purpose of the duty. This effect is much more certain and prompt than would be the effect on world prices of an export bounty. It can be avoided only by monopolistic control of production. This is possible for some mechanical industries, but not for farmers, unless the available land is so limited that they can not produce more than the domestic population will consume. The outstanding experience in every country practicing protection is that

HOOVER'S ARGUMENTS—continued

4. The stimulation of production of certain commodities would disturb the whole basis of diversification in American agriculture, particularly in the cotton and wheat sections, where great progress is now being made toward a more stable basis of agriculture.

5. Although it is proposed that the plan should only be installed at the discretion of the farm board, yet the tendency of all boards is to use the whole of their authority and more certainly in this case in view of the pressure from those who would not understand its possibility of harm, and emphatically from the interested dealers in the commodity.

6. It is not proposed to pay the debentures of subsidies to the farmers, but to the export merchants, and it seems certain that a large part of it would not be reflected back to the farmer. It offers opportunity for manipulation in the export market, none of which would be of advantage to the farmer.

The conditions of competitive marketing at home and abroad and the increased risks would absorb a considerable part of its effect into the distribution and manufacturing trades. Moreover, the theoretical benefits would be further diminished by the fact that debentures would sell constantly at a discount, for the reason that persons paying duties upon imports would not take the trouble to accumulate the debentures and lose interest on them unless obtainable at a discount.

7. The provision of such an export subsidy would necessitate a revision of the import tariffs. For instance, an export subsidy of 2 cents a pound on raw cotton would mean the foreign manufacturers would be receiving cotton at 2 cents a pound less than the American manufacturers, and the foreigner could ship his manufactured goods back into the American market with this advantage. As the subsidy, in many cases, is larger than the freight to foreign ports and back, it raises large opportunities of fraud in return-shipment activities.

8. Export bounties are recognized by many nations as one form of dumping. I am advised that a similar action by another nation would be construed as a violation of our own laws. Such laws are in force in the principal countries of our export markets and, to protect their own agriculture, would probably lead to action which would nullify the subsidy given by us.

9. A further serious question arises again (if the plan did have

APPLICATION TO TARIFF—continued

it discriminates against agriculture. The farmer's difficulties today are in some part due not merely to war overproduction but to the unequal effect of the tariff.

4. The stimulation of production of certain articles or commodities by the tariff disturbs the whole basis of an efficiently diversified economy, draws farm labor to the cities from the wheat and cotton regions, and leads to the use of our productive energy in industries in which we are basically less efficient.

5. Although it is proposed to raise the tariff only in a limited number of cases, yet it is the tendency of political administrations to distribute favors broadly, and more certainly in this case in view of the pressure from men who would not understand (or perhaps would not care about) its possibility of harm, and emphatically from the interested dealers in or makers of the commodity.

6. Although protection, if effective, increases prices charged by manufacturers, it is certain that a large part of the increases are not reflected back to the workers or the farmers who produce the raw materials. It offers an opportunity for monopoly of the domestic market, which is not only of no advantage to the farmer and the worker but raises the prices they have to pay.

7. The provision of an export subsidy is for the express purpose of remedying the inequality caused by import duties. For instance, a tariff on finished products, without a compensating and effective tariff on agricultural crops, means that foreign farmers receive their living and working necessities more cheaply than American farmers, and can undersell them in the world market which determines agricultural prices for our great exported crops. To argue that the use of the export subsidy would necessitate an increase in manufacturers' tariff reveals a firm purpose to benefit industry at the expense of farming.

8. Protective tariffs on manufactures make possible dumping of manufactured products. Such action, though contrary to our laws and the laws of other nations, is almost impossible to prevent. High tariffs lead to retaliation on the part of other nations, which tends to nullify any benefits which may be derived by favored industries from protection.

9. A serious question arises in the case of any protective duty

HOOVER'S ARGUMENTS—continued

the effect intended) where the foreign producer of animals would be enabled to purchase feed for less than the American farmer producing the same animals.

For instance, the swine growers in Ontario would be able to purchase American corn for less than the American farmer across the border, and it would tend to transfer the production of pork products for export to Europe from the United States to Canada. It would have the same and probably even more disastrous effect in dairy products.

10. The plan would require a substantial increase in taxes, as no such expenditure or depletion of revenues as this plan implies could be paid from marginal income of the Government, more particularly in view of the very large increased expenditures imposed by the naval program, flood control, and other branches of farm relief.

APPLICATION TO TARIFF—continued

which (if it has the effect intended) raises the price of raw materials to the American producer above that paid by the foreign producer. Without such effective tariffs on raw materials, the farmer can not benefit from a protective system, but with them, industries having a world market tend to be transferred to foreign countries. This effect would be far more widespread than the similar effect of an export subsidy on swine and dairy products, pointed out by Mr. Hoover.

10. A tariff so high as to substantially decrease imports would require a substantial increase of taxes, on account of the loss of revenue to the Government.

The present Congress was called for farm relief and tariff revision. If farm relief can not include such a plan as the debenture, which would tend to give agriculture whatever benefits are now derived from the tariff by protected manufactures, there is no way out for the farmers but to make sure that tariff revision moves downward, not upward. If the farmers can not jack up the prices of their crops to the level of the prices charged for what they buy, they can only seek to let down the prices of manufactured articles. If legislation to increase prices by export bounties is unsound, legislation to increase prices by import duties is robbery.

[From the Progressive Farmer]

HOW CAN WE JUSTIFY THE EXPORT DEBENTURE PLAN?

Editorial by Clarence Poe

In all the talk in recent years about farm relief legislation, one grossly mistaken idea has received widespread acceptance. In fact, one feels that the idea has been carefully cultivated as part of a nationwide propaganda to defeat agricultural relief.

We refer now to the erroneous assumption that the American farmer has gone to Congress as a supplicant to ask for some special privilege or charity not allowed to other groups of American citizens. And coupled with this false idea has been the commonly expressed opinion—honestly held by some people and selfishly proclaimed by others—that if the farmer worked with as much energy and efficiency as manufacturers, for example, he would have no reason to be calling for any sort of legislation by Congress.

The "export debenture" plan is the latest form of agricultural relief to meet the denunciation of men who evidently hold both the mistaken notions we have just mentioned.

I

The truth is that if the President of the United States and those Senators who have lined up with him really understood the basic economic problems of agriculture, they would know that some such measure as the export debenture plan is absolutely necessary "to place the agricultural interests of America on a basis of economic equality" as promised by the platform of the dominant party—necessary to offset (1) the natural handicaps on agricultural production plus (2) the man-made or Government-made handicaps placed on agriculture by the tariff and other subsidies to other industries.

Consider the case of crops like wheat, cotton, and tobacco, of which such a large proportion is exported. How else except by putting the protective tariff principle "in reverse," as the export debenture proposes, can we equalize its operations for the benefit of such crops? But we are told that an export duty on cotton would cause the American cotton spinners to pay more for their raw cotton than their foreign competitors pay. Granting that this would be true, why should they object, for are they not protected by high tariff duties on their manufactured products? This is the "nigger in the wood pile." The beneficiaries of the tariff subsidy are not willing to give to agriculture the economic advantages which they themselves have enjoyed for a century.

When the farm population was in the majority and the influence of the farming population dominant in our political affairs, the manufacturers asked for and were given subsidies in the way of a protective tariff. In their supplications for this aid, they claimed that their "infant industries" could not meet the competition of the "pauper labor" of Europe and continue to exist. Now, however, they expect the

farmers of America to meet the competition of the "pauper labor" of Asia and Africa plus the economic competition of tariff-subsidized industries at home.

II

If there were no natural and fundamental handicaps on agricultural production which do not apply to other industries, the fact that practically all other industries have been subsidized by protective tariffs and other governmental aids ought to alone be sufficient reason for giving to agriculture equal economic aids.

But because of the natural handicaps on agricultural production there is per se greater reason for giving agriculture such legislative helps as have so long been enjoyed by the beneficiaries of the protective tariff. In other words, even if agriculture were given equal economic governmental assistance—which has never been done by any government, as stated by Adam Smith more than 150 years ago—there would still remain serious natural handicaps on agricultural production. Among these natural handicaps on agriculture, which do not apply with anything like equal force to other industries, are these:

1. The farmer can not predetermine or control production. When the cotton farmer, for instance, plants his crop in the spring he does not know whether he is to harvest 6 bales or 10 from a given acreage. The manufacturer can predetermine his production to a single unit.

2. Because the farmer can not predetermine his production he can not know its cost per unit and can not budget his expenses.

3. The farmer can not know at what price his products will be sold, because a large crop and a small temporary surplus often reduces the price out of all proportion to its cost or the size of the surplus.

4. Because of the long turnover—from one to three or more years—the farmer can not speed up production after his crops are planted, no matter how good economic conditions become or prospective prices promise.

5. After the farmer plants his crops he can not slow down his operations, no matter how bad economic conditions look, without starvation and ruin.

6. Because of their bulky nature and their low unit value, because many farm products are perishable, and because the volume of production by the individual farmer is so small, there are natural handicaps on the efficient marketing of farm products which do not apply to most other products.

III

The writer recently heard a manufacturer of a tariff-protected product discussing the problems of the farm. The burden of his talk was greater efficiency in production—an efficiency comparable to that attained in the manufacturing industry—and better business methods. He told how the farmers allowed their implements to rust out in the weather and how they went to town and talked "politics and farm relief" when they should be at home at work. This manufacturer boasted of the efficiency attained in American industry and was certain that a like degree of efficiency in agriculture would solve all our farm problems.

No opportunity was given for asking this manufacturer embarrassing questions, but the writer would have liked to ask him a question something like the following:

"How can you consistently or reasonably expect the farmers, who have little or no control over factors which largely influence volume and cost of production, to meet the competition of the world by any degree of efficiency when you, with all your boasted efficiency, admit by asking a protective tariff on your products, that without the aid of legislation you are unable to meet the competition of the so-called 'pauper labor' of Europe?"

Consistency is certainly not one of the jewels that adorn the business man who favors a protective tariff on manufactured products imported into this country and admits that he can not by all his boasted efficiency meet the competition of the world without it, and yet claims that the farmer should be able to succeed not only without help from the Government—but with the handicap of having to pay for the special privileges accorded other groups!

Thousands of beneficiaries of a protective tariff assert that "the farmers' problem can not be solved by legislation," meaning that no legislation is necessary, and that only greater efficiency in production and more work and economy can alone help the farmer. How do they conclude that legislation has been necessary to enable business men to maintain an American standard of living in competition with the rest of the world, and still expect the farmer (whom they charge with inefficiency in production, bad business methods, and shiftlessness) to do so without legislation?

Agriculture is in greater, not less, need than other industries of such legislative helps as Congress and our Presidents have given to other industries. The only difference between the "subsidy" given manufacturers by the protective tariff and the "subsidy" proposed for agriculture by the export debenture plan is that the subsidy for manufacturers is old and well established and defended by gigantic combinations of wealth, while the proposed partially offsetting advantage for agriculture is new and is required by millions of people financially poor and poorly organized. It is rank hypocrisy for our so-called statesmen in Washington to refuse all help to agriculture by alleging that the Government "must let economic laws run their course" when these same economic laws have been manipulated for generations in such a way as to help industry at the expense of agriculture.

ADMINISTRATION OF OATH TO SENATOR-ELECT SHIPSTEAD

Mr. NORRIS. Mr. President, as Senators all know, the Senator elect from the State of Minnesota, Mr. SHIPSTEAD, has not been able to take the oath of office on account of illness. Like the rest of us, he came from home down here to attend this special session. Just before we convened he was stricken. He is still ill, and it will be several weeks before he will be able to come here to the Senate Chamber. I am glad to say to my colleagues, however, that he is improving; and I think it would tend to assist him in the recovery of his health if he knew that the Senate had taken the action that I propose that the Senate shall take by the passage of a resolution which I send to the clerk's desk, and for which I ask immediate consideration.

The PRESIDENT pro tempore. The resolution will be read.

The resolution (S. Res. 52) was read, as follows:

Whereas HENRIK SHIPSTEAD, a Senator elect from the State of Minnesota, has been unable from sickness to appear in person to be sworn as a Member of the Senate, and there being no contest or question as to his election: Therefore be it

Resolved, That the President of the Senate, or deputy named by him, be, and he is hereby, authorized to administer the oath of office to said HENRIK SHIPSTEAD, and that the said oath, when administered as herein authorized, shall be accepted and received by the Senate as the oath of office of the said HENRIK SHIPSTEAD.

The PRESIDENT pro tempore. Is there objection to the immediate consideration of the resolution?

Mr. WATSON. Mr. President, I certainly hope there will be no opposition to this resolution.

Mr. ROBINSON of Arkansas. I think the resolution should be passed.

The resolution was considered by unanimous consent and agreed to.

The PRESIDENT pro tempore subsequently said: Under the authority of Senate Resolution 52, the Vice President has authorized John C. Crockett, Chief Clerk of the Senate, to administer the oath of office to HENRIK SHIPSTEAD, Senator elect from the State of Minnesota.

JOSEPH WELDON BAILEY

Mr. SHEPPARD. Mr. President, a short while ago former Senator Joseph Weldon Bailey, of Texas, died at Sherman, Tex., while engaged in the trial of a lawsuit at that place. He was one of the greatest of all the debaters, orators, and statesmen who have occupied seats in this body. I ask to have inserted at this point in the RECORD, as a part of my remarks, tributes paid him by his lifelong friends, Judge Nelson Phillips and Rev. James H. Gober, delivered in the course of the funeral ceremonies at Gainesville, Tex., his old home, and tributes paid him in the press by Senator CONNALLY and myself.

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

JUDGE NELSON PHILLIPS'S TRIBUTE

His was a sweetness of nature not common to many men, and added to all of that were all of the qualities of masculinity you might ask of any man. The benefactions of which he was the author were legion. How many men he helped, and helped unstintedly, and only to be helpful!

I call to mind a journey that he took with me to my old home in Hill County. Out there lived a widow whose loyalty to him and to his political faith was such that she gave orders to her tenants that they were to support Senator Bailey or get off her farm. When we arrived at Hillsboro he declared that the first thing we should do was to drive down and see Mrs. Varnell. We made a 40-mile drive to see that grand old woman. It was his habit on arriving in a town to go first to visit the family of some dead friend.

His virility, his abounding strength, his force, his imperious will, if you will so have it—and if he walked the path of his own will he kept his self-respect—were matchless. He never bowed that head of his save to God and the woman who was his wife.

What of his matchless intellect? You knew him in the flush of that splendid young manhood when his was the grace and beauty of person of Apollo and when his tongue was tipped with the golden fire of eloquence. There was a lofty example for young men.

His career was no accident. It was the result of unceasing interest and hard work. He loved books and beautiful things. He was the scholar, but his courage was such that no circumstance could baffle. It was ever intended that he should engage in affairs of greatness. Charles James Fox spoke of Edmund Burke "daring to risk his darling popularity" in an unpopular cause. How many times did Joseph Weldon Bailey risk "his darling popularity"? His like had not been known before in this State.

SENT TO WASHINGTON

You are to be congratulated that you here gave the soil in which this remarkable genius might fruit and flower, as it did surely give fruit and flower. It was no small thing to have been the proving ground for one of the superlatively great men of this great Nation, and surely there lies before us one of the greatest men that ever trod American soil. By every test of greatness he was great. He left you here to go to Washington to represent the old fifth district, barely eligible to hold the office by reason of his youth. He went full panoplied into that arena to win a nation's applause. There, before the severest test that ever is imposed on a man, he proved his worthiness. He dared all comers, barred none. Almost at once the young man that you had given to fame caught the eye of David B. Culberson, himself the profoundest constitutional lawyer in Congress. That great man, in recognition of the genius he saw in Bailey, when approached by those seeking light on constitutional questions was wont to turn them away with the remark, "There is a young man here who, I believe, knows more than I do about this. Go to him."

He met that test as he did all the others. More than most men of his time, though it was a day of men greater than we have now, he embodied a truer conception of our institutions of government. He was not a Democrat simply because Thomas Jefferson was a Democrat. He was a Democrat because he understood and was whole-heartedly devoted to Democracy. His sympathy and love for the average man was a mark of his Democracy. His understanding of our system of government was unmatched.

Some of you here differed from him on two questions. He was unswervingly for liberty—and after all it is the most priceless possession. For it Washington and his ragged Continentals bled and died. He believed that governmental powers must be dispersed and not concentrated. He could not understand, nor can I understand, why these regulations should be turned over to a Federal Government thousands of miles away. He held to the old-fashioned doctrine of State rights as a saint to one of the horns of the altar. He dared ever to tell the truth that these affairs belonged to the domain of the State.

KEPT FAITH UNSULLIED

When there was occasion for high and profound discussion of issues anywhere in these United States, to the very end of his life his presence was in demand constantly and incessantly. Yours is the distinction to hold the dust of one of the rarest, bravest, and truest men of time. He kept a noble faith unsullied. Well may we mourn. It was something to have walked beside such a man, and we here assembled are men proud in the fact that we did walk beside him. Well may we mourn and well may he sleep in the serenity of one who never wavered.

REV. JAMES H. GOBER'S TRIBUTE

He was the greatest Democrat that Texas ever had, and I congratulate him that he is to sleep here in the city and among people he loved so well. My father settled in this country in 1858, and I learned my Democracy from Governor Throckmorton, who, next to Joe Bailey, was the greatest Democrat I ever knew. I didn't know why he loved me. We were ever "Joe" and "Jim" to each other. I know why I loved him. I loved him because he was true in all things. He said to me once in an hour of stress: "Jim, if you go against me I'll decide that I'm wrong." I never had cause to dissent from his Democracy. I carried his burdens of sorrows when I could and to the greatest extent that I could. I commend his wife and his sons to God and His Grace. Once I said to him: "I'd rather see you get religion than anything in the world." And he replied, "Well, Jim, if I did I'd take your pulpit away from you."

Joe Bailey was as orthodox as I am, and I console myself in the knowledge that God has permitted him to walk with the white company through the gates. All Texas is sad to-day.

SENATOR SHEPPARD'S TRIBUTE

On my return from Texas to Washington I am utilizing my first opportunity to give public expression to my profound sorrow on account of the death of Senator Bailey. We were arrayed on opposing sides of a number of public questions, but I ever held for his superb courage and towering ability the very highest appreciation.

His knowledge of American political and constitutional history was amazingly thorough and comprehensive. The various forms of colonial government, the discussions in the convention which framed the present Constitution and in the State conventions which acted upon its ratification, the landmark decisions of the United States Supreme Court, were so familiar to him as to constitute a part of his mental make-up. He had a similar grasp of the various theories of constitutional construction, of the letters and maxims of Jefferson, of the contentions of all the prominent founders and students of American government. He was one of the most formidable debaters, one of the most brilliant and impressive orators in American annals.

SENATOR CONNALLY'S TRIBUTE

Joseph W. Bailey was a man of very great ability. As a Senator from Texas he attracted the attention of the whole Nation. He was an orator and debater of exceptional power and persuasion. Senator Bailey was a man of political courage. He commanded the enthusiastic and devoted attachment of his friends. I have always admired Senator Bailey's splendid powers and his marvelous personality. Texas and the Nation suffered a distinct loss in his passing, and I regret beyond expression his untimely death.

FARM RELIEF

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 1) to establish a Federal farm board to aid in the orderly marketing, and in the control and disposition of the surplus, of agricultural commodities in interstate and foreign commerce.

Mr. NYE obtained the floor.

Mr. WATSON and Mr. WALSH of Montana addressed the Chair.

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

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

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

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

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

Allen	Fess	La Follette	Shortridge
Ashurst	Fletcher	McKellar	Simmons
Barkley	Frazier	McMaster	Smith
Bingham	George	McNary	Smoot
Black	Gillett	Metcalf	Steck
Blaine	Glenn	Moses	Steiwer
Blease	Goff	Norbeck	Thomas, Idaho
Borah	Goldsborough	Norris	Thomas, Okla.
Bratton	Greene	Nye	Townsend
Brookhart	Harris	Oddie	Trammell
Broussard	Harrison	Overman	Tydings
Burton	Hastings	Patterson	Tyson
Capper	Hatfield	Phipps	Vandenberg
Caraway	Hayden	Pine	Walcott
Connally	Hebert	Pittman	Walsh, Mass.
Copeland	Heflin	Ransdell	Walsh, Mont.
Couzens	Howell	Reed	Warren
Cutting	Johnson	Robinson, Ark.	Waterman
Dale	Jones	Robinson, Ind.	Watson
Deneen	Kean	Sackett	Wheeler
Dill	Keyes	Schall	
Edge	King	Sheppard	

The PRESIDENT pro tempore. Eighty-six Senators having answered to their names, a quorum is present. The Senator from North Dakota will proceed.

Mr. NYE. Mr. President, the situation which calls for this special session of Congress is one which must haunt every sincere friend of American agriculture. All things in the course of decay are unpleasant to behold and usually haunting. The degree of decay which has fastened itself upon this once great American industry of agriculture is nothing short of startling, depressing, haunting.

The story of American agriculture during more recent years is a story of extreme hardship, blasted dreams and hopes, beautifully maintained homesteads and estates falling into decay, the growth of tenantry, foreclosures, bankruptcies, home abandonments, broken family ties, extreme worry and consequent paths leading to the insane asylums, and the creation of a population of wretchedness, hopelessness, and distrustfulness where once there existed contentment and a happy, forward-looking spirit.

It is not necessary that these things be now reviewed. It is not necessary that anyone dwell upon the story of what has happened to agriculture during these more recent years, for at last the people of this Nation and their representatives in Congress are aware of the fact that there is a real agricultural problem and that the problem and its attendant ills can and must no longer be ignored if we are to enjoy any degree of genuine and lasting stability as a people and as a Nation. It is not necessary to repeat the causes of the present farm difficulty.

But I can not approach at this time the subject of agricultural legislation without being confronted by the picture to be seen at this season, at this very hour, out in the agricultural fields where the farmer is sowing his grain and planting that crop which will be so essential to the lives of all people. I see the bewildered, uncertain look engraved upon the face of the farmer as he works in his field, wondering what the result of his labors may be, a wonderment occasioned by the failure of many years of his righteous labors to return to him the wherewithal necessary to supply the very modest requirements of himself and his family. While he has labored he has witnessed his bank account vanish, his farm fall down for the want of repairs and general maintenance, his sons and daughters called home or kept home from schools for want of means to keep them in school.

Perhaps as he plants and labors in his field to-day he counts himself lucky to have the seed for planting. He is lucky if his crop mortgage of last year left him his seed for planting this year. He is lucky if his banker was in position to aid him with a loan to tide through until harvest, for in this day of the

rushing of money from the agricultural areas to the stock-gambling avenues of New York, where it can win big interest rates, bankers are finding themselves hard pressed for money to be used at home. He is lucky if he was able to get help to tide him over from what he once presumed was his intermediate credit bank, to which his Uncle Sam had helped him, in the name of surer and cheaper credit in competition with the great money lenders, but which seems to have so frightened the great bankers that they determined to win control of the institution and restrict the measure of competition which it afforded.

Indeed, the farmer may then have some reason to count himself lucky, but with such a feeling there is also the feeling that he might be better off if he could not get or have the seed to plant. He has planted year after year and has been worse off as a result of it, as statistics clearly demonstrate. He ponders the whole question. Though he speaks little, back in his mind there lurks and grows strong the conviction that everyone, including his Government, is against him. Yet something tells him that all is not lost necessarily, that there may yet come understanding and genuine help, that there may yet come a positive demonstration that his Government does consider him among those entitled to a share of the blessings of government which have been so freely bestowed upon others. He knows of the fight the leaders of his farm organization have made in behalf of his industry. He senses the end of that era when the great majority sneered at the very suggestion that a farm problem existed, for he finds united agreement that legislation is necessary. And so, as he toils, he is bolstered up by knowledge that Congress is giving thought to his problem in the first special session of Congress ever called to devote itself exclusively to the cause of agriculture. Perhaps we are at a turning of that long, long depressing trail over which he has traveled. He is given thereby some hope, some added courage.

The spirit of the American farmer challenges the Congress at this time. Will we give reason here and now to the dimming hopes of this great element of our people, or will we recklessly deal with what is before us, make the question a political football, devote our time to a twitting of one another over the late campaign, ignore the need of something strong in the way of legislation, and betray those who look to us for the best that we can give? It is up to us, and upon what we do depends the very lives of millions of souls.

I do not greatly enthuse over the proposed legislation now before us. Only when I consider the administration of this legislation by a board that will be farm-minded and urged and encouraged by a President who sincerely wants something really worth while done for the cause of agriculture, only then do I share in the belief that this legislation will be made to work a splendid and lasting aid to agriculture. My confidence that a friendly farm board will be named is strong. And until a contrary and unfriendly board is appointed I shall not criticize President Hoover for whatever encouragement he may have given to the drafting of the legislation which has been considered in the House and in the Senate. I do not now see where the President has in any way betrayed any confidence gained by his utterances in the late campaign. Honest administration of this law now in the making will enable him to carry out each and every assurance he has given to solve this depressing farm problem.

While the bills pending are not affording all that I had hoped would be provided to meet the farm need, and while the President has not dealt in his message to Congress in as plain-spoken a manner as I had hoped he would, he has not yet done that thing or those things which would lead me to believe that his campaign utterances with relation to agriculture are being by him forgotten or ignored. Consequently I am not now apologizing or wanting to apologize for having given him my support in the late campaign, when it was given me to choose between two contestants, neither one of whom was for that farm legislative program, the equalization fee program, which I believed to be the quickest and most certain way to the accomplishment of a better economic balance and opportunity for the American farmer.

Mr. President, the real test of President Hoover's sincerity and purpose as it relates to the agricultural question will come with the naming of the Federal farm board which the act is certain to call for. We can pass a bill providing for a farm board and available funds, but which contains nothing more than that, and a farm-minded farm board administering it can make it as effective as anyone could wish. Likewise, a farm board unfriendly to the agricultural cause, and with some other cause to be served ahead of it, could take upon itself the administration of the finest and most thorough and secure law we could possibly write and make it harmless, aimless, and productive of naught but miserable results.

As the program presents itself now, from a farm standpoint practically everything depends upon the personnel of that board which is to be appointed by the President to administer whatever farm legislation we enact here into law. If it is to be a Julius Barnes-Barney Baruch-Eugene Meyer type dominated board, heaven forbid us expecting anything helpful for the farmer if that help in any way injures or treads upon the toes of the interests which manipulate and control the marketing structure as constituted at the present time.

The farm problem is mainly a problem of marketing. The farmer wants and ought to have closer control over the marketing machinery which carries the agricultural products from the producer to the consumer. To my mind, there can be no effective farm legislation and no effective administration of that legislation which does not infringe upon the opportunities and favors which accrue to those who utterly control the marketing machinery under the prevailing order. Somebody is going to have to lose when the farmer gets more of the consumer's dollar than he does now.

The fact caused me no little concern when I was made aware of the enthusiasm in support of the House farm bill recorded by the very interests which are mulcting and milking the farmers' markets to-day. I felt that there must be some reason for this, and that that reason did not grow out of any great advantage which the farmer was to enjoy through the legislation. Here was the Minneapolis Grain Chamber of Commerce enthusiastically supporting the House bill and condemning the bill presented by the Senate committee. What could it mean? A study of the two bills may afford some little light and a possible answer to the question.

But, before engaging in such a study and comparison, let me remind the Senate that the legislation now before us looks to the solution of the farm problem through such aid as the Government may extend to cooperative effort on the part of the farm people themselves. And let me further remind this body that the most vicious, unscrupulous, and selfish force which ever went to work to injure and wreck farmers' cooperative undertakings has been this same Minneapolis Chamber of Commerce.

I have told, upon more occasions that one, of the experience of the Equity Cooperative Exchange, which a number of years ago, sensing the need of farmer control of his own market, in so far as grain was concerned, set out to accomplish the organization of the most gigantic cooperative undertaking this country up to that time had ever known. They organized, placed themselves in the hands of the finest type of men known to the industry, provided terminal facilities, went out over the country, and built or bought local marketing facilities at the stations, elevators where grain could be received from the farmer members of the cooperatives. Things were moving along splendidly for months; yes, for a number of years the cooperative was creating every prospect for prosperity and the solution of a large part of the farmer's problem as it existed at that time.

Then, as if for no cause at all, things went wrong; things did not go as smoothly as they had been going. They went from bad to worse. In the end the Equity Cooperative Exchange, strong as it was in resources, strong as it was in leadership, strong as it was in purpose, and fine as was the spirit of all those who were taking part in the undertaking, went to the wall. It was forced to cease its operations. It went broke, in other words. This great undertaking, which had so much of promise, found itself with its back to the wall. Men who had sacrificed much, men who had put great sums of money into that great cooperative enterprise, wondered what it meant. The question was raised whether it meant that the farmers were wrong in having such great confidence in their management, but it has never been disclosed that the confidence was not deserved. It could not have been that. Then, what was the cause? Some had their suspicions as to what the cause might be, and they invited and received that consideration which caused the Federal Trade Commission of the United States to investigate the cause of the crushing of the Equity Cooperative Exchange. After months, yes, years of investigation of that situation, the Federal Trade Commission submitted its report. The purport of the report was that the Equity Cooperative Exchange had been crushed beneath the heel of interests upon whose business the cooperative infringed.

The Federal Trade Commission—and I use the identical words which the Federal Trade Commission used—declared that that cooperative undertaking was crushed through a program of boycott and sabotage conducted by the Minneapolis Grain Chamber of Commerce and those affiliated with that chamber of commerce. Yet in the consideration of the farm problem now before us, and the legislation now before us, the Minneapolis Chamber of Commerce and its representatives, many of

them mentioned in the Federal Trade Commission report as having had a hand in that program of boycott and sabotage, have been here urging what should be written into the farm bill. After being given hearings here by the congressional committee, they have returned to their chamber in Minneapolis enthusiastically reporting to their membership their advocacy of the House bill and their opposition to the Senate bill. Why? What might be the occasion of their opposition?

Mr. President, any piece of farm legislation that is going to be effective for American agriculture is going to have the opposition of the Minneapolis Grain Chamber of Commerce, because any law to be effective is going to step upon the toes of the interests represented by that chamber.

Is it any wonder, in view of the disclosures of the Federal Trade Commission with relation to the Equity Cooperative Exchange, that we who know of that cooperative experience should ponder when the Minneapolis Chamber of Commerce indorses a bill intended to aid the farmer in his cooperative undertaking? If the Equity Cooperative Exchange had enjoyed in its day the helping and protective hand of a friendly government and had been permitted to live and grow strong, cooperation would to-day mean much more to our people than it actually does, and in all probability would have brought about a situation in our own wheat country that would have made the present special session or the kind of legislation we are now considering quite unnecessary.

I would point out, too, Mr. President, the importance of a friendly, helpful, protective hand being extended to cooperatives by the Government. It means a great deal. Without that protective hand extended by the Government and the agents of the Government, cooperatives, I fear, are headed for certain ruin. I would point out that it has become the policy of the Government, at least in words, to encourage cooperatives, to encourage farmers to go into cooperative enterpries.

For many years the organized farmers of the Northwest, through their equity cooperative exchange, through their farmers' unions, and through other avenues of organization, sought to win a place on the Duluth Board of Trade and the Minneapolis Chamber of Commerce, where they could bargain on a par with the members who have places upon that board of trade and in the grain chamber of commerce. They have been up against the bar at every turn of the road. They have been denied that privilege. They have made their applications and have properly presented them, and then the boards of trade and chambers of commerce have voiced their opposition to the kind of organization that was seeking representation. They did not want them on the board; they did not want them on the chambers of commerce; they did not want to give them the advantage that would accrue to them by virtue of places where they could operate to better advantage. They did not want them there. There was the place for the Government to show its friendly attitude.

Those who were seeking a place on the Duluth Board of Trade last fall came to Washington not only to ascertain why it was their application for a place on the Duluth Board of Trade had never been acted upon or had been denied, whatever the case may have been. It was disclosed that the Department of Agriculture under the law had made an investigation of the charges against these cooperative exchanges, had reported that there was nothing to the charges, and had recommended to the Duluth Board of Trade that they should admit this farm cooperative to a place upon that board of trade; but it had not been done, and it was not done until Mr. Jardine, then Secretary of Agriculture, put his foot down and used his influence and the force that was his in demanding of the Duluth Board of Trade that it make a place for the organized farmers of the Northwest. That indicates, Mr. President, what the Government can do if it will maintain a helpful, protective spirit toward cooperatives, toward the agricultural industry, as it ought properly to do.

Mr. NORBECK. Mr. President——

The PRESIDING OFFICER (Mr. HEBERT in the chair). Does the Senator from North Dakota yield to the Senator from South Dakota?

Mr. NYE. I yield.

Mr. NORBECK. I am glad to learn about Mr. Jardine and the help which was rendered by the late Secretary of Agriculture. Would the Senator mind carrying the idea out a little further and showing what advantage resulted to the farmers from admittance to that board of trade? Was it not simply to get away from a certain brokerage charge?

Mr. NYE. Mr. President, it was that in part; but the advantage gained by the cooperative by virtue of being placed upon the board has not had that opportunity to demonstrate itself which time alone can afford.

Mr. NORBECK. I commend Secretary Jardine for what he did in that instance; but I want to ask the Senator is it not a fact that that particular act only gave the cooperative a little advantage that amounted to about one-tenth of a cent a bushel on wheat?

Mr. NYE. The Senator means the act of giving them a place on the board?

Mr. NORBECK. Yes; the act of getting them on the board.

Mr. NYE. No; my understanding is that, though it may be limited, the advantage can be much more than that.

Mr. NORBECK. But what we have been contending for is 42 cents in order to make the tariff effective.

Mr. NYE. But that is quite aside from the argument which I am making, though I think I appreciate the motives behind the Senator's inquiry.

Mr. President, why should the grain speculators and gamblers be for the House bill and against the Senate bill? A review of the bills and the actions of the present time prove to me most interesting. In this study and these conclusions I have enjoyed the aid of leading minds in the farmers' organizations.

Beginning with the wanton, drastic, and unwarranted deflation of our agriculture following the World War, the organized farm groups have carried on a continuing fight to secure public and governmental recognition of the desperate situation in which the farmer was and is involved. Not only did agriculture suffer through loss of a vast amount of invested capital, but it lost, too, because of the disparity which developed between the prices at which the farmer sold and the prices at which he was compelled to buy the things which entered into his production costs.

That fight of the farmers has been waged so steadily and so effectively that the condition of the farmer and his need for legislative aid have become matters of chief and national interest. This special session of Congress has been called in response to that acknowledged need, and to remove, if possible, that disparity in purchasing power. So long as the prices of farm products are out of line with the prices of commodities which the farmer must buy, there can be no such thing as economic equality for agriculture.

During these years of struggle and discussion, the whole realm of practical and possible remedies has apparently been explored, many plans and theories have been advanced, many methods advocated. Tariff adjustment and more favorable transportation rates are important factors in the way of help, but they do not lie within the province of a farm relief bill such as we now propose to enact into law.

Out of the entire discussion of the farm problem there have been developed five proposals which may be seriously considered in the shaping of legislation helpful to the farmer.

First. The giving of aid and encouragement to farm groups in the development of producer-owned and producer-controlled marketing agencies.

Such agencies are designed to secure for the producer a larger net income by a lessening of marketing costs, with the consequent return to him of a greater portion of the consumer's dollar, which is in effect an increase in the farmer's unit price; and by their ability to exact a more adequate price in the markets through collective bargaining power. The existing cooperatives, built up through years of effort and now handling about two and a half billion dollars worth of farm commodities annually, provide a safe and sure foundation for the future structure of cooperative marketing.

Second. The giving of aid to the cause of lower production costs through the further development by the farm groups of cooperative purchasing agencies dealing in commodities and supplies.

Third. The establishment of clearing house associations through which, in the case of perishable commodities, the needs of separate consuming markets may be given more effective consideration in the routing of supplies, which will provide a more direct contact between producer groups and the handlers of this particular type of agricultural commodity.

Fourth. The establishment of stabilization corporations designed to enter the market at times when surpluses are found to be depressing farm prices to a point of disparity, or greater disparity, with the general price level; and to buy up and remove from the market temporarily such amounts of the commodity as may be necessary to influence the market upward.

Fifth. Devices of law under which producers of surplus commodities would be able, in full or in part, to benefit by the tariff on that part of the whole crop which is consumed in the domestic market, and to accomplish this, if possible, without encouraging increased surpluses.

The recognized devices to this end are the equalization fee and the export debenture proposals.

Within the range of these five possible methods must then be worked out that legislative aid to agriculture which will give it, if it can be afforded, economic equality with other groups.

To my mind, the Senate bill frankly faces this farm situation and proposes to meet it by well-defined provisions for securing an increase of net farm income—without which farm legislation becomes a mockery—and the necessary machinery is provided in the creation of a farm board of 12 members representative of agriculture as to areas and therefore as to sectional commodities and interests. It provides also for the establishment of advisory councils to aid the board in relation to specific commodities and to the problems peculiar to them. It provides for the creation of stabilization corporations, established by the cooperatives; for clearing-house associations where they may seem desirable and advantageous in the handling of perishable commodities. The bill also provides capital by which these agencies may function and by which farm groups and their cooperative marketing agencies shall be enabled more effectively to carry on their activities. And it provides further the export-debenture feature, which may be called into use at the discretion of the board when and if the other provisions prove inadequate to accomplish the great purpose.

Dealing with these provisions in a more detailed way and to reveal how fully and effectively they may be expected to function, it may be pointed out:

First. That the farm board is given ample power for the carrying out of the purposes of the act, and those purposes are revealed in sufficient clarity and detail to afford the board safe guidance in its operations.

Second. That the advisory councils are to be made up of persons nominated by the cooperatives for selection by the board.

Third. That the stabilization corporations are so designed as to become bona fide cooperative marketing institutions, farmer owned and farmer controlled. It is intended that they shall have sufficient capital to give them business stability, which capital the farm board shall first largely subscribe in the form of nonvoting stock and which may be canceled and reissued as voting stock to the cooperatives handling the commodity as rapidly as these are in position to acquire it. They are designed to operate as central marketing agencies, by commodities, available without discrimination to all cooperatives. These corporations are also to function as stabilization corporations, and clear distinction is made between their operations as year-around marketing agencies for the cooperatives and a stabilized cooperative engaged in transactions designed to effect price levels. No liability rests against these corporations, their capital, nor against member organizations for losses which may result from stabilization transactions. This arrangement will give to the cooperatives substantial and centralized marketing machinery capable of wisely and effectively marketing farm crops and of exercising great bargaining power favorable to the American farmer.

Fourth. That adequate provision is made for loans for marketing, for stabilization transactions when these have been determined upon by the board, for the acquisition of facilities, for advances to grower members of a larger part of the value of their product than is now normally possible, for the reduction of producer costs through the development of cooperative purchasing associations, and for price-insurance agreements. In these provisions the known financial needs of the cooperatives are met, and met in the most liberal and flexible manner consistent with sound business practice.

Fifth. And that whenever a situation arises under which these agencies and devices prove inadequate to carry out the purposes of the bill, and the price of any commodity declines to a point below the requirement for economic equality with other groups, the board may at its discretion put into effect the export debenture plan for securing to the farmer a more adequate level of prices.

These provisions are the Senate's conception of the necessary machinery for making available to the American farmer a price more nearly on a par with the American level of prices and standards, which alone can constitute economic equality. They are designed to be carried out through and by cooperative organizations, farmer owned and farmer controlled, and to protect and aid as fully as possible those existing agencies which have been built by the farm groups through years of effort and investment.

So much for the Senate bill.

In contrast to these provisions of the Senate bill, let us examine those of the House bill.

At first glance, the purposes indicated and the machinery proposed seem to be quite similar. Closer examination, however, reveals profound differences. The number of members provided for the board in the House bill—six—is too small to represent fairly the areas or varied interests of the agricultural producers.

This House bill declares its purpose to be—

> to establish a Federal farm board to promote the effective merchandising of agricultural commodities * * *, and to place agriculture on a basis of economic equality with other industries.

The bill is very definite as to the first proposal, but exceedingly vague as to the second. In order to realize clearly the views of those who framed the House bill as to what constitutes "economic equality for agriculture," and hence to be able to interpret the intent of the bill itself, it is necessary to refer to the report of the House Committee on Agriculture which accompanies the bill. On page 2 of this report appears this most remarkable and enlightening language:

> Our problem, then, is the effort to keep for the farmer his independence of thought and action, yet bring him a return for his capital and labor at least sufficient to maintain the traditional farm home which knew comfort even though it lacked ease.
>
> This, we believe, is what the farmer means when he speaks of economic equality with industry. He neither asks nor expects equal financial rewards with the giants of industry or banking. He does ask and want that agriculture shall not be reduced to peasantry nor forced into corporate form to save its existence. In full agreement with his position we have therefore tried to find out how best we can accomplish his desire for that complete economic equality under modern conditions that the American farmer—alone of the farmers of the world—has heretofore enjoyed.

From this it would seem that the House committee is convinced that although equality means equality in other connections, when used in connection with the farmers' cause it means inequality. This declares that the farmer neither asks nor expects that the same labor, the same capital investment, and the same efficiency of production shall enable him to enjoy the same income and the same living standards as are enjoyed by other American groups.

The House bill does not avowedly attempt to enhance the price of farm products in any serious way. In fact the bill would seem to insure against any threat of corporate farming of which the report complains by the very unique method of keeping agriculture upon a financially unprofitable basis and hence unattractive to corporation capital and talent. If the above quotation from the House committee report is not sufficient declaration that this bill proposes no upward adjustment of prices to the grower, attention may be called to the summary, on page 14 of the committee report, in which this statement appears:

> There is no hint of price fixing or arbitrary price elevation.

Having then clearly established the purpose of the bill by defining their understanding of economic equalities applied to the farmer, under which it is not considered necessary to increase the level of his prices to the general price level, we may examine the proposals by which the House bill will carry out its other expressed purpose, that of promoting "effective merchandising of agricultural commodities."

First, the farm board of but six members having been created, there will be set up advisory councils. These the cooperatives handling the commodity involved will be asked to establish; but it is a provision of the bill that two of the members at least, and it may be more, shall be "experienced handlers or processors of the commodity," and who, therefore, represent views and interests foreign, if not opposed, to those of the cooperatives. (P. 5, sec. (b), in line 17.) That these are to be trade representatives and not men of similar experience in the cooperative field is made clear in the committee report on page 8, which says:

> This committee shall contain at least two members to be selected by the cooperative associations, who shall be "experienced handlers or processors of the commodity."

And these members shall be selected in such manner as the board may prescribe.

Experience has shown the futility of attempting to secure an increased return to the farmer through a working arrangement with those groups whose prosperity and well-being depend upon their ability to exact toll or impose a profit upon the farmer's production.

The stabilization corporations provided for in the House bill (sec. 6, par. A, p. 11) are not producer owned nor producer controlled nor capable of serving as year-around central marketing agencies for the cooperatives, though apparently having all of these advantages.

Under paragraph (4) of section 6 the House bill provides:

The corporation agrees with the board to adopt such by-laws as the board may from time to time require, which by-laws, among other matters, shall permit cooperative associations not stockholders or members therein upon equitable terms.

No corporation which is thus compelled at the beginning to sign away its entire future, even to the agreement to change its form and by-laws upon request, can be said to be producer controlled. It is not producer owned in any substantial sense, because it is designed to be without capital except in a very small amount and to be without financial responsibility; this in order that it may engage in stabilization ventures with the appearance of a cooperative corporation but without capital risk to its nominal stockholders. The "voting stock" or "membership interest" must be held by cooperatives handling the commodity, but the operating capital is to be advanced by the board for such periods and upon such terms and at such rates as the board may prescribe. Such a corporation is necessarily owned in all but the most technical sense by those who furnish it the entire capital by which it is enabled to operate. This sort of corporation is manifestly unfitted to function as the marketing agency for the cooperatives, being apparently designed to operate only intermittently and in relation to a temporary surplus.

It is provided in the House bill that no dividends shall be paid out of profits until ample reserves have been established, but inasmuch as no provision is made at all as to the time, method, or manner of paying such dividend, and since all profits are liable for any losses which may be encountered through its operation as a stabilization corporation, there is no good reason to believe that the individual producer would ever receive any additional price for his product as a result of the profits secured by the stabilization corporation.

Furthermore, the hope is expressed in the report of the House committee, at page 12, that these corporations may be fully able to capitalize themselves out of their profits, and, inasmuch as this capital would thereafter be at risk for losses resulting, there would seem to be no basis for hope that patronage dividends might ever be declared and paid. Furthermore, the requirement placed upon these stabilization corporations by the provisions of the bill further disqualifies it as a marketing agency designed to secure for the farmer more advantageous prices.

As pointed out clearly on page 2 of the Senate committee report which accompanies the Senate bill, "the lack of equal bargaining power has deprived the farmer of a fair price." The farm groups have sought through the organization of cooperative sales agencies, with the consequent ownership and control of a large volume of the commodity, such gains as could be secured for the farmer through the influencing of prices upward by power to bargain. This House bill seems to impose a far more definite requirement upon the stabilization corporation to operate to depress the market if consumers' prices advance than it does to attempt to enhance the market when producers' prices decline. In fact, both the House bill and the report which accompanied it indicate that the possibility of stabilization corporation profit lies in the direction of low-cost purchases rather than in the direction of enhanced sales prices.

The other line of help by which the House bill proposes to put the farmer into a position of "unequal equality" and in a straight jacket, lies in the field of services rendered to the farm groups in their cooperative selling agencies. The board is authorized to "encourage" them and to loan funds. There are to be funds for marketing, for the acquisition of physical facilities for clearing-house associations, and for educating the membership. This looks hopeful, but, as has been pointed out, it does not appear to be the intention of the bill to provide the farmer with an enhanced price for his product, at least under no condition to a point above the world level in prices. Greater regard seems to be given to the danger of increasing the consumer's price than to the need of increasing the farmer's price.

The House bill provision for loans for the acquisition of physical facilities is made practically ineffective by paragraph (3) on page 8 of the House bill. This provision practically gives a permanent franchise to present owners of physical facilities with a status comparable to that of public utilities and with power to collect "reasonable charges" permanently.

Thus this House bill which sets out to develop cooperative marketing, and to give the farmer economic equality finds itself more concerned in safeguarding present investors and operators than in promoting cooperatives with bargaining power and the power to lessen costs through simplified marketing practices. In reference to economic equality for agriculture the bill hastily offers a definition to show the peculiar construction which it is alleged the farmer puts upon the term "economic equality." It recognizes, according to the House report, page 6, that it would be contrary to the public interest that agriculture should attempt to control its production to the extent that industry does. Hence, having asked the farmer to produce a surplus for the public safety, the report outlines what the House bill will accomplish for his protection as follows: "We must prevent that surplus, when it exceeds our consuming capacity, from depressing the price unduly." What should be done with the surplus which does not exceed our consuming capacity the bill does not state, nor does it say what constitutes a due depression.

If the basis of the farm depression is as declared in the Senate committee report, then the House bill is wholly inadequate. It does not contemplate the wiping out of that disparity by enhancement of farm prices. And the farm groups, whose efforts alone through the past years have made the farm issue a national issue and this special session of Congress a response in recognition, are almost a unit in their dissatisfaction with the provisions of the House bill.

Reviewing the matter in this light, is it at all to be wondered that farm groups and farm leaders which have through these years championed the cause of relief legislation are so largely a unit in the expression of dissatisfaction with the House bill?

I sincerely hope, Mr. President, that the Senate will do its full part in keeping these objectionable House bill features eliminated from the final act of this Congress with relation to a farm bill. The Senate conferees ought to be urged in the most complete manner to fight against the inclusion of these features in the final bill. We should be exceedingly cautious that we do not defeat our best purpose by actually aiding those who would have crushed and who would continue to crush cooperation among farmers beneath their heel at any and the first opportunity.

The debenture plan as embodied in the Senate bill has caused me no little concern. I have felt that if put in operation while the farm marketing machinery was in the same hands as it now is in the producer would see and receive but little of any profit to be derived through it. Then, too, I have consistently argued throughout this controversy on the farm legislation subject that the farmer was a foe of subsidy, that he fought Government subsidy wherever it showed its head, that he did not want subsidy, did not ask for subsidy, wanted only such help as would enable him to take more complete advantage of tariff-protection facilities already provided for him in the law, and that he was against farm subsidy until such time as other means should prove inadequate in the accomplishment of the desired and necessary ends which are being sought. Also, I have felt that the debenture plan was facing certain defeat in this session, and that we therefore were but wasting time in asking for it when we ought instead to be seeking early passage of the best bill available to the ultimate end that we might more quickly have demonstrated the positive need for resort to this greater departure in the way of legislation as a final effort toward the restoration of the great industry of agriculture.

The assurance is that the effort made for retention of the debenture plan in the farm bill will not occasion great delay and that its success or defeat may be expected within reasonable time to permit the bill to become operative, in a measure, upon the 1929 crop. More than that, the debenture feature is made a part of the bill, to be resorted to as an emergency if and when the farm board finds other means of relief attempted inadequate. Thus, by adopting the debenture part of the bill at this time, we make ready now for an event that might some day occasion the call for action by Congress which might better be provided now and in advance and held in readiness for such a possible occasion.

For these reasons I shall support the debenture plan, hope that it may never need be used, but held ready for positive use when and if it shall be needed to check the most certain decay which is attending the agricultural industry now, and thus start the industry back to a plane of decent, healthful, economic life.

I would like to say at this time that there is one thing that can cause me to alter my intention to vote for the debenture plan, and that one thing would be an announcement by the President of the United States to the effect that if the bill came to the White House with the debenture plan included in it he would veto it. In that event I should vote against the debenture plan for this reason, and for this reason alone, that it is and ought to be our job now, knowing what the circumstances are, to take the best thing that is available in the way of a farm bill, give it every honest chance to operate as its friends insist it will operate to the advantage of the American farmer, give it every chance, and then, if and when it fails to demonstrate its adequacy, to return here to these Halls and insist that we who have cooperated now to the extent of taking,

not what saisfied us but what you were ready to give, are entitled to have you cooperate with us to that degree which will enable us to pass the McNary-Haugen bill with the equalization fee, or, perchance, adopt a debenture plan.

Before concluding my remarks, I wish to return to the subject of the immense importance of the personnel of the farm board which this legislation now under consideration provides for in order that I may more directly indicate the reasons why farm people are especially skeptical of boards to administer laws which have been passed in behalf of agriculture.

Well intentioned were those laws creating the Federal Trade Commission, the Tariff Commission, the Farm Loan Board, and other boards and commissions which were directed to care for the interests of all the people as against the interests, ambitions, and purposes of predatory interests and individuals. All of these laws have called for the set-up of boards to be appointed by the President and approved, of course, by the Senate, as this Federal farm board must be appointed and approved by the Senate. But let it be noted that while always these laws creating these boards have had the most laudable of purposes, the boards more often than not have so administered and so conducted the law as to make it inoperative to that degree which was intended by the Congress passing the legislation. Take the case of the Federal land bank and intermediate credit bank and the attitude of the board which was set up to administer these laws as an example of what has happened and what can happen again.

The need for an easier credit and a more certain credit to the farm people was so apparent some years ago that Congress granted this legislation providing for the banks. A farm board was appointed. It went to its task of extending loans and credit to the farm people until a certain hour, when, apparently, something happened to slow down this machinery and to keep it from responding to the positive needs of the agricultural people as it was intended to respond by the Congress which enacted the laws. I am convinced that what happened was just this: The farm loan banking legislation was affording a degree of competition to the great banking interests of this country, and when this competition became a genuine threat against those who should maintain and exercise a positive monopoly over the moneys and the credits of this country—yes, indeed, of the entire world—at that moment the banking fraternity determined that it was time to control the Federal land banks and the intermediate credit banks. It is, of course, not proper for me or for anyone to assert that this is positively what was done, but what has developed indicates that that might easily have been the case.

The conduct of the intermediate credit banks in more recent months, under the administration of the Federal farm board, headed by Eugene Meyers, has brought about a situation which finds the law restrained from affording that response so essentially necessary at this time when the farm people are needing banking credit more seriously than they ever needed it before. I have had especially close contact with the conduct of the intermediate credit banks in my own and neighboring States. In answer to repeated complaints of heads of intermediate credit associations, four or five weeks ago I sat at the table with the heads of these associations, representing 85 per cent of all of the associations in North Dakota and Minnesota, and went over the entire ground of their complaint with them. They have ground for complaint, and I think their complaint has been splendidly voiced in the resolutions which that gathering adopted, resolutions which speak in no uncertain terms of the failure of the institution to respond to the most modest needs and reasonable requirements of agricultural America to-day.

Were the hour not growing so late I should insist upon the reading of these resolutions by the clerk. As it is, I shall ask for their inclusion in my remarks at this point, and beg the Members of the Senate to read them when they do appear in the RECORD.

The PRESIDENT pro tempore. Is there objection?

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

Resolutions

At a meeting of the Twelfth District Association of Agricultural Credit Companies, held at Fargo, N. Dak., on March 20, 1929, the following resolutions were adopted:

"Whereas the Agricultural Credit Companies represented at this meeting, consisting of rediscounting agencies responsible for approximately five-sixths of the entire rediscounting business of the Federal Intermediate Credit Bank of St. Paul, met for the purpose of considering ways and means to improve the condition of the Federal intermediate credit system; that during the past year the system has been rendered almost wholly unworkable and inadequate for the needs of agriculture: Now, therefore, be it

"*Resolved*, That we urge and request the aid of our Senators and Congressmen to secure changes in the Federal intermediate credit bank act, as follows:

"1. That the Federal intermediate credit banks be divorced from the Federal land bank and be made a separate institution for farm credits; that the board created to manage the affairs of the Federal intermediate credit bank system should consist of members who are conversant with and in sympathy with the needs of agriculture in the various parts of the United States, such members to be appointed by the President of the United States, one of whom should be the Secretary of Agriculture.

"2. That the franchise tax as now applied to the Federal intermediate credit bank system should be abolished.

"3. That we recommend that paragraph 3–b of section 202 of the Federal intermediate credit bank act be changed and amended so as to permit credit corporations to rediscount agricultural paper with the Federal intermediate credit bank up to a sum aggregating twenty times the paid-in and unimpaired capital and surplus of such corporation.

"4. That because the farmers are required to pay a rate of interest dependent upon the rate at which debentures are sold, which vary a great deal from time to time according to the condition of the current money market, and which at this time is unreasonably high, we urge the Congress to stabilize the interest rate at which the loans are made available to the borrower by requiring the Secretary of the Treasury to subscribe on behalf of the Government for all the debentures issued by the Federal Farm Loan Board for the needs of the Federal intermediate credit banks, whenever the market will not absorb such debentures, at a rate of interest not to exceed 3 per cent per annum. Be it further

"*Resolved*, That we complain of the administration of the Federal intermediate credit system as it is now operated, because of the unreasonable attitude assumed during the last several months by those in administration of the system; that the present policy of the Farm Loan Board is such that the usefulness of the bank is largely if not wholly destroyed; that because of the unreasonable, conservative, and strict rules and regulations of the board, as at present administered, the farmers are deprived of the financial aid they are entitled to and which was intended by Congress when the law was enacted; that the recently adopted policy of the board, whether intended or not, has the effect of compelling many of the borrowers to discontinue business with this credit agency and to seek aid from sources not desirous or adequately able to make such agricultural loans; that the present restrictive policy of the board has forced many farmers to liquidate their loans and discontinue farming, which policy will ultimately drive the discounting agencies to liquidate their loans, discontinue operation, and thus close this avenue of much-needed credit for agriculture; be it further

"*Resolved*, That the attention of Congress be called to the fact that it is claimed by the administrative powers of the Federal Intermediate Credit Bank of St. Paul that it can not return to its administrative policy of one and two years ago for fear of losses. In answer to this we desire to point out that in the six years of the administration of the law the bank sustained no losses upon agricultural paper whatever; that the losses sustained were occasioned by the dishonesty of the officers of certain rediscounting agencies; that in addition to the large amount of chattel security back of each loan discounted with the Federal intermediate credit bank there is the indorsement of the discounting agencies who are required to pledge their capital stock investment with the Federal intermediate credit bank as additional security for the payment of their respective discounts."

In face of this record the claim is now made by the administrative powers that the bank in its operation has been too liberal in loaning money on farm chattels and that it is forced to become conservative and to adopt restrictive measures for its own protection, all of which claims we declare to be without foundation and fact and cite its own record as proof.

Respectfully submitted.

E. G. LARSON, *Valley City, N. Dak.*,
H. C. AAMOTH, *Fargo, N. Dak.*,
C. C. ELKJER, *Montevideo, Minn.*,
F. W. MCLEAN, *Grand Forks, N. Dak.*,
R. V. MCMICHAEL, *Wahpeton, N. Dak.*,
Committee on Resolutions.

Mr. NYE. Mr. President, in connection with this consideration of the conduct of the intermediate credit banks, I would further recite the experience of cooperative enterprises which have sought with their own machinery to control the marketing of the greatest product of the agriculturalist in the Northwest, grain.

Tiring of the long delay of the Government in responding to the needs of the agricultural people with legislation, and exercising an initiative of the most creditable sort, the farm organizations in the Northwest set out to control the marketing of grain in an orderly manner to the end that there would not of necessity be gluts of one product or another upon the market at any time. The accomplishment of such a purpose entailed,

among other things, the necessity of enabling the farmer to hold his product off the market and preferably on his farm at that season of the year when all creditors were making their demands for settlement of contracts and debts and they proposed to utilize the credit presumed to be available through the intermediate credit banks and turn that credit to the advancement to the producer of a reasonable part of the market price of the product which was to be held back in these storage facilities—the storage facilities themselves to be provided for through a credit made available by the organized farmers. The storage phase of the effort seemed quite easy of solution and was quite assured, but when the intermediate credit bank was confronted with this opportunity for it to respond to the needs of the cooperative and its membership, it held back and quibbled and it still quibbles in spite of the fact that the finest sort of security was available and would be available at all times to the bank under this plan, backed as it was and would be by the surety bonds which had been made available, the bonds covering all hazards, in addition to the added security provided by warehouse receipts guaranteed by the laws of the States.

But even with all these assurances, the intermediate credit bank, set up as an agency to respond to the credit needs of the American farmer, quibbles and says "No," holds back and refrains from granting that credit and that help to the cooperatives of to-day which would help them so materially in controlling the marketing of their own products, to the end that they could enjoy some little measure of the benefit by virtue of laws which have been passed in the form of tariffs, promising the farmer that if he could control his market, he would have the benefit of that tariff on the parity with the benefits enjoyed by others whose interests are looked after likewise in the tariff bills.

I submit, Mr. President, that this does not indicate a friendly attitude on the part of the Government toward cooperative enterprise, and I further submit that before there can be confidence on the part of these enterprises and the people who are striving to build them up there must be positive demonstration of a governmental attitude which dictates that the American farmer and his cooperative enterprises are going to have the eternal and consistent backing and the friendly and protective help of their Government.

The most encouraging thing that has happened in late months from the standpoint of the American farmer lies in the announcement made during the last few days of the resignation from the Federal Land Bank Board of Eugene Meyer, who, all are convinced, dominated that board and was the real power behind the throne in the administration of the affairs of these banks in more recent years. Now, if that bank can have at its head some new blood that is both conservative and farm-minded, and really desirous of aiding the farm cause and the cause of cooperative enterprise, a wonderful step will have been taken toward the restoration of a lost confidence in Government on the part of the farm people.

The experience in this banking field only bears out the contention, which I repeat, that the success of any farm legislation passed by this Congress is going to be dependent upon the personnel of that board which is engaged to administer that legislation. If it is a farm-minded board the future looks exceedingly bright. If it is a board, rather, minded to cater to the prevailing order and guard against the upsetting of anything that is existing now, whether it be good or bad, then we still have on our hands the most terrible problem that has ever confronted this Nation.

We had better admit these facts now, with the expressed hope that the board named is going to be one in keeping with the pledges and the promises of the party in power and its leader.

Finished with the enactment of this so-called farm bill, let us not hold back from the further duty which confronts us of immediately turning to the task of affording those other things so essential to a stabilized agricultural industry. I shall not now discuss what can be done and what I hope will be done in the enactment of a new tariff law, except to say that I hope sincerely that any changes made will concern alone the agricultural industry. If we will enact a tariff law that builds up agriculture on to a better basis of parity with other industry in so far as that can be done through a tariff law, and then will follow by increasing the general level throughout the tariff schedules, I say, Mr. President, that we are only fooling ourselves and trying to fool the American farmer.

Then, let us turn our endeavors toward the development of water transportation facilities to the end that we may afford a greater degree of competition to railroads which at every hour are striving to increase the tolls which they may be privileged to collect from the farm people through the handling of their products.

I would call attention to the fact that at this very time the Interstate Commerce Commission has before it a proposal so to increase freight rates on grain as to constitute a terrible added burden on the grain producers of the Northwest. The rates of increase which the railroads are asking would build up a new bill of expense for farmers of my own State of North Dakota of $2,758,268 annually. I am basing these figures on the production in North Dakota in 1927. An average increase of $36.50 per car is being asked. This is no small amount and invites the closest consideration of the Congress. I would hope that we might some way find it possible to write a further restriction against increased tariffs for the carrying of agricultural products until that time when agriculture shall be restored to some semblance of a balance and some semblance of equity.

During this debate I have heard discussed the prevailing differences in prices paid for grain in Canada and in the United States. I heard the senior Senator from Ohio [Mr. FESS] only day before yesterday recite that, in his opinion, the greatest contributing factor to the higher prices enjoyed in Canada was the existence there of the grain pools, but ignoring other factors which enter greatly into the influencing of this situation. He failed, for example, to make mention of the very friendly hand which the Canadian Government has extended to the Canadian farmer at every turn of the road. He failed to make reference to the fact that whenever conflict arose as between the cooperative institutions and the old-line institutions dealing in farm products, the Canadian Government has invariably thrown its lot in support of the cooperative even to the extent of condemning old-line marketing facilities.

But, in addition to that, Mr. President, I should like to point out here what part freight rates may be contributing to the prevailing better prices in Canada and to do it without necessarily agitating Government ownership of railroads as is true in Canada. It is said that the Government railway in Canada is subsidized and that the people are really paying great losses there through the conduct of such a railway, but I would point out that the private-ownership railways in Canada are competing and competing successfully with the Government railway and with the Government-established railway rates, which would not indicate that the Government railway was necessarily requiring anything in the way of subsidy.

Freight rates are a terrific part of the expenses of marketing farm products or determining price structure. I would point out to this Chamber a few comparisons of freight rates on grain hauling in Canada and in the United States.

From Devils Lake, N. Dak., it is 384 miles to Duluth, Minn., a terminal point. The freight rate on wheat between these two points is 19½ cents. From Lydiatt, Manitoba, to Fort William, Ontario, it is 389 miles, but the rate of freight on wheat is 5 cents less.

It costs 23½ cents to transport wheat from Bismarck, N. Dak., to Duluth, Minn., a distance of 446 miles, while in Canada to carry wheat 442 miles from Meadows, Manitoba, to Fort William, Ontario, costs 15 cents, or 8½ cents less.

The distance between Glasgow, Mont., and Duluth, Minn., is 779 miles. The distance from Regina, Saskatchewan, to Fort William, Ontario, is 776 miles. To ship a hundredweight of wheat from Glasgow to Duluth costs 35 cents, but to ship the wheat the same distance between these two Canadian points costs only 20 cents, 15 cents less.

Eight hundred and ninety-three miles constitute the distance between Billings, Mont., and Duluth, Minn., and the rate of grain shipment is 39½ cents. The distance is 1 mile less between Morse, Saskatchewan, and Fort William, Ontario, but the rate on the same grain there is only 22 cents.

It costs 48 cents to ship a hundredweight of grain from Kalispell, Mont., to Duluth, Minn., over the 1,195 miles of American railroad, while to ship the same grain from Lethbridge, Alberta, to Fort William, Ontario, a distance of 1,177 miles, costs 25 cents on the Canadian railroad.

I could go on, Mr. President, indefinitely, showing the tremendous difference in freight rates prevailing here and in Canada, but could make no clearer the demonstration I seek to make. It all indicates the odds against which the American farmer is forced to operate in competition with the Canadian farmer and merits an intense study on the part of Congress in the hope that there might be brought about a material reduction in the carrying charges upon agricultural products.

Mr. President, I opened these remarks with a picture of the haunting scenes which can be observed by those who will see out in agricultural America. Another picture presents itself to me which causes me to take the time to relate the following incident: A farm woman came into town to do those little chores of shopping which they all have to do. She went into one shop to settle an account and while the bill was being receipted she surveyed the furnishings of the office, not a highly

furnished office. Over on one wall she observed a picture, The Angelus. When the receipted bill was handed to her she said to the proprietor, "Where did you get that picture?" "I got it when I was down at such a place a few weeks ago." "How much did it cost?" "I think I paid 65 cents for the picture." The tears streamed down her face as she explained that she for years had wanted that very picture for her home for the benefit of her daughters, just as she had enjoyed the benefit of it in her mother's home. But the feeling that the 65 cents was going to be so much more essential and so much more greatly needed for the real necessities of life in that home had deprived her of a mere inconsequential thing of that simple sort. She explained how for years and how particularly during the last winter they had hoped they were going to be able to afford for the two little girls in their home a chance to demonstrate whatever talent they might have in the way of musical ability. She wanted to buy for them a piano. She and her husband had wished all winter for the hour to come when they could dispose of their grain and feel that they could afford to buy it.

But the winter came on and wore on its way through, and instead of doing what everyone anticipated was going to be done, instead of doing what Congress has argued all along would be done if the farmers would only learn to hang on to their grain, holding it until high prices prevailed, withholding it from being dumped on the market at that period when the market was flooded, so that they could enjoy a better price, we all know what the experience has been in the American market. We know that never before in the history of our country have the farmers held back on their own farms and in their own possession so much of their product as they did in this past year, and yet in the last 10 years prices have not sunk to such levels and to such depths as they have this year in spite of that extended effort by the American farmer to help himself.

Mr. President, with pictures like that confronting us, with facts like that confronting us, I say we do have before us a very serious problem. It is not a problem which anyone would jealousy seek after for the honor of affording its solution. Some of us feel there is a plan that would bring immediate results for the American agricultural industry. That privilege has been clearly denied us. We can not expect the adoption of the equalization fee at this time, but we can ask that whatever legislation we get shall be made available, and be made available as quickly as possible, to the end that we can bring ourselves nearer to that hour when we feel that it is going to be possible to demonstrate that all that you are willing to give, all that you are willing to afford in the way of legislation has not been adequate to meet the needs which are presented by the agricultural industry at this time. To the end then that we can help to win the cooperation of more people, win the cooperation of administrative circles in the enactment of legislation that will take hold, legislation the teeth of which will affect that return and that benefit which we are all so earnestly seeking and wanting—to that end I hope we may sincerely devote ourselves.

Mr. NORBECK. Mr. President, I did not want to interrupt the Senator's very interesting and enlightening remarks. I always enjoy them. I like his enthusiasm, due possibly to youth—his hopefulness rather, the feeling that there is something in the Senate bill outside of the debenture plan that will be helpful to the farmers.

Mr. NYE. If properly administered.

Mr. NORBECK. Yes. I have heard so much about giving the farmer bargaining power that I was sorry the Senator did not discuss that point, because I do not see where it comes in on the staples that we raise in his State and mine. Whom will the farmer who raises a thousand bushels of wheat bargain with, even under the terms of this bill?

Mr. NYE. Is the Senator asking me the question?

Mr. NORBECK. Yes. I do not want to press the question. I am utterly unable to understand it and the Senator has made a considerable study of it. I fail to see, if the farmer has to sell his thousand bushels of wheat on the Liverpool market, whom he will bargain with.

Mr. NYE. Until quite recently I have felt that when we spoke of the Liverpool market we were speaking of the world market. I have to a large degree given up that thought. I do not believe that Liverpool fixes the world market.

Mr. NORBECK. I do not think it does entirely.

Mr. NYE. I do not believe the world market is fixed anywhere other than upon the board of trade in Chicago and in Minneapolis and Duluth. If the farmer is seeking a bargaining power, it must be a bargaining power that enables him to deal with an influence, not an influence away off across the water, but an influence that has set itself up here within our own circles, a bargaining power that will enable him, Mr. President, so say to those who are now in the marketing field, "If you are not going to deal rightly, if you are not going to deal reasonably and fairly in the marketing of these products, we are going to set up machinery—and we have the power to do it—right alongside of your institution, and we are going to bargain with you then, whether you want to or not." That, it seems to me, is the sort of bargaining power which the organized farmer must be seeking at this time.

Mr. NORBECK. Mr. President, I am afraid we are not making a clear distinction between the owner of the facility and the ultimate buyer of the grain. For instance, our surplus finds its way to Europe, to Italy, we will say, and the day it gets there it meets the competition of grain from other places; in other words, it is sold in competition. I am much at a loss to understand where we are going to get any great advantage.

I recall that 30 years ago, when the primary elevators were charging a greater price, charging so much, in fact, that they could pay for their facilities once or twice a year, the farmers got together and built elevators, which they still have in North Dakota and which, I presume, they have in South Dakota.

Mr. NYE. They do, to a large extent.

Mr. NORBECK. The primary market has been controlled by the farmers for 30 years.

Mr. NYE. That is hardly true.

Mr. NORBECK. It is true in my State.

Mr. NYE. I do not think the cooperatives have the large balance of power that once they had, because the depressing years since the war have deprived the farmers of a great many of the facilities which they owned cooperatively as well as properties which were their own.

Mr. NORBECK. I am not sure whether the Senator feels that the object is to attain certain economies along the line or whether the thought in mind is ultimately to obtain a higher price.

Mr. NYE. I thought I established that idea very clearly this afternoon in opposing the farm bill because of the expressed purpose, it seems to me, of avoiding a declaration calling for a higher or a better price for the American farmer's product. That has been the reason of my opposition, in the main, to the House bill, namely, its failure to show a determination to seek to influence a higher return for the farmer for the commodity which he was producing.

Mr. NORBECK. I will agree with the Senator as to the House bill, but, having in mind the Senate bill, I think the Senate bill, with the debenture plan, will be of substantial help to the farmer. If, however, the provision for the debenture plan shall be stricken out, I fail to see where the bill can amount to much so far as relieving the farmer is concerned.

We are told that cooperation is the great word, and the testimony before the Agricultural Committee two or three years ago was to that effect. For instance, livestock associations handle millions and millions of head of cattle on the Chicago market. The farmers ship to them and are proud of their showing; they have effected substantial savings, and no one has suggested how the system can be improved upon; but when the story has been told, the advantage to the producer amounts to but 30 cents per head. Even if we could get 30 cents a head additional, it would not be anything toward establishing the equality of agriculture.

Mr. NYE. Mr. President, at 12 o'clock to-day one Member of the Senate suggested he was only going to talk for 20 or 30 minutes longer. He went up to the 2-hour mark. Another Senator who followed him announced he would occupy only 15 or 20 minutes, and he spoke for an hour and 40 minutes. A half-hour ago I suggested that I would be through shortly after 5 o'clock, as it was desired that the Senate should have an executive session about that time. Will the Senator from South Dakota withhold any further questions at this time, so that we may keep that agreement, in a small degree at least?

Mr. NORBECK. I beg the Senator's pardon; I did not know there was such an agreement. If I had known it, I certainly would not have violated it.

Mr. NYE. The Senator has not violated it.

Mr. NORBECK. I am merely trying to get some of these matters cleared up in my own mind, and for the benefit of other Members of the Senate. However, certainly I will waive that privilege in order that we may proceed as the majority desire.

Mr. NYE. I shall gladly discuss the matter at another time with the Senator.

Mr. WATSON obtained the floor.

Mr. COPELAND. Mr. President, will the Senator yield to me for a minute?

The PRESIDENT pro tempore. Does the Senator from Indiana yield to the Senator from New York?

Mr. WATSON. I yield.

Mr. COPELAND. I ask permission to have inserted in the RECORD a letter which I have received regarding a proposed amendment to the bill striking out perishables. I have offered

such an amendment, and it is on the table. I should like to have the letter, without reading, printed in the RECORD at this point.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The letter referred to is as follows:

APRIL 6, 1929.

Hon. ROYAL S. COPELAND,
United States Senate.

DEAR SIR: The International Apple Shippers' Association, composed of the largest shippers, handlers, and exporters of apples in the United States, including the leading and most successful apple cooperative associations from coast to coast, individual growers, grower-owned storages and other facilities, as well as regular trade shippers, receivers, and storages, respectfully protest against including apples in the provisions of farm relief legislation:

First. So far as the same may apply to so-called stabilization corporations and agencies and the power of such agencies to buy or market a part or all of our crop, either at home or abroad.

Second. To loan provisions for the creation of further storages, warehouses, by-product factories, and other facilities in our line.

Third. To provisions for the organization of clearing-house and terminal associations, in so far as the element of direct or indirect compulsion to affiliate may be involved.

Fourth. To the artificial and ill-advised stimulation of cooperatives by the Government or its agencies.

Among our reasons are:

First. Any stabilization agency thus far proposed would, in our judgment, if operated, seriously injure our industry at home and wreck it abroad. The apple industry in this country has developed on its own initiative a large foreign trade, which is constantly expanding and which is being more and more financed by foreign capital through outright purchases and advances and where the fruit is carried for various periods by the foreign purchasers.

We have developed and are developing our own foreign trade to the limit of its sound possibilities. We do not want it wrecked by so-called stabilization agencies dumping supplies on foreign markets; neither do we wish to have foreign capital withdraw from the field, as it must if it has to compete with a governmental or quasi-governmental agency. Furthermore, we do not want our domestic markets wrecked or placed in a more or less chaotic condition by the injection of the activities of the same agency and the possible dumping of supplies on our own markets at unknowable times.

Moreover, any so-called stabilization agency, if it is to live financially, must and will stabilize at the lowest possible price which will make the market for the entire crop. Let this agency offer $1 per box and $2 per barrel for apples in the fall, and that will be the market.

If we must have these agencies and our people are prepared to embark on such a policy, then let the Government or its agencies go the whole way and take over and buy all of the crop, every year, year after year. We can't exist with the Government or its agencies partly in and partly out—in this year and out the next. Instead of stability it means disruption, uncertainty, and the destruction of confidence.

We could not expect an individual, possessed of elementary judgment, to invest a dollar in apples either at home or abroad, except in the most hand-to-mouth way, if this so-called stabilization system should prevail.

Again, apples are a perishable commodity and can not be carried over from year to year. There are a multitude of varieties from Transparents and Gravenstein in June and July to Ben Davis, Baldwins, Winesaps, and Newtowns as late as May. Each variety not only has its inherent natural limitations as to keeping qualities, but the same variety differs in different sections. Jonathans, for example, suffer from internal breakdown in Idaho and Washington, but not in Kansas, Nebraska, and Iowa. The Winesap of the Pacific coast is much different from the Winesap of Virginia in carrying characteristics. The Newtown of California is different in keeping qualities from the Newtown of Oregon. The McIntosh of New England is entirely different from the McIntosh of the southern group. Added to that is a great variation in the same variety in the same section, depending on soil conditions, cultural methods, degrees of ripeness, methods of packing and storage, etc.

It would be the height of impossibility for any farm board, stabilization agency, or other governmental agency to handle these situations without disaster to itself and the industry.

Second. We now have more storages for this industry than are needed or can be filled, due to ill-advised building and expansion. Some of them are not making both ends meet, due to crop conditions in their localities, new competition, and other causes.

Also, there are a large number of storages, warehouses, and other plants which have been built and developed by efficient cooperatives or by groups of individual growers on their own initiative, capital, and credit.

The loan funds thus far proposed offer a fertile field and a green pasture for the propagandist to go out and add to the present abundance of facilities at Government expense and in competition with growers and cooperatives who have already done their own developing on their own intelligence, good judgment, and credit, to say nothing of other private enterprise.

Right now we have an example in the Australian canned apple and canned fruit situation which concretely demonstrates how similar policies actually work out.

(1) The Australian Government has been unable to collect a material part of its loans and the taxpayer will stand the loss, while a part of the borrowing agencies have gone broke.

(2) The production of canned apples and fruits has so greatly increased under governmental loan stimulation that it has been impossible to market the output.

(3) Private canners have largely ceased operations, which has placed growers in an unfortunate position.

Third. As to clearing-house and terminal association, there has been in the background and underneath it all for a long time the undisclosed principle of compulsion. Every once in a while it shows through. In so far as the direct or indirect element of compulsion or force is involved, it has in it the complete spirit of ultimate autocracy and dictatorship and the ultimate struggle of a few to gain control of the food industry for their own ends. I can well remember in the early days when certain interests completely crushed their competitors by sandbagging markets until competitors were driven from the field. We don't want any more of that. I well remember at the start of the war when certain interests allied with politics in the State of New York attempted to gain complete domination of the food industry of the State for their own ends. The attempt defeated a governor for reelection.

The present Capper-Volstead Act contains ample power for any legitimate development along this line.

Fourth. The ill-advised and unintelligent overstimulation of cooperatives by the Government and other agencies, without regard to conditions or needs, has already strewn the country with wrecked and bankrupt cooperatives and growers who received little or nothing for their crops, and who in addition have had to pay assessments to make up deficits and judgments at the end of a lawsuit.

Three big groups of cooperatives in this section alone, involving many cooperative units, have recently gone to the wall accompanied by grave loss to their members.

This is not an argument against cooperatives nor a criticism of cooperation—far from it. There are many excellent, efficient, and well-managed cooperatives, many of them our members, which have developed as any other business must develop, to wit, from the ground up and by intelligence, experience, good judgment, efficiency, and real service. Wherever they are needed and can develop, they will do so under present laws and conditions. It is, however, a most uneconomic, injurious, and wrongful act to turn loose paid organizers with the prestige of the Government behind them to "rub the ears" of growers, and under the stimulus of the spellbinder push them into such organizations regardless of their real sober desire, needs, or the conditions surrounding them.

Add to the above the principle reported to have been advocated by one witness, of forcing everyone in if 75 per cent have signed up in his territory, and you have all of the elements of direct oppression, dictatorship, and ultimate injury. Cooperation never has and never will succeed on the basis of force.

Fifth. It is a very peculiar and interesting phenomenon that there seems to be little stress as to just how or where the grower is going to get a single penny more as a result of these proposals, and certainly no well-defined unanimity of judgment on the matter.

A study of the conditions from 1920 down to date shows that the real trouble lies in the extra out-of-pocket costs of producing and marketing—not profits of intermediaries—but absolute cash costs, to wit, labor, taxes, fertilizer, spray rigs, spray material, picking and packing costs, freight rates, trucking, rent, etc.

For example, in the East, down to the time of the war, we picked our apples for 12 cents a barrel (now 25 to 30 cents); packed for 7 cents to 10 cents (now 25 cents); barrels 30 to 35 cents (now 60 to 70 cents); storage, 30 cents (now 60 cents to $1.25); freight to New York, 25 cents per barrel (now 45 cents); icing charges, $8 to $10 (now $40 per car); and so on. And this is illustrative of any section.

Without criticizing or passing on the wisdom of the matter, but merely as a statement of fact, these increased costs have been caused primarily by:

(1) A starved labor market, due to restricted immigration and the increased control by organized labor. For example, the common labor cost of reconditioning perishables in many of our markets is often more than the commodity is worth.

(2) By high tariffs on nearly everything the grower needs or uses, directly or indirectly.

(3) By enabling freight rates and other public-utility rates to be arbitrarily pegged with sole regard to the earnings of the utility, so that we had the phenomenon of freight rates being fixed at the highest point in history at the very time deflation was at its worst in agriculture.

(4) Exorbitant taxes. For example, I am paying nearly $3 per acre in taxes on my own farm.

Will any of these bills or proposals reduce by so much as a penny any of these costs: The cost of labor, taxes, farm machinery, spray, packages, paper, picking, packing, freight rates, storage, city trucking and rent, cost of materials that go into plants, or any other of the actual out-of-pocket expense items? Will they reduce by so much as a penny ocean freight rates? Of course not.

As to getting more money for the commodities as an offset, there are only two places where it can be had, to wit, foreign countries or domestic markets.

No stabilization agency can get any more money for our apples by dumping supplies on foreign markets. On the contrary, it would get less and in addition wreck the markets that we have and are building up. No stabilization agency can get any more money for our apples by holding a reservoir of them hanging over either our domestic or foreign markets, ready to flood them at will or when the fruit gets out of condition and forces the flood. On the contrary, it would mean less money plus disruption and the destruction of confidence.

Hence the only thing left is to pull a supply absolutely off the domestic market and never put it back on the domestic market. In that event the stabilization agency must market abroad at a loss or destroy the product. Who is going to pay these losses? If you pull a supply definitely off the domestic market you are going, of course, to push up the domestic market, otherwise the grower won't get any more money. How far up is the domestic market to be pushed? What is the limit? How much will the consumer stand, since he holds the majority of the votes by at least 2 to 1?

In the event that a supply of apples is absolutely pulled off the domestic market for export, from what sections are those export apples to be taken, and what varieties, and in what proportions, bearing in mind that there is no approximate uniform relationship between growers and sections as to varieties and no uniformity as between sections as to keeping qualities? Who is going to reimburse the grower whose apples are taken by the stabilization agency for export at a low price while his more fortunate brother has the advantage of the high domestic market? If the stabilization agency limits its operations for storage and export to the hardy varieties, which it must do unless it wishes to court complete disaster, such as Newtowns Western Winesaps, Baldwins, and Ben Davis, etc., while the producer of Greenings, McIntosh, Stayman, Jonathan, Delicious, etc., has the high home market to himself, who is going to compensate those growers whose apples are taken and dumped on foreign markets at a low figure?

Sixth. Concrete suggestions.

(1) Reduce the out-of-pocket costs that enter into production. We realize, of course, that this is an impossible suggestion under the present trends of constantly increasing tariffs, high labor costs (I have to compete on my farm with the wage scale of factories in the city), and the pegging of transportation charges on the prevailing basis.

(2) Reduce the taxes of the producer.

(3) Give the Secretary and the Department of Agriculture power to advise growers as to production and as a safeguard against overproduction. There is no better agency. At the same time free the department from the fear of the land speculator and other agencies which prevent it from giving the advice which it can give. Witness the present cotton situation and the inability of the department to mention it. The department tried to point a warning against overplanting citrus in Florida, but persons with land to sell forced the withdrawal of the advice.

(4) Stop further reclamation projects. The situation is one of gigantic humor to see reclamation projects being pushed and thousands of additional acres made available for production and at the same time passing laws to save the grower.

(5) Provide adequate credit facilities through the intermediate credit bank or Federal land bank or some other bank where legitimate credit can be obtained on a reasonably sound banking credit basis. Any other basis will do more harm than good. The maintenance of marginal and illegitimate production, the stimulation of further production, and additional facilities by the practical giving of money on a loose basis, a large part of which will either not be repaid or will put the borrowers in bankruptcy, can only result in a worse situation.

(6) If some export plan is deemed wise, the debenture plan is the best and the soundest thus far proposed. It would be well worth trying out.

Very truly yours,

INTERNATIONAL APPLE SHIPPERS' ASSOCIATION,
R. G. PHILLIPS, *Secretary*.

EXECUTIVE SESSION

Mr. WATSON. 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 five minutes spent in executive session the doors were reopened.

RECESS

Mr. WATSON. I move the Senate take a recess until 12 o'clock noon to-morrow.

The motion was agreed to; and (at 5 o'clock and 25 minutes p. m.) the Senate took a recess until to-morrow, Saturday, May 4, 1929, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 3 (legislative day of April 29), 1929

UNITED STATES ATTORNEY

Howard W. Ameli, of New York, to be United States attorney, eastern district of New York, vice William A. De Groot, removed.

CONSUL GENERAL

John E. Kehl, of Ohio, now a Foreign Service officer of class 3 and a consul, to be a consul general of the United States of America.

CONSULS

The following-named Foreign Service officers, now vice consuls of career, to be consuls of the United States of America:

Paul H. Alling, of Pennsylvania.
George Alexander Armstrong, of New York.
Lawrence S. Armstrong, of New York.
Howard A. Bowman, of New York.
John H. Bruins, of New York.
Joseph F. Burt, of Illinois.
Alfred D. Cameron, of Washington.
Flavius J. Chapman, 3d, of Virginia.
William W. Corcoran, of Massachusetts.
C. Paul Fletcher, of Tennessee.
Joseph T. Gilman, of Massachusetts.
George J. Haering, of New York.
Benjamin M. Hulley, of Florida.
Paul W. Meyer, of Colorado.
Austin R. Preston, jr., of New York.
Edwin Schoenrich, of Maryland.
Winfield H. Scott, of the District of Columbia.
George E. Seltzer, of New York.

VICE CONSULS

The following-named persons to be vice consuls of career of the United States of America, to which office they were appointed during the last recess of the Senate:

Walter N. Walmsley, jr., of Maryland.
Dorsey G. Fisher, of Maryland.
Charles E. Bohlen, of Massachusetts.
Miss Margaret Warner, of Massachusetts.
Harold B. Minor, of Kansas.
Hiram Bingham, jr., of Connecticut.
Milton P. Thompson, of Tennessee.
Miss Nellie B. Stogsdall, of Indiana.
Claude A. Buss, of Pennsylvania.
Daniel M. Braddock, of Michigan.
William Karnes, of Illinois.
William H. Hessler, of Ohio.
Albert E. Clattenburg, jr., of Pennsylvania.
John H. Madonne, of Texas.
Robert G. McGregor, jr., of New York.
Robert S. Ward, of Ohio.
Alvin T. Rowe, jr., of Virginia.
Stuart Allen, of Minnesota.
Sydney G. Gest, of Pennsylvania.
Kenneth C. Krentz, of Iowa.

SECRETARIES IN THE DIPLOMATIC SERVICE

The following-named Foreign Service officers, unclassified, and vice consuls of career, to be also secretaries in the Diplomatic Service of the United States of America:

John M. Cabot, of Massachusetts.
George F. Kennan, of Wisconsin.
Alan S. Rogers, of California.
Kennett F. Potter, of Missouri.
Joseph C. Satterthwaite, of Michigan.

FOREIGN SERVICE OFFICERS

The following-named persons for promotion in the Foreign Service of the United States, as follows:

CLASS 2 TO CLASS 1

Charles B. Curtis, of New York.
Robert Frazer, jr., of Pennsylvania.
Clarence E. Gauss, of Connecticut.

CLASS 3 TO CLASS 2

Charles M. Hathaway, jr., of Pennsylvania.
Arthur Bliss Lane, of New York.
Samuel T. Lee, of Michigan.
J. Theodore Marriner, of Maine.

CLASS 4 TO CLASS 3

Charles L. Hoover, of Missouri.
Williamson S. Howell, jr., of Texas.
Irving N. Linnell, of Massachusetts.
Frank P. Lockhart, of Texas.
Jay Pierrepont Moffat, of New York.
Robert M. Scotten, of Michigan.
Edwin C. Wilson, of Florida.
Thomas M. Wilson, of Tennessee.

CLASS 5 TO CLASS 4

Harry Campbell, of Kansas.
Harold D. Clum, of New York.
Thomas L. Daniels, of Minnesota.
Erle R. Dickover, of California.
John W. Dye, of Minnesota.
Carol H. Foster, of Maryland.
Paul R. Josselyn, of Iowa.
David B. Macgowan, of Tennessee.
Orme Wilson, jr., of New York.

CLASS 6 TO CLASS 5

Charles E. Allen, of Kentucky.
George L. Brandt, of the District of Columbia.
Reed Paige Clark, of New Hampshire.
Cecil M. P. Cross, of Rhode Island.
John Dewey Hickerson, of Texas.
Harry M. Lakin, of Pennsylvania.
Robert D. Murphy, of Wisconsin.
Jefferson Patterson, of Ohio.
Charles J. Pisar, of Wisconsin.
Harold B. Quarton, of Iowa.
John Randolph, of New York.
H. Earle Russell, of Michigan.
Dana C. Sycks, of Ohio.

CLASS 7 TO CLASS 6

Willard L. Beaulac, of Rhode Island.
Howard Bucknell, jr., of Georgia.
Raleigh A. Gibson, of Illinois.
Louis H. Gourley, of Illinois.
Robertson Honey, of New York.
William J. McCafferty, of California.
John J. Meily, of Pennsylvania.
Horace Remillard, of Massachusetts.
Winthrop R. Scott, of Ohio.
Harold Shantz, of New York.
Maurice L. Stafford, of California.
Harold S. Tewell, of North Dakota.
Howard K. Travers, of New York.
Herbert O. Williams, of California.

CLASS 8 TO CLASS 7

Gilson G. Blake, jr., of Maryland.
Edward Caffery, of Louisiana.
J. Rives Childs, of Virginia.
Charles L. De Vault, of Indiana.
Curtis T. Everett, of Tennessee.
Robert F. Fernald, of Maine.
Richard Ford, of Oklahoma.
Herndon W. Goforth, of North Carolina.
Loy W. Henderson, of Colorado.
Erik W. Magnuson, of Illinois.
Edwin A. Plitt, of Maryland.
Sydney B. Redecker, of New York.
Laurence E. Salisbury, of Illinois.
Edwin F. Stanton, of California.
Christian T. Steger, of Virginia.
Leslie E. Woods, of Massachusetts.

UNCLASSIFIED AT $3,000 TO CLASS 8

Paul H. Alling, of Pennsylvania.
George Alexander Armstrong, of New York.
Lawrence S. Armstrong, of New York.
Howard A. Bowman, of New York.
John H. Bruins, of New York.
Joseph F. Burt, of Illinois.
Alfred D. Cameron, of Washington.
Flavius J. Chapman, 3d, of Virginia.
William W. Corcoran, of Massachusetts.
C. Paul Fletcher, of Tennessee.
Joseph T. Gilman, of Massachusetts.
George J. Haering, of New York.
Benjamin M. Hulley, of Florida.
Paul W. Meyer, of Colorado.
Austin R. Preston, jr., of New York.
Edwin Schoenrich, of Maryland.
Winfield H. Scott, of the District of Columbia.
George E. Seltzer, of New York.

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Walter N. Walmsley, jr., of Maryland.
Dorsey G. Fisher, of Maryland.
Charles E. Bohlen, of Massachusetts.
Miss Margaret Warner, of Massachusetts.
Harold B. Minor, of Kansas.
Hiram Bingham, jr., of Connecticut.
Milton P. Thompson, of Tennessee.
Miss Nelle B. Stogsdall, of Indiana.
Claude A. Buss, of Pennsylvania.
Daniel M. Braddock, of Michigan.
William Karnes, of Illinois.
William H. Hessler, of Ohio.
Albert E. Clattenburg, jr., of Pennsylvania.
John H. Madonne, of Texas.
Robert G. McGregor, jr., of New York.
Robert S. Ward, of Ohio.
Alvin T. Rowe, jr., of Virginia.
Stuart Allen, of Minnesota.
Sydney G. Gest, of Pennsylvania.
Kenneth C. Krentz, of Iowa.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 3 (legislative day of April 29), 1929

ASSISTANT SECRETARY OF WAR

Patrick Jay Hurley.

JUSTICE OF THE SUPREME COURT, DISTRICT OF COLUMBIA

Alfred A. Wheat.

ASSISTANT TREASURER OF THE UNITED STATES

George O. Barnes.

EXAMINER IN CHIEF, UNITED STATES PATENT OFFICE

William L. Thurber.

COLLECTOR OF CUSTOMS

Sidney C. Brown, district No. 18, Tampa, Fla.

POSTMASTERS

KENTUCKY

Sam Thomas, Allen.
Delmon W. Howard, Betsy Layne.

MISSOURI

Olric T. Anderson, Arcadia.
Stella M. Mountjoy, Ashland.
Louis E. Price, Freeman.
Minnie Rice, Irondale.
J. Homer Weakley, Kearney.
James R. Archer, Mountain Grove.
Jacob H. Seneker, Sarcoxie.
Robert B. Petts, Warsaw.

PENNSYLVANIA

Alta F. Stephens, Hop Bottom.

TENNESSEE

Alonzo A. Patterson, Henryville.
Burgy D. Foust, Medina.

WEST VIRGINIA

Malcolm R. Mathews, Charleston.

HOUSE OF REPRESENTATIVES

FRIDAY, *May 3, 1929*

The House met at 12 o'clock noon and was called to order by the Speaker.

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

Our Father, we believe that Thou art God; yet our faith is still unproved by works, our natures are still undeveloped by service, and our hearts still fail to overflow with charity. Thy presence, blessed Lord, is at once a stimulus and a help to purity of heart and nobleness of endeavor. Let this day mean to us a broader, deeper, truer, happier life. Give us courage to fearlessly say the words which witness to righteousness, patiently do the deeds which strengthen virtue, generously extend the helping hand to sustain the weak, faithfully give support to all

things good. Then, too, dear Father, when these hours close may we have sweet memories of companionship and new proofs of brotherly love. Amen.

The Journal of the proceedings of Wednesday, May 1, 1929, 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 without amendment a bill of the House of the following title:

H. R. 2158. An act making an appropriation for defraying the expenses of the United States Marine Band in attending the Confederate Veterans' Reunion, to be held at Charlotte, N. C., June 4 to June 7, inclusive, 1929.

ADMINISTERING THE OATH TO A REPRESENTATIVE

The SPEAKER. The Chair lays before the House the following communication, which the Clerk will read.

The Clerk read as follows:

ROCHESTER, MINN., *April 30, 1929.*

Hon. NICHOLAS LONGWORTH,

Speaker House of Representatives, Washington, D. C.

SIR: In accordance with your designation of me, pursuant to Resolution 27, adopted by the House of Representatives, to administer the oath of office to Representative-elect JAMES V. MCCLINTIC, of the seventh district of the State of Oklahoma, I have the honor to report that on the 30th day of April, 1929, at the city of Rochester, county of Olmsted, and State of Minnesota, I administered the oath of office to Mr. MCCLINTIC, form prescribed by section 1757 of the Revised Statutes of the United States, being the form of oath administered to Members of the House of Representatives, to which Mr. MCCLINTIC subscribed.

I have the honor to be, yours respectfully,

VERNON GATES.

Mr. HASTINGS. Mr. Speaker, I offer the following privileged resolution and ask its immediate consideration.

The SPEAKER. The Clerk will report it.

The Clerk read as follows:

House Resolution 36

Whereas JAMES V. MCCLINTIC, a Representative from the State of Oklahoma, from the seventh district thereof, has been unable from sickness to appear in person to be sworn as a Member of this House, but has sworn to and subscribed the oath of office before Judge Vernon Gates, authorized by resolution of this House to administer the oath, and the said oath of office has been presented in his behalf to the House, and there being no contest or question as to his election: Therefore

Resolved, That the said oath be accepted and received by the House as the oath of office of the said JAMES V. MCCLINTIC as a Member of this House.

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

The resolution was agreed to.

EXTENSION OF REMARKS

Mr. CROSS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting a statement in reference to bill H. R. 191, and also a statement in reference to bill H. R. 192, in relation to cotton exchanges.

The SPEAKER. The gentleman from Texas asks unanimous consent to extend his remarks in the RECORD by inserting statements with reference to bills introduced by himself. Is there objection?

There was no objection.

REGULATIONS OF TRANSACTIONS ON COTTON FUTURES EXCHANGES (H. R. 191)

Mr. CROSS. Mr. Speaker, ladies and gentlemen, the United States cotton exchange act, unlike the United States grain futures exchange act, is but a permit to these corporations to operate without supervision or restraint and to manipulate the price-registering scales of a great commodity to their heart's content.

First. This bill (H. R. 191) throws about the cotton exchanges the same restraints and Federal supervision as guard and protect from manipulation the grain exchanges.

Second. There are three buying and selling sections under the present so-called United States cotton futures exchange act, to wit, sections 5, 6 (a), and 10. The two latter sections are to the same effect. Section 10 provides that the purchaser under this section can, by presenting to the seller a list of the grades and staples he desires on the fifth business day before delivery, compel him to deliver to him cotton of the specified grades and staples. But the cotton exchanges have never permitted either of these sections to function.

Third. Section 5, the only section that is permitted to function, provides that the seller can on the fifth business day before delivery present to the purchaser a list of the grades and staples he will deliver to him five days thereafter and compel the purchaser to take them and pay the commercial differences for such grades and staples, whether he can use them or not. And since every consumer must of necessity have cotton of a certain grade and staple as designated in his cloth contracts, he is unable to go on the exchange and buy and have delivered to him anything he can use.

Fourth. As a result, save for a comparatively small amount of so-called hedging, there is no legitimate trading on the board, and consequently neither the consumers' demand, nor the producers' supply, controls the jumping-jack like chalk marks on the so-called cotton exchanges. When not manipulated by designing schemers they jump up and down in response to the impulse of the gamblers. Thus, what should be the price-registering scales of supply and demand of one of the country's major commodities becomes a farce, a manipulated shell game, and the producers its victim.

Fifth. On the other hand, the nonfunctioning sections, 6 (a) and 10, if they functioned, would not give the seller sufficient notice of the class of cotton he would be required to deliver.

Sixth. This bill contains but one buying and selling clause, designating by letters and numerals the grade and staple, at the time of purchase the cotton to be delivered. This would put the consumer on the board and supply and demand to functioning and registering the correct price.

Seventh. This bill further provides that certificated cotton once tendered on an exchange contract can not thereafter be tendered on another exchange contract. This will stop the nefarious practice of certain big cotton accumulators from using over and over the same certificated cotton as a hammer to beat down the prices.

THE STABILIZATION OF THE PRICE OF COTTON (H. R. 192)

Mr. CROSS. Mr. Speaker, ladies and gentlemen of the House, this bill (H. R. 192) if enacted into law will not only stabilize the price of cotton but prove to be a boon to both the producer and spinner and is economically sound.

First. Because cotton occupies a unique position among our products and is the only one of which we make the world price, from the simple fact that we produce the great bulk of the world's spinnable supply. But with other commodities, such as wheat, the outside world is not dependent upon us, as it produces not only enough for its needs but a surplus.

Second. The world will now on an average consume considerably in excess of 15,000,000 bales of American cotton, and we do not produce on an average in excess of this amount. For instance, spread over the last 10-year period the average production was less than 13,600,000 bales per year. And while as a result of insects and weather conditions in some years, we produce considerably less than the world's consumption of American cotton, in other years we produce considerably more. Taking the last eight years of big and little production, and including along with the other eight months the four selling months of depression, the average price of middling cotton on the New Orleans Cotton Exchange has been a fraction better than 21 cents per pound.

Third. It is the years of overproduction or bumper crops that ruin the farmer, and in such years the price reaches its lowest ebb during the four months when he markets the bulk of his crops, to wit, October, November, December, and January. Take the bumper crop of 1926–27, when we produced 17,755,000 gin bales, which, in weight, equaled nineteen million one hundred thousand 500-pound bales, the average price on the New Orleans Cotton Exchange for those four months was 12⅝ cents per pound, while the average price for the remaining eight months was 15⅝ cents per pound, or a difference of $15 a bale, which, on nineteen million one hundred thousand 500-pound bales, amounts to $286,500,000, which the farmers and the cotton States lost by reason of the depressed price during the crop-marketing months.

Fourth. Too often the farmer at planting time, speculating on disaster overtaking the rest of the country, visions 30-cent cotton and plants every acre he can, and in the fall wakes up to find a bumper crop and himself ruined. Cotton stabilized within the price set out in this bill will cause him to diversify and begin farming on business principles.

Fifth. To the spinner the great nightmare is not that the price is high but the ruinous price fluctuations, often jumping up or down $50 a bale in a few days. With the price stabilized as it is in this bill the spinner can make his cloth contracts knowing that he can not be ruined overnight by wild fluctuations in the market.

Sixth. With such a stabilization law the probabilities are that the Secretary of Agriculture would find it necessary to buy but little, if any, cotton, since, as soon as white cotton, middling in grade, dropped anywhere near the 18-cent price, individuals, realizing that they stood no chance to lose more than a mere bagatelle and in all probability a considerable profit within a comparatively short time, would enter the market and take up the temporary slack.

Seventh. This bill passes no buck, nor attempts to do indirectly what should be done directly. It creates no new board or bureau, quasi-irresponsible, to have turned over to it countless millions of the taxpayers' money with which to experiment with vast losses admittedly staring it in the face. But it points out in a sane, economic way just how existing machinery, created to deal with agricultural questions and products, shall function.

MUSCLE SHOALS

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a resolution in regard to Muscle Shoals, passed by the Senate of Texas on April 24, 1929.

The SPEAKER. The gentleman from Texas asks unanimous consent to extend his remarks in the RECORD by inserting a resolution in regard to Muscle Shoals, passed by the Senate of Texas. Is there objection?

There was no objection.

Mr. MANSFIELD. Mr. Speaker, under the leave to extend my remarks in the RECORD I include a resolution in regard to Muscle Shoals passed by the Senate of Texas on April 24, 1929.

The resolution is as follows:

Simple Resolution 2

Senator Beck sent up the following resolution:

"Whereas agriculture is the chief industry of our Southland; and

"Whereas the marketing system for our crops is inadequate; and the fertility of our soil is being constantly depleted of its nitrogen content; and the United States Government now owns a hydroelectric plant at Muscle Shoals, Ala., which cost more than $150,000,000, and is capable of manufacturing sodium nitrate so necessary for the rehabilitation of our soils; and

"Whereas at the present time Chilean nitrate sells at Texas points for $60 per ton, and the Muscle Shoals plant, if properly handled, will materially reduce the cost of sodium nitrate: Therefore be it

"*Resolved by the Senate of Texas,* That our Representatives in Congress are urgently requested to support such measures that will give an adequate marketing system for our crops, and such measures that will permit the manufacture of nitrogen at the Muscle Shoals plant, thereby making it possible for our farmers to receive cheaper fertilizer; be it further

"*Resolved,* That this resolution be printed in the journal and a copy thereof be mailed to our Representatives in Congress."

BECK.
NEAL.
WILLIAMSON.

THE TRIBUTE OF FRANCE TO THE LATE AMBASSADOR MYRON T. HERRICK

Mr. BACON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a tribute paid by M. Poincaré, the Prime Minister of France, at the funeral of our late American ambassador, Hon. Myron T. Herrick.

The SPEAKER. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD by printing a tribute paid by the French Premier at the funeral of the late Ambassador Herrick. Is there objection?

There was no objection.

Mr. BACON. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the eloquent eulogy of Premier Poincaré, of France, delivered at the funeral of the late Ambassador Myron T. Herrick.

The eulogy is as follows:

Ten days ago, on a sad occasion, Mr. Myron T. Herrick, gave France a last and supreme mark of his constant friendship. Although he had hardly recovered from a long and dangerous illness, he made a point of walking in the procession that followed Marshal Foch to his grave, and of attending the funeral from beginning to end, thus taking publicly his part in our national mourning. Now, he in his turn suddenly falls a prey to death, and his body will presently be carried by a French warship across the ocean he was so glad to have crossed a few weeks ago, to return to his post and to his dear Paris.

On the eve of his last voyage how could I without emotion remember Mr. Myron T. Herrick's arrival in this country in 1912? An American ambassador who had won many sympathies here and who spoke our language to perfection. Mr. Bacon had just left, much regretted by all, and the excellent memory he was leaving behind him certainly did not contribute to make his successor's task an easy one. But Mr. and Mrs. Herrick did not require many months to undertake and achieve the conquest of diplomatic circles and of Parisian society.

His tall, elegant figure and his open countenance made everyone who met the new ambassador feel at once that he was as sincere as he was charming, and that he was bent on learning how to understand and love France. After a brilliant career as a barrister in Cleveland, he had been in charge of important financial interests, and his mind had been trained by the experiences of an active life to deal with facts and to work for practical ends. But his gift for practical action was inseparable from delicate feeling and earnest idealism—a combination so frequently found in the American soul. The visits he paid to me at the Quai d'Orsay in the first few days after arrival enabled me at once to feel that America had sent us a new friend, who would do everything to remove the distance between the two countries.

WANTED PRESIDENT TO COME HERE

That distance was much greater in those days than it is now, shortened as it has been by science and by natural affection. Herrick felt that in spite of strong historical links between France and the United States we did not meet often enough and knew too little of each other. He wanted to encourage the development not only of commercial but also of intellectual relations between the two nations. A few months before the war he told me, in a friendly conversation, of a hope which he entertained; he wished that the President of the French Republic might be received in Washington, and that the President of the United States might be authorized by Congress to return the visit. But fate did not allow such an exchange of courtesies to take place in the atmosphere of an unaltered peace, and the catastrophe of 1914 forced more thankless tasks upon the Governments.

The breaking out of hostilities was deplored by no one more than by Mr. Myron Herrick. He knew perfectly that France bore no responsibility for the conflict. He had seen her at work and was well acquainted with her feelings. He was therefore deeply moved when, on Monday, August 3, 1914, he found himself, obliged by circumstances, to inform the French cabinet that the fateful hour had struck. The German Ambassador, Baron von Schoen, had been instructed to ask his American colleague to assume the protection of German interests in France. Mr. Herrick, of course, had thought such a request could not be rejected. But as Baron von Schoen expressed the further wish that the Star-Spangled Banner should be hoisted on the German Embassy, Mr. Herrick had definitely refused, and at 6.45 p. m. he had telephoned to the French Prime Minister, M. Viviani, informing him of this double reply, which could leave us under no delusion as to the possibility of preserving peace.

Almost at the same time, in conformity with the administrative tradition of the United States, Mr. Herrick, being a Republican, was recalled by the Democratic President, Mr. Wilson, and he was only carrying out his final orders at the embassy when, about the end of that same month of August, the victorious German armies approached Paris by forced marches. It is not enough once more to say that at such a critical moment Mr. Myron T. Herrick's behavior was that of a great friend of the French nation; he behaved as a brave champion of humanity.

The conversation he had with me at the Elysée on September 2, 1914, was repeated by himself in his speech when that moving reception was given to him at the Hotel de Ville on July 6, 1920. He told me he had firmly decided not to leave Paris before his successor had actually taken possession of his post. The Secretary of State, Mr. Bryan, had allowed him complete freedom in that respect.

"If Paris is taken," the ambassador said, "I will use my country's authority, and, if necessary, I will display our star-spangled colors to cover your museums and monuments. I will go to the utmost limits of my power to protect the inhabitants against pillage and oppression." Tears rose to his eyes while he spoke. I assured him that France would not lay down her arms before the day of victory and that Paris would be stubbornly defended both by its outer system of forts and by the army intrusted with the protection of the entrenched camp. He looked at me silently, unwilling to lessen my hopes, held my hands in his hands for a time, and then went away, showing signs of deep emotion.

A few weeks later, before he sailed for America, he sent me a very sad letter, in which after deploring France's ordeal, he expressed his admiration and enthusiasm for the courage and spirit of sacrifice of our people, and he promised to come back as often as he could to visit his friends in Paris. Upon arrival in the United States he made himself the indefatigable exponent and supporter of our cause.

AIDED FRANCE IN UNITED STATES

He did everything he could to encourage the efforts of the American Red Cross, the generous contributions of his countrymen, the enlistment of volunteers, and many unofficial activities which took place before the military and naval action of the United States which contributed to show in which direction the sympathies of that great Nation were gradually moving. The day came when America felt that, although so far removed from the battle fields, she had to step in for two reasons: One of national interest—the impossibility of leaving unanswered the

outrageous defiance of the German Navy—and one of world interest—the moral obligation of coming to the rescue of violated rights. Then Mr. Myron T. Herrick was entitled to think that his personal action had not been without influence in that great historical decision, and he rejoiced in witnessing the renewal of our old brotherhood in arms facing a common danger.

When, at last, after the Republicans had returned to power, he came back to France to resume his interrupted work, his joy no doubt was marred by cruel family bereavements. But what could have soothed his personal grief more than the vision of the friendship between the two nations strengthened by their common success, and the ancient frontiers of France restored to her by victory? Many times he expressed to me this great satisfaction which the disappointments and misunderstandings of the peace settlement could not disturb.

WAS TRUE SERVANT OF UNITED STATES

He was, above all, the faithful representative of American policy and always followed scrupulously the instructions of his Government. But whether the problems were big or small, he sought with gentle obstinacy, solutions which might be compatible with legitimate French interests. He made every effort when needed to remove mutual prejudice, to bring respective views nearer one another, and when dealing with the most uninspiring subjects, to help in their settlement by introducing in the debate something of the noble feeling which inspired the friendship between America and France in its beginnings. My colleague and friend, M. Aristide Briand, more than once witnessed, as I did myself, Mr. Herrick's well-intended efforts, which never were without a result and which did much to maintain between the two Republics that confidence which inspired them on the battle fields.

Nothing pleased Mr. Myron T. Herrick more than to be admitted into the intimacy of our French life and to feel more and more acquainted with our customs and institutions. One of his greatest pleasures in the last years, having already been made a doctor of laws by Princeton, Harvard, and Columbia Universities, was to be granted the same degree by the University of Nancy. I was by his side when that honorary degree was conferred upon him, and I have seldom observed so much joy and pride mixed with the customary freedom of his speech.

But he felt still more happy and moved when, in June, 1922, he presented to the town of Verdun the priceless medal which the President and the Congress of the United States had, by a decision without a precedent, granted to the fortress of Lorraine. I can see him as he was, deeply moved by the enthusiastic reception of the population, and the fine address which he delivered to a grave and respectful audience of thousands remains engraved in my memory.

Herrick knew that for many months the divisions of the French Army had succeeded one another at Verdun, in order to sustain one after the other, the shock of the enemy's onslaught. He knew that there was not one of our provinces, not one of our towns and villages, which had not lost some of its best blood on the terrible hills of the Meuse. We knew on our side that America desired to honor the small, glorious city, because the battle and victory of Verdun had been the battle and victory of right and liberty. This is why Herrick, speaking to a French audience in Verdun, did not fail to remember that the prodigious achievements of our armies round the inviolate citadel were not inspired by the spirit of agression, but the necessity of fighting for the defense of their homes, so that, by repelling the invader they had fought for the cause of justice.

When nearly two years ago Lindbergh won the admiration of the world by his successful flight across the Atlantic, and when Paris gave the young and fearless airman a triumphal reception, Mr. Herrick thought that he was witnessing the crowning of the work to which his mind and heart had been wholly devoted. He foresaw a splendid renewal of the friendship between the two nations. He thought that, the barriers of time and space being at last removed, it would become an easy thing for American and French thought mutually to join and that under the ægis of Lindbergh there was about to commence at last that era of perfect and inalterable union toward which Herrick, with all the forces of his soul, had unwaveringly aspired.

As his health declined, he seemed to find in that hope—and I should rather say, in that faith—the support for his declining years. He had no doubt that it was the destiny of France and America, by keeping near each other among the first civilized nations of the world to cooperate in rendering more stable and fruitful universal peace. When after a grave illness which had left him seriously weakened, he hastened to come back to Paris, he was urged to do so by that compelling belief that he should not leave to anyone else the completion of his sacred task. He was well aware of the danger he was running, but he believed that even his death might serve his generous purpose. When in a few hours the cruiser *Tourville* takes his body to the Western Continent, Herrick will leave in our memory an image which nothing can destroy, the portrait of a fine and good man, in whose features France in the future will recognize not only those of a faithful and active friend but some of the most winning characteristics of America itself.

BATTLE OF CAMDEN, S. C.

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent to take up and pass the resolution which I send to the Clerk's desk, which comes from the Committee on Printing.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

HOUSE RESOLUTION 37

Resolved, That the historical statements concerning the Battle of Camden, S. C., of August 16, 1780, prepared by Lieut. Col. H. L. Landers, of the historical section, Army War College, be printed, with illustrations, as a document.

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

There was no objection.

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

The resolution was agreed to.

LEAVE TO ADDRESS THE HOUSE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that on next Monday, immediately after the reading of the Journal and the disposition of business on the Speaker's table, I may be permitted to address the House for 45 minutes.

The SPEAKER. The Chair will call the attention of the gentleman to the fact that a previous order has been made permitting the gentleman from Nebraska [Mr. HOWARD] to address the House at that time. The gentleman could modify his request and ask that he be allowed to speak at the conclusion of the address of the gentleman from Nebraska.

Mr. RANKIN. Very well.

The SPEAKER. The gentleman from Mississippi asks unanimous consent that on Monday next, following the address of the gentleman from Nebraska [Mr. HOWARD], he may address the House for 45 minutes. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. BURTNESS. Mr. Speaker, I ask unanimous consent to extend my remarks in reference to farm legislation.

The SPEAKER. The Chair thinks that the gentleman already has that privilege.

Mr. BURTNESS. I was under the impression that the time had expired or would soon expire.

The SPEAKER. The Chair thinks that it is not necessary. Only three legislative days have passed.

Mr. BURTNESS. Very well.

ADJOURNMENT

Mr. TILSON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 10 minutes p. m.) the House adjourned, under the previous order, until Monday, May 6, 1929, at 12 o'clock noon.

PUBLIC BILLS AND RESOLUTIONS

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

By Mr. EATON of New Jersey: A bill (H. R. 2526) to authorize the coinage of silver 50-cent pieces in commemoration of the two hundredth and fiftieth anniversary of the founding of the city of Trenton, N. J.; to the Committee on Coinage, Weights, and Measures.

By Mr. GOODWIN: A bill (H. R. 2527) authorizing an appropriation to encourage the utilization of farm waste for the production of paper by aiding farmers and local chambers of commerce to develop the manufacture of paper pulp from waste crops; to the Committee on Agriculture.

By Mr. EATON of New Jersey: Joint resolution (H. J. Res. 66) providing for the issuance of a special postage stamp in commemoration of the two hundred and fiftieth anniversary of the founding of the city of Trenton, N. J.; to the Committee on the Post Office and Post Roads.

By Mr. McDUFFIE: Joint resolution (H. J. Res. 67) for the relief of the oyster industry in Alabama; to the Committee on Appropriations.

Also, joint resolution (H. J. Res. 68) to amend Public Resolution 92 by extending its provisions, as amended, to the oyster industry wherever an emergency exists as a result of floods and storms; to the Committee on Agriculture.

By Mr. BLACK: Resolution (H. Res. 38) to investigate administration of justice in the eastern district of New York; to the Committee on Rules.

MEMORIALS

Under clause 3 of Rule XXII, memorials were presented and referred as follows:

Memorial of the State Legislature of the State of California, that the President, the Secretary of the Treasury, and the Congress of the United States be hereby memorialized and urged that a reduction of 50 per cent be made in the tax rate on earned incomes below the tax rate on unearned incomes; to the Committee on Ways and Means.

Memorial of the State Legislature of the State of California, protesting against any character of action designed to modify the present immigration laws relating to the exclusion of Asiatic laborers and reaffirms its belief that the privilege of American citizenship should continue to be restricted as at present, and that the privilege of immigration should be extended only to those people who may become citizens of the United States; to the Committee on Immigration and Naturalization.

Memorial of the State Legislature of the State of California, respectfully urging and requesting adequate Federal assistance in the control of this great forest menace, and the adoption by the Congress of the United States of appropriate legislation for the appropriation of the requisite funds for the purpose of meeting this emergency relating to the bark beetle; to the Committee on Agriculture.

Memorial of the Methodist Episcopal ministers, urging Congress for the passage of the Robinson educational bill; to the Committee on Education.

By Mr. LEAVITT: Memorial of the State Legislature of the State of Montana, urging the Congress of the United States for the authorization of appropriations to provide for the construction and maintenance of adequate fire lanes, telephone lines, roads and trails, and other improvements necessary for the prevention of fires on national forests, and for the construction of stock driveways, stock-watering places, and other similar improvements desirable for range management; to the Committee on Agriculture.

Also, memorial of the State Legislature of the State of Montana, urging Congress of the United States for an adequate tariff to protect the poultry industry; to the Committee on Ways and Means.

By Mr. GARNER: Memorial of the State Legislature of the State of Texas, urging Congress for an act providing for issuance of special half-dollar coins commemorating seventy-fifth anniversary of Gadsen purchase; to the Committee on Coinage, Weights, and Measures.

By Mr. HALL of North Dakota: Memorial of the State Legislature of the State of North Dakota, that provision should be made by Congress to meet the aforesaid costs, incident to cooperation between the State and Federal commissions, by the appropriation of not less than $100,000 per annum, to be available for use therefor through, and under the direction of, the Interstate Commerce Commission; to the Committee on Interstate and Foreign Commerce.

By Mr. BOHN: Memorial of the Legislature of the State of Michigan, relative to the Great Lakes-St. Lawrence-ocean waterway connecting the Great Lakes with the Atlantic Ocean; to the Committee on Rivers and Harbors.

By Mr. O'CONNELL of New York: Memorial of the Legislature of the State of California, requesting Federal assistance in the control of bark beetles and other forest insects; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of California, favoring a reduction of 50 per cent be made in the tax rate on earned incomes below the tax rate on unearned incomes; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. ABERNETHY: A bill (H. R. 2528) granting a pension to Nancy Elizabeth Paul; to the Committee on Pensions.

By Mr. ANDREW: A bill (H. R. 2529) providing for the examination and survey of Gloucester Harbor and Annisquam River, Mass.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 2530) granting an increase of pension to Irene Rucker Sheridan; to the Committee on Invalid Pensions.

By Mr. BACHMANN: A bill (H. R. 2531) granting an increase of pension to Elizabeth Contz; to the Committee on Pensions.

Also, a bill (H. R. 2532) granting an increase of pension to Elizabeth Gray; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2533) granting an increase of pension to Amanda Thompson; to the Committee on Invalid Pensions.

By Mr. BOWMAN: A bill (H. R. 2534) granting a pension to Hannah E. Van Meter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2535) granting a pension to Anna E. Bible; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2536) granting a pension to Phoebe E. George; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2537) granting a pension to Morgan Propst; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2538) granting a pension to Abraham Keplinger; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2539) granting a pension to Sarah Mallow; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2540) granting an increase of pension to Camila D. Purinton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2541) granting an increase of pension to Emma E. Jackson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2542) granting an increase of pension to Margaret Kitzmiller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2543) for the relief of Basil N. Henry; to the Committee on Military Affairs.

Also, a bill (H. R. 2544) granting a pension to John D. Yoakum; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2545) granting a pension to Mary A. Fike; to the Committee on Invalid Pensions.

By Mr. BUCKBEE: A bill (H. R. 2546) granting an increase of pension to Lois M. Heuston; to the Committee on Invalid Pensions.

By Mr. CANNON: A bill (H. R. 2547) granting a pension to Thomas Finley; to the Committee on Invalid Pensions.

By Mr. COCHRAN of Missouri: A bill (H. R. 2548) for the relief of C. M. Perkins; to the Committee on Claims.

By Mr. COCHRAN of Pennsylvania: A bill (H. R. 2549) granting an increase of pension to Jane Ferris; to the Committee on Invalid Pensions.

By Mr. CLARKE of New York: A bill (H. R. 2550) for the relief of Joseph Pulitzer; to the Committee on Claims.

Also, a bill (H. R. 2551) granting an increase of pension to Warren J. Coleman; to the Committee on Pensions.

By Mr. GREENWOOD: A bill (H. R. 2552) granting an increase of pension to Elzira Vanhoy; to the Committee on Invalid Pensions.

By Mr. HALL of North Dakota: A bill (H. R. 2553) granting an increase of pension to Christina S. Dunn; to the Committee on Invalid Pensions.

By Mr. HALSEY: A bill (H. R. 2554) granting a pension to Mrs. M. R. Smith; to the Committee on Invalid Pensions.

By Mr. KENDALL of Kentucky: A bill (H. R. 2555) granting a pension to Sarah Kincaid; to the Committee on Invalid Pensions.

By Mr. LAMPERT: A bill (H. R. 2556) granting a pension to Julia A. Kelsey; to the Committee on Invalid Pensions.

By Mr. NIEDRINGHAUS: A bill (H. R. 2557) authorizing the President to appoint George Gellhorn, jr., formerly an ensign, United States Navy, to his former rank as ensign; to the Committee on Naval Affairs.

By Mr. O'CONNOR of Oklahoma: A bill (H. R. 2558) granting a pension to Martha S. Lowe; to the Committee on Invalid Pensions.

By Mr. PALMER: A bill (H. R. 2559) granting a pension to Lois Masters Akeman; to the Committee on Invalid Pensions.

By Mr. SMITH of West Virginia: A bill (H. R. 2560) granting an increase of pension to Mary E. Medley; to the Committee on Invalid Pensions.

By Mr. SPARKS: A bill (H. R. 2561) for the relief of Charles W. Cole; to the Committee on World War Veterans' Legislation.

PETITIONS, ETC.

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

306. By Mr. ANDREW: Petition signed by Hans Fredriksen and other citizens of Beverly, Mass., favoring legislation to increase pensions for Spanish War veterans; to the Committee on Pensions.

307. By Mr. CANNON: Petition of G. W. Miller and other citizens of Fulton, Mo., relative to proposed calendar change; to the Committee on Foreign Affairs.

308. By Mr. COYLE: Evidence in support of House bill 2419, granting an increase of pension to Martha P. Leinbach; to the Committee on Invalid Pensions.

309. By Mr. HALL of North Dakota: Memorial of the Twelfth District Association of Agricultural Credit Companies, for a change in the Federal intermediate credit bank act; to the Committee on Banking and Currency.

310. By Mr. O'CONNELL of New York: Petition of the Daughters of Union Veterans of the Civil War, 1861–1865, favoring pension legislation during the special session of Congress for

Civil War veterans and their widows; to the Committee on Invalid Pensions.

311. Also, petition of the McFadden Publications, New York City, opposing any change in the present definition of newsprint and the imposition of any tariff on this class of paper; to the Committee on Ways and Means.

312. Also, petition of the Legislature of the State of California, opposing any legislation that would modify the present immigration laws relating to the exclusion of Asiatic laborers; to the Committee on Immigration and Naturalization.

313. By Mr. PALMER: Petition of the Samuel K. Crawford Camp, No. 21, United States Spanish War Veterans, of Sedalia, Mo., urging Congress of the United States for the passage of legislation more favorable to the former Spanish-American War soldiers; to the Committee on Pensions.

314. By Mr. SELVIG: Petition of secretary of Minnesota Holstein-Friesian Breeders' Association, in behalf of all members and county associations of that organization, urging support of oleomargarine bill (H. R. 6) and passage by Congress; also favoring a fair and just tariff rate on Philippine coconut products; to the Committee on Agriculture.

315. Also, petition of Twin Ports Cooperative Dairy Association, of Superior, Wis., favoring increased tariff duties on all dairy products, imported animal, marine, and vegetable oils and fats; to the Committee on Ways and Means.

316. Also, petition of Evangelical Lutheran Red River Valley Conference, April 19, 1929, urging Members of Congress to vote for the immediate repeal of the national-origins plan; to the Committee on Immigration and Naturalization.

317. Also, petition of Twin Ports Cooperative Dairy Association, of Superior, Wis., urging equitable tariff protection on oils and fats; also increase in tariff on all agricultural imports; to the Committee on Ways and Means.

318. Also, petition of Minnesota Live Stock Breeders' Association, urging support for oleomargarine bill (H. R. 6) and passage in this session of Congress; to the Committee on Agriculture.

SENATE

SATURDAY, *May 4, 1929*

(Legislative day of Monday, April 29, 1929)

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

Mr. WATSON. 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:

Allen	Fletcher	Keyes	Schall
Barkley	Frazier	King	Sheppard
Bingham	George	La Follette	Shortridge
Black	Gillett	McKellar	Simmons
Blaine	Glass	McMaster	Smith
Blease	Glenn	McNary	Smoot
Borah	Goff	Metcalf	Steiwer
Bratton	Greene	Moses	Thomas, Idaho
Brookhart	Hale	Norbeck	Thomas, Okla.
Broussard	Harris	Norris	Townsend
Burton	Harrison	Nye	Trammell
Capper	Hastings	Oddie	Tydings
Caraway	Hatfield	Overman	Tyson
Connally	Hayden	Patterson	Vandenberg
Couzens	Hebert	Phipps	Walcott
Dale	Heflin	Ransdell	Walsh, Mont.
Deneen	Howell	Reed	Warren
Dill	Johnson	Robinson, Ark.	Waterman
Edge	Jones	Robinson, Ind.	Watson
Fess	Kean	Sackett	Wheeler

The VICE PRESIDENT. Eighty Senators have answered to their names. A quorum is present.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a telegram, in the nature of a petition, signed by E. H. Retting, of Seattle, Wash., praying for the prompt passage of the House farm relief bill, which was ordered to lie on the table.

He also laid before the Senate resolutions adopted by Chauffeurs' Local Union No. 265, Asphalt Pavers' Local Union No. 84, Bakery Wagon Drivers' and Salesmen's Local Union No. 484, and the Lafayette Club, all of San Francisco, Calif., favoring a reduction of 50 per cent in the Federal tax on earned incomes, which were referred to the Committee on Finance.

Mr. BURTON presented petitions of sundry citizens of the State of Ohio, praying for the passage of farm relief legislation, which were ordered to lie on the table.

He also presented petitions of sundry citizens—growers and packers of leaf tobacco—of the State of Ohio, praying for a reduction in the rate of duty on Sumatra wrapper, which were referred to the Committee on Finance.

He also presented a petition of sundry citizens of the State of Michigan, praying for the repeal of the national-origins provision of the existing immigration law, which was referred to the Committee on Immigration.

He also presented petitions of sundry citizens of the State of Ohio, praying for the passage of House bill 11, the so-called Kelly fair trade bill, which were referred to the Committee on Interstate Commerce.

Mr. BLAINE presented a resolution adopted by the Trades and Labor Council of La Crosse, Wis., favoring the passage of legislation granting increased pensions to Civil War veterans and their widows and also to Spanish War veterans, which was referred to the Committee on Pensions.

He also presented a resolution adopted by the City Council of Minneapolis, Minn., favoring the making of provision for the Mid West, and especially the Northwest, of a deep-water outlet to tidewater as contemplated by the act of Congress approved January 21, 1927, which was referred to the Committee on Commerce.

BILLS INTRODUCED

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

By Mr. LA FOLLETTE:

A bill (S. 956) granting a pension to Hattie Marshall; to the Committee on Pensions.

By Mr. ROBINSON of Indiana:

A bill (S. 957) granting an increase of pension to Fannie Loomis; and

A bill (S. 958) granting increase of pensions under the general law to soldiers and sailors of the Regular Army and Navy and their dependents, for disability incurred in service in line of duty, and authorizing that the records of the War and Navy Departments be accepted as to incurrence of a disability in service in line of duty; to the Committee on Pensions.

By Mr. THOMAS of Oklahoma:

A bill (S. 959) for the relief of William Smith; to the Committee on Military Affairs.

A bill (S. 960) for the relief of Blanche E. Little, individually and as assignee of Alice T. Johnson and Andrew W. Little; to the Committee on Claims.

A bill (S. 961) granting a pension to Hanora C. Fritz (with accompanying papers); to the Committee on Pensions.

By Mr. TYDINGS:

A bill (S. 962) to amend and reenact subdivision (a) of section 209 of the transportation act, 1920; to the Committee on Interstate Commerce.

By Mr. DENEEN:

A bill (S. 963) granting an increase of pension to Sarah E. Harkleroad; to the Committee on Pensions.

A bill (S. 964) for the relief of Maj. H. E. Miner, Capt. A. J. Touart, Capt. J. L. Hayden, Capt. H. H. Pohl, First Lieut. C. C. Jadwin, and First Lieut. F. B. Kane, United States Army; to the Committee on Claims.

By Mr. BROOKHART:

A bill (S. 965) to amend the Federal reserve act, as amended, with respect to venue of civil suits against Federal reserve banks; to the Committee on Banking and Currency.

INTERNATIONAL PAPER & POWER CO.

Mr. WALSH of Montana. Mr. President, I send to the desk a resolution, which I ask may be read, and then I shall ask unanimous consent for its present consideration.

The VICE PRESIDENT. The clerk will read the resolution.

The legislative clerk read the resolution (S. Res. 53), as follows:

Whereas it appears from testimony taken by the Federal Trade Commission under and by virtue of Senate Resolution 83, Seventieth Congress, first session, that the International Paper & Power Co. and its affiliated concerns is the owner of stock in the Boston Herald and Traveler, published at Boston, Mass.; the Chicago Daily News, published at Chicago, Ill; the Chicago Journal, published at Chicago, Ill.; the Tampa Tribune, published at Tampa, Fla.; the Greensboro Record, published at Greensboro, N. C.; the Knickerbocker Press, published at Albany, N. Y.; the Albany Evening News, published at Albany, N. Y.; the Brooklyn Eagle, published at Brooklyn, N. Y.; the Augusta Chronicle, published at Augusta, Ga.; the Columbia Record, published at Columbia, S. C.; the Spartanburg Herald Journal, published at Spartanburg, S. C.; and possibly other interests in other journals; Therefore be it

Resolved, That the Postmaster General is hereby directed to transmit to the Senate for its information a copy of the statement filed by the editor, publisher, business manager, or owner of each of the newspapers