May not the President's proposals, if now met in a reciprocal spirit, easily assume the magnitude of a Magna Charta in the future development of the West?

REFERENCE OF EXECUTIVE MESSAGES

The VICE PRESIDENT. The Chair refers to the appropriate committees sundry Executive messages received from the President of the United States.

PRIVILEGES OF THE FLOOR

Mr. WATSON submitted the following resolution (S. Res. 115), which was referred to the Committee on Rules:

Resolved, That Rule XXXIII of the Standing Rules of the Senate, relating to the privilege of the floor, be, and the same is hereby, amended by adding at the end thereof the following paragraph:

"Duly accredited representatives of the Associated Press, the United Press, the International News Service, and the Universal Service."

DEATH OF REPRESENTATIVE KVALE

Mr. SCHALL. Mr. President, it is with deepest sorrow and regret that I have to announce the death of my friend and former colleague of the House, O. J. KVALE. He represented the seventh congressional district of our State for four terms. Previous to his coming to Congress he was a Lutheran minister of high standing in our State, a great student and an eloquent speaker. He came to Congress as a Progressive Independent in 1922, defeating his Republican opponent by 14,000. His ever-increasing majorities over his opponents for the next three terms demonstrates the high esteem in which he was held by his constituency. He was elected to the Seventy-first Congress by a majority of better than 28,000. On the floor of the House and in committee his eloquence, studious ability, and zealousness in behalf of agriculture has made him one of the ablest legislators in his fight to give agriculture an equality basis with industry. He had no peer in the House as champion of the common folks. The common people of Minnesota and the United States have lost through his premature death an able advocate of their rights and special interests have been relieved of an unrelenting foe.

I send to the desk the usual resolutions and move their adoption.

The VICE PRESIDENT. The resolutions will be read.

The resolutions (S. Res. 116) were read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the Senate has heard with deep regret of the announcement of the death of O. J. KVALE, late a Representative from the State of Minnesota.

Resolved, That a committee of six Senators be appointed by the Vice President to attend the funeral of Mr. KVALE.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the late O. J. KVALE that the Senate do now stand in recess until Friday, September 13, at 12 o'clock noon.

RECESS

Pursuant to the last resolution, the Senate thereupon (at 5 o'clock and 15 minutes p. m.) took a recess until to-morrow, Friday, September 13, 1929, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate September 12 (legislative day of September 9), 1929

APPOINTMENTS IN THE ARMY

To be assistant to the Quartermaster General, with the rank of brigadier general, for a period of four years from date of acceptance, with rank from August 31, 1929

Col. Louis Hermann Bash, Quartermaster Corps, vice Brig. Gen. Winthrop S. Wood, assistant to the Quartermaster General, retired from active service August 30, 1929.

To be assistants to the Surgeon General, with the rank of brigadier general, for a period of four years from dates of acceptance

Col. Henry Clay Fisher, Medical Corps, with rank from October 11, 1929, vice Brig. Gen. Frank R. Keefer, assistant to the Surgeon General, who retires from active service October 10, 1929.

Col. Carl Royer Darnall, Medical Corps, with rank from December 5, 1929, vice Brig. Gen. James M. Kennedy, assistant to the Surgeon General, who retires from active service December 4, 1929.

PROMOTIONS IN THE ARMY

To be colonel

Lieut. Col. Edmond Ross Tompkins, Quartermaster Corps, from September 8, 1929.

To be lieutenant colonel

Maj. John Pearson Bubb, Infantry, from September 8, 1929.

To be major

Capt. James Vernon Ware, Infantry, from September 8, 1929

DENTAL CORPS

To be majors

Capt. Thomas Minyard Page, Dental Corps, from September 9, 1929.

Capt. James Boyle Harrington, Dental Corps, from September 10, 1929.

Capt. Earle Robbins, Dental Corps, from September 10, 1929.

SENATE

FRIDAY, *September 13, 1929*

(Legislative day of Monday, September 9, 1929)

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

FUNERAL OF THE LATE REPRESENTATIVE KVALE

The VICE PRESIDENT. Under the resolution (S. Res. 116) adopted yesterday, providing for the appointment of a committee to attend the funeral of the late Representative KVALE, the Chair appoints the senior Senator from Minnesota [Mr. SHIPSTEAD], the junior Senator from Minnesota [Mr. SCHALL], the Senator from South Dakota [Mr. NORBECK], the Senator from Iowa [Mr. BROOKHART], the Senator from Wisconsin [Mr. BLAINE], the Senator from Arizona [Mr. ASHURST], and the Senator from Georgia [Mr. GEORGE].

CALL OF THE ROLL

Mr. JONES. 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	Frazier	King	Shortridge
Ashurst	George	La Follette	Simmons
Barkley	Gillett	McKellar	Smoot
Bingham	Glass	McMaster	Steck
Black	Goff	McNary	Steiwer
Blaine	Gould	Metcalf	Swanson
Blease	Greene	Moses	Thomas, Idaho
Borah	Hale	Norris	Thomas, Okla.
Brock	Harris	Nye	Trammell
Brookhart	Harrison	Oddie	Tydings
Broussard	Hastings	Overman	Vandenberg
Capper	Hatfield	Patterson	Wagner
Connally	Hawes	Pine	Walcott
Couzens	Hayden	Pittman	Walsh, Mass.
Deneen	Heflin	Reed	Walsh, Mont.
Dill	Howell	Robinson, Ark.	Warren
Edge	Jones	Sackett	Waterman
Fess	Kean	Schall	Watson
Fletcher	Keyes	Sheppard	

Mr. FESS. I desire to announce that my colleague [Mr. BURTON] is still detained from the Senate by illness. I ask that this announcement may stand for the day.

Mr. WATSON. I desire to announce that my colleague the junior Senator from Indiana [Mr. ROBINSON] is out of the city on important business.

Mr. SCHALL. My colleague [Mr. SHIPSTEAD] is ill. I ask that this statement may stand for the day.

The VICE PRESIDENT. Seventy-five Senators have answered to their names. A quorum is present.

COMPILATIONS OF THE TARIFF COMMISSION (S. DOC. NO. 24)

The VICE PRESIDENT laid before the Senate a communication from the secretary of the United States Tariff Commission, transmitting certain material prepared by that commission in connection with the pending tariff legislation, as follows: (1) Memoranda regarding tariff increases in foreign countries (this covers a list of specified countries); (2) method of valuation for ad valorem duties (this covers a large number of countries in all sections of the world); and (3) duties levied in foreign countries on agricultural commodities from the United States (this covers a list of specified articles exported from the United States); which, with the accompanying data, was ordered to lie on the table and to be printed.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

RELIEF OF FLOOD SUFFERERS

Mr. BLEASE. I ask unanimous consent to have printed in the RECORD and referred to the Committee on Finance a letter from the Acting Secretary of Agriculture, a letter from Mr. Carl Williams, a member of the Farm Loan Board, and a petition from certain citizens of Woodruff, S. C.

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

There being no objection, the matter referred to was ordered to be printed in the RECORD and referred to the Committee on Finance, as follows:

DEPARTMENT OF AGRICULTURE,
Washington, D. C., September 5, 1929.

Hon. COLE L. BLEASE,
United States Senate.

MY DEAR SENATOR: Receipt is acknowledged of your letter of August 30, with copies of several telegrams addressed to you with reference to recent crop damage by hail in the vicinity of Woodruff, S. C. I note your suggestion that assistance be given to farmers whose crops were destroyed by this storm out of the appropriation which was made by the Congress last winter for the relief of flood and storm sufferers in the Southeastern States. Unfortunately, that appropriation was limited to loans for the production of the crop of 1929. Further, loans can only be made to those who suffered storm and flood damage prior to the passage of the resolution authorizing the appropriation, the authorization having been approved February 25, 1929. An amendment to the resolution extended its provisions to cover storm and flood losses incurred last spring, but the extension was specifically limited to the date of approval of the amendment, which was May 17, 1929.

The department has no other appropriation which can be used to afford relief to storm sufferers, and under the circumstances there is nothing we can do. I doubt the advisability of sending a representative of the department to this area to make a survey, as that action would be likely to arouse false hopes in the minds of those who suffered losses, and might also tend to prevent the giving of assistance to them by local agencies. The best help which they can get, I believe, is from the extension agents who are located in Spartanburg, especially the county agricultural agent, Mr. E. Carnes, and the extension agronomist, Mr. S. L. Jeffords.

Sincerely,

R. W. DUNLAP, *Acting Secretary.*

FEDERAL FARM BOARD,
Washington, September 3, 1929.

Hon. COLE L. BLEASE,
United States Senate.

DEAR SENATOR: Copies of telegrams exchanged between you and citizens of South Carolina in reference to hail damage in the Greer-Woodruff section has been referred to my desk.

I know the damage which hail can do and my sincere sympathy goes out to these people. I regret, however, that thus far studies which the Federal Farm Board has made of the agricultural marketing act, under which the board operates, do not seem to indicate any method whereby the board can be of direct assistance in such a matter.

With kindest personal regards, I am, very truly yours,

CARL WILLIAMS,
Member Federal Farm Board.

(Inclosures.)

AN APPEAL FOR AID

At a mass meeting of the citizens of the town of Woodruff and vicinity held this afternoon, September 2, a committee was appointed to devise ways and means of raising funds to help the farmers of this section of the county who had the misfortune of losing practically their entire growing crops of cotton, corn, peas, tomatoes, etc., from the terrible hailstorm that visited this community on Thursday afternoon, August 29, 1929. No storm of such destructive force has ever visited this county within the history of man. Owing to the lateness of the season, it is not possible for farmers to produce a profitable crop of any kind before frost. The landowners within the stricken area have practically exhausted their resources in producing this crop.

Probably 90 per cent of these farmers who own the land have reached the limit of their borrowing capacity at the bank, and now that they have lost their crops they can go no further without outside help. As to the tenant farmers, both white and colored, they stand face to face with the proposition of absolute want.

The object of this letter is to elicit from all persons of generous spirit and sympathetic hearts such material aid as the promptness of their hearts may dictate.

The Red Cross will have charge of the proper distribution of all funds coming into the committee. It is the earnest desire of this committee that all commercial bodies will give their hearty support to our efforts to raise an amount sufficient to relieve the pressing necessities of those whose misfortune it has been to lose their entire means of sustenance through the destruction of their crops.

Probably 150 to 200 families have lost from 70 to 100 per cent of their crops from the effects of this devastating storm.

The value of the cotton crop alone that has been destroyed in this community by the hailstorm would mount up to $250,000 or possibly $300,000.

Previous to the destruction by this hailstorm the farmers of this community had the finest prospects for crops that this community has ever seen.

Any donation, small or great, given by anyone for the aid of those in want, as set forth above, will be most heartily appreciated by this committee and by all those who shall receive that which has been contributed in response to this appeal.

J. W. Riddle, mayor of Woodruff; J. P. Gray, State senator; J. B. Kilgore, assistant manager Woodruff Cotton Mills; E. S. Bennett, secretary superintendent of schools; T. W. Cox, merchant; A. J. Cox, merchant; J. N. Swofford, merchant; J. N. Stinson, druggist; L. G. Lanford, farmer—Executive Committee.

CONTROL OF WATER IN WESTERN STATES

Mr. HAYDEN. Mr. President, I ask unanimous consent to have printed in the RECORD and appropriately referred a resolution unanimously adopted by the conference of governors and representatives of the public-land States at Salt Lake City on August 26 and 27, 1929, with reference to the control of the water in Western States, together with an address delivered at that time by Hon. Delph E. Carpenter, of Colorado.

There being no objection, the matter referred to was ordered to be printed in the RECORD and referred to the Committee on Irrigation and Reclamation, as follows:

CONTROL OF WATERS IN WESTERN STATES

Resolutions unanimously adopted at the conference of governors and representatives of the public-land States at Salt Lake City August 26 and 27, 1929

Whereas the use of water for domestic, irrigation, and other purposes is necessary to the existence and prosperity of the people and growth, general welfare, and autonomy of each of the Western States, and it is necessary that the control of such uses be and remain in each of the States, free from external interferences save only control of navigation by Congress and determination of interstate relations by compacts or decisions of the Supreme Court in original cases between States; and

Whereas the national reclamation act, the Federal water power act, other acts of Congress, and decisions of the Supreme Court recognize the inherent sovereignty of the States in this regard; and

Whereas the United States in argument before the Supreme Court in the case of Wyoming against Colorado, by suits now pending in the Federal courts in the State of Nevada and elsewhere, and by various opinions, writings, and publications by executive officers, has urged and is now pressing for recognition, and wherever possible is making effective a plan of ultimate Federal control of waters in the Western States, predicated upon a theory of Federal ownership of such waters; and

Whereas the urging of such a doctrine or its promulgation under Federal authority tends to confusion, discord, and the ultimate destruction of State autonomy: Now, therefore, be it

Resolved, That the Federal Government and its agencies be, and they hereby are, requested to discontinue the recognition and promulgation of such theory of Federal ownership and right of control of the water of nonnavigable streams in the Western States; that all pending suits predicated upon that theory be dismissed, settled, or otherwise disposed of without final decision, and that such theory be no longer asserted as the basis of alleged rights.

CONFLICT OF JURISDICTION RESPECTING CONTROL OF WATERS IN WESTERN STATES

(Conference of governors and representatives of the public-land States, Salt Lake City, Utah, Aug. 26–27, 1929, called for discussion and constructive criticism of public-land and reclamation matters, including President Hoover's proposal respecting cession of public lands to the States. This address opened discussion of administrative control of water resources.)

By Delph E. Carpenter, interstate rivers compact commissioner for Colorado

CONFERENCE OF GOVERNORS AND REPRESENTATIVES OF THE PUBLIC-LAND STATES, SALT LAKE CITY, UTAH, AUGUST 26–27, 1929

The preservation of the Nation is in the preservation of the States. Our Nation is one of limited powers granted by the States, in which remain all other attributes of inherent sovereignty. Preservation of this sovereignty is paramount. Any policy which interferes with the legitimate exercise of sovereignty by the Nation, within its limited constitutional sphere, is to be avoided. Any policy which strikes at State sovereignty and undermines the whole structure of State government is equally abhorrent. Whether the pursuit or enforcement of such a policy be by forceful occupation or by the silent and prolonged processes of

systematic pressure of legal principles, the effect is the same. Open armed occupation is to be preferred to sinister methods of slow legal strangulation.

The use of the natural elements is imperative to the health, prosperity, and existence of mankind and of States, and the State has an interest over and above that of its citizens in all the earth and the air within its domain. Air and water are the most vital natural elements. In an arid region water is as important as was air to the soldiers in the Black Hole of Calcutta. History of our West is replete with wars for control of desert water holes and of bitter and destructive contests for control of limited flows of streams. Regulation and control of uses of water always has been and always will be a first essential to government with each Territory and State of the arid region. Such problems are intensely local and require constant State control of the most intelligent and progressive character, varying with each locality and State and with differences in climate, soil, and other natural conditions. They require the utmost freedom from external control or interference. Administration is imperative. Without administration all would be chaos and so-called private rights to such uses (priority of appropriation, etc.) would be useless legal fiction.

In prior appropriation States water rights have their origin and continued existence solely with use, and failure to use abandons the right and forfeits the usufructuary title. With the progress of time old rights are forfeited and new rights have taken their places. Rights are transferred or put to different uses. New rights come into being as a result of new uses. Decrees adjudicating titles to uses become obsolete within a few years by reason of changes in methods of use, increases in duty of water, and other improvements. The whole system is one of frequent changes, particularly as regards quantities of diversions. The right of each appropriator not only is limited to a maximum amount but to his actual necessities within that maximum. Economy requires daily and hourly shutting off and turning on of water at points of diversion. This the appropriators will not do unless under strict supervision by local control. Private rights must be constantly administered by local authority ever responsive to changing local conditions in order to be of any value at all.

Any interference with this local control and regulation of uses of waters is an interference with exercise of State sovereignty to the same degree as tampering with the blood supply is an interference with human life. The State is protected by the Constitution against forceful seizure of control of the natural elements imperative to its existence. It is entitled to equal protection from permanent occupation and deprivation through enforcement of principles destructive of State autonomy.

No factor has been more disturbing with cooperative efforts by the States and the United States in the matter of national reclamation than the policy of attempting to establish a system of permanent Federal administration over western streams to supersede local control by the States. The first attempt in this regard promptly followed enactment of the reclamation act by intervention of the United States in the then pending suit of Kansas *v.* Colorado, wherein the Attorney General advocated a system of national control. The Supreme Court rejected the theory advanced by the United States and held that the Western States own the waters of their streams and are as much entitled to control their use and disposition as are the original States. Counsel for the United States Reclamation Service next sought to accomplish the same end by advancing the theory that by enactment of the national reclamation act Congress had set apart and dedicated to the United States all unappropriated waters in western rivers, had removed such waters from State jurisdiction, and that every subsequent appropriator took subject to a perpetual preferred right in the United States to use such waters for its purposes. This destructive theory was advanced before the State courts at Grand Junction, Colo., and elsewhere. It was in direct opposition to the decision in Kansas *v.* Colorado (206 U. S. 46) and fundamentally unsound. Other similar theories were advanced only to be later abandoned in favor of the present theory for securing ultimate national control of western rivers, adopted in 1914, and since hitherto advanced by the Attorney General. This is commonly known as the "Ward theory." Its principal danger lies in the fact that it is advanced purely as a theory of water titles and fails to state frankly that its ultimate objective is that of gradually displacing and superseding State control by permanent Federal administration through the agency of Federal district courts. Its apparent innocence increases the danger. The nature and importance of this doctrine, particularly in view of its injury to national reclamation, calls for extended consideration prefaced by brief discussion of our States and of the doctrine which obtains respecting State jurisdiction over waters.

STATES OF THE UNITED STATES

The sovereignty of the States constitutes the foundation of any theory of water control A State is an independent nation acknowledging no external authority and possessing complete dominion and sovereignty over its territory regardless of the form of local government. It is a nation standing unshackled and free before the nations of the world. At the conclusion of the American Revolution each of the thirteen Colonies was such a State. Such they are to this day, save for self-imposed limitations, and the States of the United States, old and new alike, are independent nations possessing every attribute of sovereignty not voluntarily granted by all of them to the United States by the Constitution. Each State is equal with every other in jurisdiction, power, and sovereignty. Ours is a Federal Union of equal States, none of which are servient to the others or to the Nation created by all of them for their common welfare. In effect, every one of the 48 States was in being at the formation of the Union and was a party signatory to the Constitution. Each new State, irrespective of date of admission, came into its own sovereignty as of the time of the original thirteen and possessed of the same powers and sovereignty. This must be true, for each was admitted "on equal footing with the original States in all respects whatsoever" and with every other State, irrespective of any provisions to the contrary in the acts of admission. Upon admission, the new States simply came into possession of the powers and sovereignty which were always theirs and which therefore had been held in trust for them. Limitations upon their powers of government, while Territories, ceased to exist. As with the ordinance of July 13, 1787, for the government of the territory northwest of the Ohio River, in its effect upon the State of Illinois after her admission, the Supreme Court observed: "Its provisions could not control the authority and powers of the State after her admission. Whatever the limitation upon her powers as a government whilst in a Territorial condition, whether from the ordinance of 1787 or the legislation of Congress, it ceased to have any operative force, except as voluntarily adopted by her after she became a State of the Union. On her admission she at once became entitled to and possessed of all the rights of dominion and sovereignty which belonged to the original States. She was admitted and could be admitted only on the same footing with them. The language of the resolution admitting her is 'on an equal footing with the original States in all respects whatever.' (3 Stat. 536.) Equality of constitutional right and power is the condition of all the States of the Union, old and new. Illinois, therefore, as was well observed by counsel, could afterwards exercise the same power over rivers within her limits that Delaware exercised over Black Bird Creek, and Pennsylvania over the Schuylkill River." (Escanaba Co. *v.* Chicago, 107 U. S. 678.) Each new State came into possession of its own sovereignty not as a suppliant but as a rightful owner claiming its own place in our family of States and is no more servient to the National Government than are the original thirteen. This status of equality obtains in every respect as regards control of territory and of those natural elements necessary for the preservation of lives and for promotion of health, prosperity, and the general welfare. "The State has an interest independent of and behind the titles of its citizens, in all the earth and air within its domain. It has the last word as to whether its mountains shall be stripped of their forests and its inhabitants shall breathe pure air." (Ga. *v.* Tenn., Cooper Co., 206 U. S. 230, 237.) The States retain every shred of inherent sovereignty, power, and dominion not granted to the United States by the Constitution, and it is incumbent upon those asserting a power in the United States to point out the grant of any such power. If there is no grant, the power remains in the States.

STATE CONTROL

The States of the arid region always have proceeded with the administration and control of their limited water supplies under the often-announced fundamental principles: That, subject to the exceptions hereinafter noted, each State in its sovereign capacity, owns and may control the waters of the streams within its borders, both navigable and nonnavigable, and may establish for itself such rules of property as it may deem expedient with respect thereto; that it may prohibit, permit, regulate, administer, and otherwise control uses of its waters and may change its laws and regulations according to its sovereign will; that laws respecting the usufructuary rights of water users are but rules of administration by which the State permits and regulates the use of its natural resource by a limited number or class of its citizens; that such rights of use by citizens are subject always to State control and must conform to the ever-changing necessities of the State and its people; that the laws regulating uses and permitting the acquisition of usufructuary rights by water users vary with the States according to climate, soil, and other natural conditions and to local needs; that in some States the riparian doctrine, partaking of the common law of England, obtains because it is best suited to local conditions; that in other States uses are permitted under the doctrine of prior appropriation and in still others uses are permitted and regulated under laws partaking in part of the riparian doctrine and in part of the doctrine of prior appropriation; that in each State, the laws thus founded depart to a greater or lesser degree from fundamental doctrine to conform with local necessities, so that in no two States are the laws the same even though founded upon the same fundamental principles; that these States do not recognize external or foreign servitudes upon their streams; and that all projects constructed within the States by the United States are controlled by the laws of the State wherein the project lies and, if in more than one State, according to the law determined by the States. Furthermore, that upon admission to the Union, each Western State came into

possession of its own sovereignty respecting its streams of water in like degree to that possessed by each of the original States and that admission to the Union was not a grant from the United States but a turning over to the State of the powers and sovereignty which always existed and which had been held in trust for her; that the United States is to be considered a grantee of the new State of those rights respecting use of water set forth in the Constitution and not otherwise; and that the States of the United States, old and new alike, possess full sovereignty and plenary power over the waters of their streams, navigable and nonnavigable, subject to the exception next noted, and that whatever rights the users have they deraign from their respective States and not from the United States.

The rights of the States are subject (1) in the case of navigable streams, to the paramount authority of Congress to control navigation so far as may be necessary for the regulation of commerce among the States and with foreign nations and (2) to determination of the respective rights of two or more States to the use of water of streams common to them, by interstate compacts or by decisions of the Supreme Court in original suits between them.

The Western States have been peopled and their Territories developed in a full reliance upon the foregoing fundamental principles. These principles are not merely topics for academic discussion. They are the foundation of States and of property rights of untold billions in value. As water alone gives value and substance in an arid country and as western development has been made through the use of water under laws predicated upon these fundamental principles, it may be truly said that they constitute the basic law of the development, growth, civilization, and government of each of the Western States. With some of them, these principles were expressed in their Constitutions at the time of admission. In others, they were later adopted either as statutes, constitutional provisions, or by court decisions.

The laws of each State are complete within themselves. The laws of no two are the same. Each State regulates and administers its own water resources in its own way free from external influence, except as above noted. The laws of the States have been and will continue to be in a constant state of flux while keeping pace with the ever changing local conditions and necessities. They must be responsive at all times to these local changes and can only be responsive under local self-government. Administration of the uses of water is an intensely local subject and distant authority is confusing and inadequate.

FEDERAL CONTROL

The Federal theory is that the United States originally owned the waters of the nonnavigable western streams and still owns the same save as granted by the United States directly to water users; that the States do not and never did own such waters but merely possess a right of regulation, under police power, of those water rights which have passed from the United States to the water user; that the State merely has the same control over "vested rights" to uses of water that it has over real property and has no greater control over them than it has over vested rights in land; all interests in water not heretofore granted by the United States to water users, necessarily remain in the United States and the States have no interest therein; water rights have vested in water users under acts of Congress, but such acts grant nothing to the States and ratification of State constitutions asserting State ownership of water does not divest the United States of its property rights therein; that the only manner by which a State could acquire water rights in the nonnavigable streams within its borders would be through acts of Congress and none such exist; that the unappropriated waters of nonnavigable western streams belong to the United States and are not subject to State control; and that the rights of the appropriator which are derived from the United States through acts of Congress are subject to protection by the Federal Government.

The academic phases of the theory were argued by the Solicitor General before the Supreme Court in the reargument of the case of Wyoming *v.* Colorado, but he failed to call the court's attention to the ultimate application of the theory. Adopted during the administration of Attorney General Gregory, it has since been promulgated as the theory of the United States respecting the waters of the Western States by the Department of Justice, the Department of the Inerior, and other Government departments and bureaus, and is now the official position and theory of the United States.

We have never had the opportunity to read a statement of the plan contemplated for practical application of the Federal theory. We are informed that, predicated upon the hypothesis that each appropriator deraigns his title directly from the United States (not from his State) through acts of Congress, and that construction of his rights and the rights of other appropriators upon the stream presents a Federal question, it is proposed to adjudicate the rights of appropriators on one stream at a time by proceeding before Federal courts, regardless of the States through which the stream flows and regardless of previous local State adjudication or determination of the rights to the use of water from the streams in that State. The Federal court is to retain permanent jurisdiction and control of diversions under its decrees which are to be perpetually enforced, not by State officials but by Federal court appointees or water masters at least until Congress shall set up some Federal machinery for enforcing these decrees. The process of adjudication shall be gradual, proceeding with one stream after another until all streams in the arid region have been adjudicated and brought under the Federal system, at least to the extent desired by Federal agencies. Where a stream flows through two or more States, the proceedings will be brought in the court selected by the attorney for the United States.

From the viewpoint of bureaucratic development and administration, the Federal theory and the plans for its enforcement may be desirable. It would rid the field of the laws of the States and bring all the western territory under one theory and it is said (by its advocates) to be best adapted to govern the construction and administration of Federal reclamation projects. While it is directly contrary to the announced fundamental principle that "the States, by entering the Union did not sink to the position of private ownership, subject to one system of private law" (Ga. *v.* Tenn., C. Co., 206 U. S. 230, 238), it so completely exempts Federal bureaus from compliance with State laws as required by the Federal reclamation act, and so completely ignores State lines as to be very desirable to Federal bureaus. These factors, coupled with an evident ignorance of irrigation as a practical science, by those working out the theory in the first instance, doubtless led to its acceptance by the Department of Justice at a time of threatened international war, when every tendency was toward centralized authority. While the Supreme Court ignored the theory in deciding the case of Wyoming *v.* Colorado, it has been persistently advanced in cases now pending before the Federal District Court of Nevada and was the basis of a proposed suit before the United States district court at Omaha, to involve the waters of the North Platte River in Colorado, Wyoming, and Nebraska, but which was postponed at the request of Secretary Work. It is the underlying theory with other suits pending or threatened and of various rulings, opinions, and regulation by Federal departments. Through these processes there may result a series of precedents which will be very persuasive.

EFFECT OF FEDERAL DOCTRINE

Although generally argued and advanced in its academic form, the ultimate effect of the application of the theory has not been frankly stated. Its purpose is ultimately to bring all administration of western streams under one system of law and under one central authority located at Washington. It is intended to supersede and render nugatory all State water laws and systems of administration. Its asserted original purpose was to remove Federal reclamation projects from the operation of State laws and soon after its promulgation, those in charge of such projects frankly informed various State officials that the Government representatives complied with section 8 of the national reclamation act as a matter of courtesy and not of necessity. But it was found that the theory could not be applied to Federal projects without at the same time including other projects within its scope of operation.

Then were evolved certain suits before Federal district courts involving the rights of every appropriator upon certain streams, regardless of State authority. When decrees are entered in these suits they must be actively and perpetually enforced for the reason that the distribution of water is an administrative function, constant and perpetual in its nature. As already stated, the State authorities can not enforce these proposed Federal court decrees, especially where interstate streams are involved, and the court will retain perpetual administrative jurisdiction through its marshals, bailiffs, or "Federal water masters." Such Federal court administration will ignore all State authorities and will proceed upon authority of its own, at least until Congress creates a Federal agency to take over administration of streams under these district court decrees. The advocates of this theory for centralized national control refuse to admit that each system of western water laws is but a plan by which the States administer uses by those recognized by the States; that such administration must be of a daily and hourly character because of fluctuation in the stream flow and other causes; that the so-called "vested rights" of water users are but usufructuary rights granted by the States and that such rights would be worthless without administration. They contend that the States have no inherent sovereignty over the waters of nonnavigable streams, and that the only authority they have is deraigned from the United States through acts of Congress. They fail to state frankly that diversions must be controlled, regulated, and administered by some authority; that two authorities can not operate concurrently in the same field; that one must give way to the other; and that, in these cases, State authority shall yield to Federal control.

When this destructive Federal theory was first advanced control of interstate rivers by compacts had not been considered, but the fact that Federal authorities still cling to the theory and press it for recognition and approval by the courts is indicative of a desire to adhere to the doctrine regardless of the more practical method of solution of interstate water problems.

A REMEDY

The wrong may be speedily remedied by a change of policy by the administration. Any theory or program which must result in certain

injury to the States, and ultimately to the United States, should be immediately abandoned as abhorrent. Surely we can not be engaged in a systematic plan of self-destruction.

Here are two fundamental theories of law directly opposed. The theory of the States has its roots in the fundamental principles of our plan of government. It changes nothing, sets up no new order of things, creates no new machinery, conforms to our most cherished ideals, is sustained by a wealth of judicial decisions, conforms to a desired status of freedom of State government from Federal interference, leaves State affairs for local determination, permits constant improvement in uses of limited water supply under intensive pressure of local needs, and, above all, preserves State autonomy.

The Federal theory is an attempt to fix State and National affairs to principles of private property law, necessitates abandonment of long-established principles, and proposes to set up a new scheme. It either must fail or finally occupy the entire field. It is more a plan of what its authors conceive should have been our plan of government in the first instance than it is an effort to conform to what has been and is. It completely ignores the whole field of judicial determination of the fundamental principles of our Government upon which western water laws are founded, and would substitute therefor a new plan based entirely upon a superstructive of private property law. In its enforcement and subsequent administration, through gradual processes of encroachment, it would put to one side and crowd out State control and administration, and would substitute therefor Federal court jurisdiction with permanent administration. It would create a mixed jurisdiction within each State during the gradual process of encroachment and absorption of authority, for the reason that some streams would come under Federal control while others would remain under State control awaiting the evil hour of complete displacement. Regardless of its tempting features from the standpoint of employees of national reclamation and other Federal bureaus, as providing uniformity of legal theory and physical control by Federal agencies over the field of western reclamation, its promulgation and later adoption can lead to no other conclusions than that of conflict with State authority, confusion of water titles, confusion of court decisions, conflict of administrative authority with final complete Federal usurpation, and destruction of State autonomy in every phase where use of water directly or indirectly controls.

In short, the doctrine of State control preserve State autonomy and the theory of Federal control destroys State autonomy.

The Supreme Court long since decided: "It may be not unreasonably said that the preservation of the States and the maintenance of their governments are as much within the design and care of the Constitution as the preservation of the Union and the maintenance of the National Government. The Constitution, in all its provisions, looks to an indestructible Union, composed of indestructible States" (Tex. v. White, 7 Wall. 700, 725). This has been the great underlying principle of our Government since the formation of the Union and should now control.

Here are two fundamental theories of law, either of which must form not only the basis of private-property rights, but must control the destiny of States occupying a great portion of our national territory. The one theory upholds, sustains, and preserves State autonomy in full force and vigor. The other undermines, weakens, and finally destroys State autonomy. No other argument would seem necessary to justify the conclusion that the Federal theory should be immediately abandoned and that all pending litigation founded upon it should be settled, dismissed, or otherwise disposed of forthwith. Every day such litigation is pending but aggravates the situation, irritates those State officials and citizens who were affected and above all lends support to the doctrine and endangers the future. Irrespective of the academic merits of the two theories, the Federal theory is certain to lead to increasing friction, dissatisfaction, and finally to positive action in necessary self-defense by the States. The Western States, when awakened to the dangers of the situation, will arise in united resistence to the enforcement of doctrines destructive of their self-government in matters so vital to their peace, prosperity, and very existence. It would seem unnecessary to undergo the pains, penalties, and uncertainties of prolonged, bitter, and unsatisfactory litigation in order to dispose of this unfortunate theory. Its announced abandonment by the Federal authorities followed by disposition of pending litigation and destruction or correction of literature, published under Federal authority, which approves the new theory as the official Federal doctrine, would seem to meet the requirements of the situation. The whole matter may be disposed of as a matter of policy without awaiting a ruling upon the merits.

We look forward with confident expectation to prompt, decisive, and effective action by the national administration, whose views are believed not to accord with the Federal theory now recognized and in process of enforcement.

BILLS INTRODUCED

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

By Mr. VANDENBERG:

A bill (S. 1686) to provide for a preliminary examination and survey with a view to constructing a harbor of refuge on the eastern shore of Lake Michigan, at or near Leland, Leelanau County, Mich.; to the Committee on Commerce.

By Mr. THOMAS of Oklahoma:

A bill (S. 1687) for the relief of David E. Jones; to the Committee on Claims.

By Mr. HATFIELD:

A bill (S. 1688) for the relief of William Homer Johnson; and

A bill (S. 1689) for the relief of James Johnson; to the Committee on Military Affairs.

A bill (S. 1690) granting an increase of pension to Mary J. Gwin (with accompanying papers); and

A bill (S. 1691) granting a pension to Henry E. Liepmann; to the Committee on Pensions.

By Mr. FRAZIER:

A bill (S. 1692) granting an increase of pension to Anna Barnard (with accompanying papers); to the Committee on Pensions.

By Mr. SIMMONS:

A bill (S. 1693) to authorize the Secretary of War, or the Secretary of the Navy, as the case may be, to issue certified copies of the military (or naval) and medical records of veterans of the military and naval forces of the United States (with an accompanying paper); to the Committee on Military Affairs.

By Mr. MOSES:

A bill (S. 1694) granting a pension to Sarah L. Farwell (with accompanying papers); to the Committee on Pensions.

OUTLAWRY OF POISON GASES IN WARFARE

Mr. REED. Mr. President, I send to the desk an article by Mr. J. M. Scammell on The Outlawry of Poison Gases in Warfare, which appeared in the magazine known as Current History of June, 1929, and I ask that it may be printed in the CONGRESSIONAL RECORD.

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

The matter referred to is here printed, as follows:

THE OUTLAWRY OF POISON GASES IN WARFARE

(Two recent events have marked in a striking fashion the universal feeling against the use of poison gases and other methods of chemical warfare. One was the signing by the Governments of Great Britain, France, and Germany of the protocol renouncing all such weapons of death and disablement; the other was the dedication on April 28 of a monument at Steensrat, Belgium, in memory of the first German gas attack on April 22, 1915, when 21,000 British and 18,000 French soldiers lost their lives. The article printed below has been read by chemical warfare experts of the United States Army, who find it correct in regard to technical details. The writer of the article is a reserve officer of the Army and lieutenant colonel in the National Guard of California. He was formerly a technical assistant at the Naval War College, and also has spent some time in Europe studying naval, military, and political affairs.)

By J. M. Scammell

The question of outlawing "poison gas" is once more before the world. According to a dispatch from Geneva, dated April 22, the Preparatory Disarmament Commission now in session there is to offer the nations a fresh opportunity to banish this new weapon from the panoply of war. According to the same dispatch, the French Government, which declined to ratify a similar prohibition in the Washington treaties, is expected to offer an amendment to forbid national preparedness for chemical warfare. The United States Government, which refused to approve of the Geneva protocol against the use of gas in war, is expected to adhere to this latest ban. The German Government, forbidden by the treaty of Versailles to use gas in war, is, as usual, in favor of a similar provision for all other nations.

Why have previous attempts to outlaw the use of gas in war failed? Is the apparent present confidence in the ultimate success of another attempt based upon anything tangible? We are told that experts have informed the League of Nations that asphyxiating bombs have been perfected by science to such deadly proportions that they can now annihilate armies and civilian populations. This claim, however, is not new. It has been put forth time and again, only to be discredited by the facts. Less than a year ago Dr. Jacob G. Schurman, American ambassador to Germany, told an audience at Heidelberg that with gas "it will undoubtedly be possible to annihilate cities with their millions of population." A few days later, as a sort of exclamation point to punctuate this sensational address, phosgene gas escaped from the Stoltzenberg tanks at Hamburg. Correspondents thereupon assured us that this accident proved the accuracy of Doctor Schurman's predictions.

As a matter of fact it proved the contrary. It demonstrated the complete futility of any attempt to asphyxiate a civilian population from the air, for although phosgene is deadly it is rapidly dissipated. It can not be dropped from aircraft with any military effect. In a

densely populated section of a great industrial city, in time of peace, among completely surprised and defenseless people, a considerable quantity of deadly gas was liberated. No airplane or group of airplanes could have concentrated in so small an area so great an amount of phosgene. Yet no more than 12 people were killed and some 200 more affected. Gassing cities from the air is not a practicable military undertaking.

The general use of the loose term "poison gas" to-day implies a complete ignorance of the elementary facts of chemical warfare. Many of the most important agents employed under the name of "gas" are not gases at all, and many are entirely harmless. The attention of the public is still riveted upon that melodramatic April day in 1915 when the Germans first loosed chlorine gas at Ypres. Chlorine is a deadly gas. When first used against the Canadians they were taken completely by surprise and were without defense. Even so, they held the line and only 4,800 casualties were evacuated. It is unquestionably true that among them there was great suffering. Gas masks had not yet been devised and proper methods of treatment were as yet unknown. Since that time chlorine gas has lost entirely its early military value. The modern gas mask can exclude it, and in addition every other known deadly war gas. While it is no protection against hydrocyanic, cyanogen, or carbon-monoxide gas, these gases are lighter than air, wars are still fought out of doors (except by armchair critics) and they have no military value. The only deadly gas which the military to-day even consider using is phosgene, because it is slightly persistent and can produce casualties even in a light concentration against unmasked troops.

Germany almost immediately abandoned the use of chlorine and began to use mustard gas, an agent which blisters the skin and which, under exceptional conditions, may be fatal. In 1918 the German factories produced this gas at the rate of 1,000 tons a month and could not supply the demand. In preparing for the March, 1918, offensive against the British Fifth Army the German artillery fired 250,000 mustard-gas shells. By the time of the Meuse-Argonne, although the German reserves were then low, 27.2 per cent of all American casualties in that battle were caused by mustard gas.

As early as 1915 the Germans tried tear gas, and by its use took a large trench system from the French, capturing 2,400 prisoners, almost all unwounded. When the war ended, tear gas and smoke were just beginning to be used on a large scale. These are either semiharmless or wholly harmless agents. They will almost certainly play the predominant chemical rôle in another war, since a single tear-gas shell can cover effectively an area from five hundred to one thousand times as great as that which can be covered by a phosgene-gas shell, and the tear gas persists longer. Not because they are more humane, but because they produce swifter and greater military results and can be more widely used the humane gases will become supreme on the battle field.

VALUE OF SMOKE SCREENS

While burning particles of white phosphorous may cause painful wounds, the smoke is harmless to breathe. All other screening smokes are absolutely harmless. Instead of hugging the dangerous barrage of busting shells, troops to-day can go forward under the shelter of dense clouds of smoke. As Pallas shielded Achilles from his foes by a cloud, so science, the modern Pallas, can conceal the assaulting infantry from enemy machine gunners. The modern soldier has been given the gift dreamed of by warriors throughout the ages—invisibility—and with this gift goes likewise the greatest single factor which leads to a swift and a bloodless victory—surprise. It is not as important that troops themselves be screened by smoke as that the eyes of the enemy may be blinded temporarily so that they can not see to shoot or see their targets. It is, therefore, a safe generalization that the day of the importance of deadly gases is gone.

Apart from the fact that the nonlethal gases had not been fully tried during the World War, there is another reason why deadly gases may be considered practically obsolete. It was stabilized warfare which existed on some fronts at times that made possible the effective use of deadly gases. Similar conditions will almost certainly not be repeated. The circumstances which gave rise to trench warfare were the product of a special situation; that is, masses of trained men were immediately available for use on a narrow front. Each side was backed by a highly organized industrial society and supplied by a great network of roads and strategic railways. But at first motor transportation was not widely used. Armies were unwieldy. While they tried to maneuver trenches sprang into being. Before the high commands could adapt their methods to this novel situation, barbed wire, machine guns, and massed artillery dominated the battle field. Behind elaborate defenses supplies, materials, and clumsy auxiliary weapons, such as mortars, heavy artillery, gas cylinders, and projectors could be secretly emplaced to create dense concentrations of gases.

Conditions are no longer the same. Some military systems have been profoundly modified. Armies have become more mobile through the extensive use of motor transportation, including caterpillar tractors. Motor-driven scouts scan the earth from the skies; motor-propelled machine-gun nests (tanks) and artillery support the infantry, and the infantry itself can maneuver more rapidly in motor trucks. These factors, together with a more widely disseminated military scholarship, have contributed mightily to the flexibility of armies. The United States War Department General Staff has prescribed that our soldiers be trained only in mobile warfare.

Under such conditions cylinders and projectors are too clumsy and take too long to emplace. In the future the artillery will be the chief reliance for the employment of gas. But the massing of guns common in the days of trench warfare is not now provided for. The Infantry division of the United States Army, for example, has only 75-millimeter (or 3-inch) guns. It is not sound tactics to provide for these many different types of shells. Only those gas shells which can most often be used to the greatest advantage will be used. What are these They are tear gas, mustard gas, and smoke shells. It is not contemplated that deadly gas shells be used at all in the divisional artillery.

This is not to say that lethal gas has no military value. It has. It can force an enemy to mask and so reduce his fighting efficiency. It can be used to prevent an enemy from making use of a small but important tactical locality. Where the target is too indefinite for accurate shooting with shell it may be used.

But the principal, almost the sole, common value of lethal gas lies in its moral effect, the fear which it inspires. That is very great. A situation may, therefore, arise where a divisional commander will want a deadly gas used on some part of his front. He will not have it. He must call upon the corps or army for help. Seldom will the heavy guns respond with gas. High-explosive shells usually are more effective, because the bursts have a wider danger area and are effective against material objects, such as shelters or barbed wire, as well as against personnel. Mustard gas remains the best all-around chemical agent. Let us repeat that the day of the "poison" gas is virtually gone.

"DRENCHING" BATTLE FIELDS IMPOSSIBLE

To speak of "drenching" battle fields with gas is nonsense. It is a physical impossibility. It can not be done even by gassing alternate squares, checker-board fashion. To gas an area of 1,000 by 1,000 yards would require an entire regiment of field artillery. No tactician would consider sparing a full regiment from its main business of close cooperation with the infantry to perform so sensational and so futile an exploit. On the modern battle field soldiers will be as safe or safer from death by gas than their families at home will be from the hazards common to daily life. But what we may well expect is the capture of masses of weeping, sneezing, and puking soldiers, helpless and ridiculous figures, far from meet candidates for the distinguished-service cross. No weapon ever conceived of by the mind of man promises to do more to rob warfare of its little remaining glory. And such pathetic creatures may be restored to normal health by a 10-minute dose of our old friend chlorine gas in a weak concentration such as is given for colds.

So much for gas on the battle field. Much uninformed talk has come, even from men in high places, about the gassing of the civil population. The following is quoted from a speech by Lord Cecil in the assembly of the League of Nations: "The employment of poison gas and similar devices in warfare is an evil of tremendous proportions. It has been stated that inventions have been made and perfected since the war whereby wholesale destruction of the civil population would be possible by the dropping of poison bombs and the like from the air." The vagueness of this language will be remarked. Not a single fact is stated, but the impression created is directly contrary to definite statements of facts repeatedly made by reputable scientists. If such mysterious and powerful devices exist it is, indeed, strange that Lord Cecil should be privy to them, but that not a single chemist or soldier should be aware of them. There have been no such revolutionary discoveries, not even during the war when the best minds in chemistry under the spur of ardent patriotism, supplied with every facility, were engaged in intensive research. Mustard gas was known in 1889. The British had experimented with tear gases in 1913. Lewisite is no more than an expensive and inferior substitute for mustard gas. The use of sneeze gas was proposed to Grant in the Civil War. Smoke has been used from antiquity.

VALUE OF LEWISITE

In exterminating a population what gas can be used? No known asphyxiating gas can be dropped effectively from aircraft. Usually those who set about gassing cities on paper select lewisite, presumably for the reason that it has been endowed by rumor and by sensational journalists with miraculous powers. It has no such powers. The inventor himself has publicly stated that "cities and noncombatants have less to fear from it or from any other gas in time of war than from incendiary bombs or high explosives."

This is also the verdict of war experience. The Germans, by air raids, using high explosives, accomplished something of military value against London. Even this was less by virtue of the actual damage done the city than because the raids kept in England troops, guns, and aircraft badly needed at the front. The German success here was possible largely because the British mixed their ground defenses with aerial defenses. The antiaircraft searchlights and guns were helpless for fear of hitting their own planes. The French were more logical and relied upon ground defenses alone. These were highly successful.

In one raid 50 German planes attacked the French capital. Only one dropped its bombs and returned safely home! In 1918 a total of 483 German planes attacked Paris. Of these, 37 were able to get past the antiaircraft defenses; 2 more were shot down before they could return. An 8 per cent success does not represent an economical use of force. To make war with pin pricks is bad strategy. Generally, however, the Germans acted with sound military judgment, and it will be noted that they did not even try to gas cities from the air!

If it was not tried, then it is even less likely to be tried in the future. The statistics commonly quoted to show the ineffectiveness of antiaircraft guns against planes are worthless when quoted in connection with the question of bombing, because they include all types of planes. To hit a small, swift, nimble pursuit plane is admittedly a difficult gunnery problem, but to hit a heavy, slow, low-flying, lumbering bomber is as easy as shooting ducks on the water.

This is especially true during the time when the bomber is sighting; then it must fly a straight course on an even keel and it can not maneuver at all. During the war, moreover, antiaircraft gunnery improved rapidly and steadily. In 1917 the British averaged 8,000 rounds of gunfire to every plane shot down; but in 1918 it took only 1,800 rounds. According to official statistics collected by the Germans, French, and Italians, 20 per cent of all planes destroyed during the war were shot down by antiaircraft guns. Since the war still greater progress has been made in aerial gunnery. In the United States Army an antiaircraft battery can make 20 per cent of hits at 6,100 feet. Instruments have been tested and successfully used whereby the range is found, fuzes set, and the guns kept on the target all automatically. The only gas capable of wiping out a city is rhetorical gas.

The German Government may have fought valiantly in behalf of "a ban not only on chemical warfare but also on the use of airplanes for dropping bombs." It was not the general staff that protested. (A general staff is forbidden to Germany by the treaty of Versailles; now Germany has a Heeresleitung instead.) The proposal, however, was rejected on April 24 by the Geneva preparatory commission, only 5 delegations out of 25 voting in favor of it.

For reasons such as these and stronger than these the United States Senate showed practical common sense when it refused to ratify the Geneva protocol. It would be absurd to urge ratification of the protocol on such grounds as those set forth by Lord Cecil and Ambassador Schurman, even if they were true, since it ought to be superfluous. Article 25 of the Laws and Customs of War on Land provides that "the attack or bombardment by any means whatever of towns, villages, habitations, or buildings which are not defended is forbidden." It is no argument to say that this prohibition was not observed in the late war. If we can not have faith in one, there is certainly no reason to believe that a second would be more effective. Nor should we take seriously the demand of the former ambassador of the Imperial German Government to the United States, or the German press, that chemical warfare ought to be abandoned. We ought, rather, to recall that it is already forbidden to Germany by the treaty of Versailles, and that the fox which had its tail cut off was solicitous that other foxes should cut off their tails.

These are by no means the first attempts to forbid the use of gas in war. Such a proposal, made at the First Hague Conference in 1899, was opposed by the American delegation on grounds that have stood the test of later experience. At the Washington conference another attempt was made, this time to exclude not only asphyxiating gases but likewise "all analogous liquids, materials, and devices." The technical committee called upon for advice submitted a report. In spite of the repeated protests of the American Chemical Society, the State Department has refused to make this report public. However, from the French text, released by the French Government, a translation of which appeared in Industrial and Chemical Engineering for July, 1925, it is known that the committee reported against such a treaty. Yet the United States signed it. But the French Government refused to ratify it, and the treaty is not in effect.

When the Geneva protocol came before the United States Senate for ratification the American Legion protested vigorously against it. The veterans of the American Expeditionary Forces knew from their own experience that gas is a far more humane weapon than high-explosive shells, which rend and tear the flesh. The evidence in support of this is impressive. Doctor Francine, who was chief of staff of a great gas hospital at Toul, stated under oath to a Senate committee that "of all the methods of war, gas in the most humane and the most effective." From his evidence it appears that gas, far from causing tuberculosis, tends to cure it. He quoted statistics from the report of the Surgeon General of the United States Army in proof of this contention. The same report showed that only four American soldiers were blinded by gas during the entire war. Of the 10,000 soldiers of the American Expeditionary Forces who lost one or more extremities or their use, not one was or could be the victim of gas! Nor is gas as deadly as other weapons. Of those in the American Expeditionary Forces wounded by means other than gas, 24 per cent died. Of those gassed, only 2 per cent died. The experience of the British parallels our own. Yet this was in the days of lethal gases!

COMPARISONS IN SUFFERING

Nor does it appear to cause as great suffering as other weapons. A former soldier, George Witten, writing in a recent periodical, says that from a shell wound he suffered excruciating pain. He was unnerved by it, and the daily dressings were torture. Gas gave him "a certain amount of discomfort, but nothing as compared with the misery attendant upon shell wound." And he adds: "The only men I have seen suffer from gas were men who thought they were gassed and weren't and had worked themselves into a spasm of fear." J. B. S. Haldane, the distinguished biochemist of Cambridge University, writes: "Besides being wounded, I have also been buried alive, and on several occasions in peace time I have been asphyxiated to the point of unconsciousness. The pain and discomfort arising from the other experiences were negligible compared with those produced by a septic shell wound."

To-day the weapons of chemical warfare are either less humane, equally humane, or more humane than others. If they are less humane, they cause unnecessary suffering and are already forbidden by article 23 of the Laws and Customs of War on Land; and the nation which would violate one prohibition would as readily violate the other. If they are equally humane, it is an absurdity to prohibit one class at the expense of the other. But if, as careful students of the subject believe, the so-called gases are more humane, a prohibition becomes not only imbecility but wickedness.

In any case, to forbid chemical warfare would be a futility and therefore be mischevous. As the preparatory commission on disarmament at Geneva reported, "It is impossible to prevent the manufacture of these chemicals in peace time." They are common commercial products, and every chemical works is therefore a disguised arsenal. Supervision has been proved by the attempt in Germany to be fruitless. Even when war gases have been discovered, it has not been possible to prove that they are designed for warlike purposes, since they have peace-time commercial value. The preparatory commission said no more than the plain truth when it stated that "there is no technical means of preventing chemical warfare." All the great powers, including the United States, conduct research in this field, and, being under Government supervision, it is secret and can not be controlled. For enforcement the only reliance would lie in the integrity of each signatory power and depend upon complete mutual confidence among them all.

If for no other reason than that China has no government capable of enforcing the adherence of her people and that Russia boasts that her bond is worthless, this ideal is impossible of accomplishment; and, as we have seen, external supervision or compulsion is out of the question. The third assembly of the League of Nations recognized this when it stated that "there are only too many reasons for believing, after the experience of the last war, that a country which is fighting for its existence will make use of every arm which it can use to advantage."

All these are reasons why no prohibition is practical or desirable. But the United States Senate could find a special reason for objecting to the text of the Geneva protocol. That text provided for the suppression not only of asphyxiating gases but of "all analogous liquids, materials, and devices," and would therefore forbid on the grounds of humanity the use of such harmless devices as smoke and tear gas which our police have adopted for reasons of practical humanity for use in time of peace against our own nationals! It would likewise prohibit the use of smoke in battle, which can harm no one and undeniably would keep down the butcher bill in war!

GAS AS WEAPON OF PEACE

Then there is another consideration. Gas is the great weapon of peace. With the humanity and effectiveness of chemical warfare recognized, whole categories of States will automatically be excluded from waging war without the consent of a few great, peace-loving industrial powers. To-day world conflicts may spring from the quarrels of small, belligerent, semicivilized States. The threat of chastisement by means of gas would be enough to nip such quarrels in the bud. Even should those great powers go to war, it would be a less destructive struggle. Gas does not destroy property. It has been shown that it kills fewer than other weapons and does not maim at all. There would be less rancor following such a conflict to poison the ensuing peace and provide the tinder of hatred and resentment for another conflagration.

Finally, no country can compare with the United States in devotion to the cause of peace. This may not be due to any inherent virtue but be the result of the conditions under which this country has developed. But the fact is easily demonstrated by a study of American policies. And a similar study of the material and human resources of this land will show that no other State could hope to compete with this in the waging of a chemical war. Therefore, the cause of peace is safer if left in the hands of this and other great peace-loving powers than left in the hands of the least honorable of all nations. That is precisely where a treaty outlawing chemical warfare would place it.

If we look, not to dramatic episodes, but to the body of established facts; if we turn, not to war propaganda and to the works of sensationmongers but to reputable men of science, we shall take our time before we decide a matter which will have such momentous consequences for

civilization and which is far easier to do than to undo. It may well be, as Capt. Liddell Hart suggests, that "gas promises to do for warfare what chloroform has done for surgery."

REVISION OF THE TARIFF

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 2667) to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, to protect American labor, and for other purposes.

Mr. SIMMONS. Mr. President, I am in possession of information which has just been received by cable confirming the apprehensions I expressed yesterday that undue and drastic restrictions upon importations would inevitably invite action on the part of foreign countries that may lead to reprisals and retaliation. I want to read to the Senate this cable message from Geneva. It will appear in the afternoon newspapers, I presume. The message is as follows:

GENEVA, September 13.—Great Britain and France to-day took a joint step to bring about a world conference on lowering tariff barriers. This move was made in the spirit developed by comments of European statesmen while discussing last week Premier Briand's project for a "United States of Europe."

It is proposed to hold a conference not only of technical experts but of political representatives of governments. M. Loucheur, of France, presented the proposal and was strongly supported by Dr. Hugh Dalton, member of the British Labor Government. In the words of the French spokesman, the conference might lead the nations eventually to the signing of a convention giving a new basis for the circulation of goods not only in Europe but throughout the world.

The consensus of the committee supported the proposal for the two or three year tariff truce. States both within and outside the League of Nations are requested by the Anglo-French resolution to indicate to the secretary-general of the league before November 30 whether they are prepared to participate in the preliminary conference of delegates preparatory to tariff regulation.

Mr. HARRISON obtained the floor.

Mr. HALE. Mr. President, will the Senator yield to me to make a brief statement?

The VICE PRESIDENT. Does the Senator from Mississippi yield to the Senator from Maine for that purpose?

Mr. HARRISON. I yield.

THE SHEARER CASE

Mr. HALE. Mr. President, in an article in this morning's Washington Post on the appointment of the subcommittee under the Borah resolution the following appeared:

Friends of Senator HALE sought to prevail upon him that the inquiry offered him a wonderful opportunity, inasmuch as it is likely to be before the country in big headlines for several months. For some reason, however, the Senator did not relish the idea. It is not that he has any love for Shearer, either. His attitude toward the lobbyist is born of Shearer's activity in the big navy here, at the last session of Congress as well as the session before, extending, as a matter of fact, over the past several years.

With the selection of a subcommittee to make the inquiry HALE announced that he had washed his hands of it. All further information on the subject will come from Senator SHORTRIDGE, he explained.

Mr. President, I can not allow that statement to go unchallenged. Because of my position as chairman of the Naval Affairs Committee of the Senate I am naturally in constant communication with officials of the Navy Department. On that account any action taken by me might be construed by the country as representing the views of the Navy Department. For this reason it seemed best for me not to become a member of the subcommittee, and I did not appoint myself a member thereof. I explained frankly my position to the Naval Committee, and I think I may say that no member of the committee questioned my motives.

I appointed a strong subcommittee, which will have, I am sure, the entire confidence of the country. Incidentally, in the appointment of the subcommittee let me say that no advice was received, or, so far as I know, proffered by anyone outside of the Senate. I did not state that I "washed my hands of the inquiry." On the contrary, I am in full sympathy with the purpose of the resolution. I expect to follow closely the action of the subcommittee, and to give them all of the support and aid that it is in my power to give in getting to the bottom of the case. I did tell the newspaper men who came to me after the subcommittee had been appointed, and quite properly, that they should go to the Senator from California [Mr. SHORTRIDGE], the chairman of the subcommittee, for all information in regard to the procedure of the subcommittee.

ALABAMA & NEW ORLEANS TRANSPORTATION CO.

Mr. OVERMAN. Mr. President——

Mr. REED. Mr. President, will the Senator from Mississippi yield to me for a moment?

The VICE PRESIDENT. Does the Senator from Mississippi yield; and if so, to whom?

Mr. HARRISON. I desire to proceed as quickly as I may, but I yield.

The VICE PRESIDENT. Does the Senator from Mississippi yield to the Senator from North Carolina [Mr. OVERMAN]?

Mr. HARRISON. Yes.

Mr. OVERMAN. Mr. President, I hold in my hand three articles taken from the Providence (R. I.) News under dates of December 6, 7, and 8, 1926, respectively, referring to a question now before the Judiciary Committee of the Senate in connection with the appointment of a receiver for the Alabama & New Orleans Transportation Co. I ask that they may be published in the RECORD.

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

[From the Providence News, Providence, R. I., Monday, December 6, 1926]

RHODE ISLAND PETITION DELAY TIES UP BIG BUSINESS

Two million dollars in assets of the defunct Alabama & New Orleans Transportation Co. are tied up and the security holders are unable to obtain a refund of any part of their money in cash because the Federal district court in Boston has not yet granted or denied a motion to appoint a new receiver, according to Edmond J. Tinsdale, a Providence attorney, to-day.

Tax Commissioner Hiram C. Jenks, of Pawtucket, the Rev. Father Joseph P. Coleman, of Newport, and others are petitioners represented by Attorney Tinsdale, he said to-day, who seek to compel the appointment of a successor to a receiver who was appointed in February, 1919, and who, it is alleged, through an order of the court believed to be erroneous, was discharged a few days later.

Attorney Tinsdale, who says that many people in Rhode Island and Massachusetts bought stock and bonds of the Alabama & New Orleans Transportation Co. back in 1912, of a brokerage firm now gone out of existence, said that he had more than once asked Judge James M. Morton, jr., in the Federal district court in Boston, to consider the petition for appointment of another receiver, and either grant or dismiss it so that the matter may go to the circuit court of appeals.

Many prominent Rhode Islanders, including Governor Pothier and Congressmen JEREMIAH E. O'CONNELL, RICHARD S. ALDRICH, and CLARK BURDICK, among others, have interested themselves in Tinsdale's claims to the extent of writing to the court in Boston for a complete set of papers in the case, according to documents on file.

PENDING MORE THAN A YEAR

"This matter has been pending for more than a year in the Boston court before Judge Morton," said Attorney Tinsdale to-day, "but we have been unable to get a hearing on any motion. Meanwhile control of the company and its assets is in the hands of B. Devereaux Barker, a Boston lawyer, and the bondholders' committee."

Some time ago Hiram C. Jenks, of 91 Beachwood Avenue, Pawtucket, one of the petitioners, issued circulars warning investors in the Alabama & New Orleans Transportation Co. not to exchange certificates of deposit for bonds for stock in a new corporation, the National Shipbuilding Co., which Barker and the bondholders' committee claim to have organized out of what remains of the original physical assets of the original company.

A receiver for the old company was appointed February 10, 1919, in the Federal district court in Newark, N. J., on petition of Harriet H. Gallagher, of East Greenwich, and on February 12, 1919, Judge Morton appointed Col. Thomas B. Felder, of Newark, as ancillary receiver. The receiver was discharged in Newark on February 17 and in Boston on February 18, 1919, the original petitioner agreeing to this, it is averred, after she had been paid full by Barker. It is contended by the bondholders who now seek the appointment of another receiver that the discharge of the receiver at that time was an error of the court, it being held that receivership proceedings once having been started the law does not permit them to be dropped without consent of all the persons involved or until full payment has been made pro rata to all creditors.

FLOATED STOCK HERE

The Alabama & New Orleans Transportation Co. floated stock and bonds in Providence and other cities and towns in New England in 1912 and subsequently, it is set forth in the petition in the Boston court, promising large returns from a canal connecting the interior with the Mississippi River, near New Orleans, and on a shipyard at or near the canal. Subsequently the company forfeited its taxes and went into receivership, the plant being sold to a syndicate known as the National Shipbuilding Co.

After this concern went into bankruptcy the property was bought back by the bondholders' committee of the original company, the Ala-

bama & New Orleans Transportation Co., who, under an agreement which was made part of the certificate of deposit given in exchange for the bonds, had full powers of reorganization.

It is set forth that B. Devereaux Barker, a Boston attorney, who was and is chairman of the reorganized bondholders' committee of the Alabama & New Orleans Transportation Co., is himself the head of the new corporation and offers to exchange the bonds of the Alabama & New Orleans Transportation Co., worth when purchased 14 years ago $1,000 each, for stock in the newly organized New Orleans Shipbuilding Co. and Violet Canal, the latter a subsidiary corporation.

WOULD CONTROL ORGANIZATION

Barker under this arrangement, it is asserted by Tinsdale and some of his clients, would control the new corporation outright if the reorganization as outlined by him were permitted by the court to be carried out. Therefore the petitioners seek to have the court appoint a successor to the receiver, disregarding the apparent discharge of the former receiver, the late Col. Thomas B. Felder, of Newark, N. J., which discharge by the Boston court they hold to have been erroneous.

WILL NOT SURRENDER

They are not now willing to surrender their certificates of deposit, inasmuch as they say they believe the receivership in fact is pending, as a matter of law, and they would surrender their rights, they have been advised, were they to agree to reorganization by exchanging their certificates of deposit for stock in a new corporation which, they say, they have not agreed to form. What they actually want, they say, is their money back, or as much of it as the physical assets of the old company will bring.

The efforts now being made are to have the Federal court in Boston, through Judge Morton, who handled the receivership orders back in 1919, appoint a new receiver or issue an order to show cause why a substitute for the automatically removed receiver should not be appointed forthwith. Such action, it was pointed out by Attorney Tinsdale to-day, would automatically remove Barker and the bondholders' committee from power over the assets of the Alabama & New Orleans Transportation Co., which assets, the petitioners hold, actually are, as a matter of law, still under the control of the court which originally claimed receivership jurisdiction in 1919.

[From Providence News, December 7, 1926]

MORE LIGHT ON SUIT FOR NEW RECEIVER

Further light was thrown to-day on the suit of Hiram C. Jenks, of Pawtucket, the Rev. Father Joseph Coleman, of Newport, and others to obtain appointment of another receiver for the defunct $2,000,000 Alabama & New Orleans Transportation Co. in the Federal district court in Boston by Attorney Edmond J. Tinsdale, of Providence, counsel for the petitioner.

Tinsdale furnished copies of three letters in the voluminous correspondence in the case which, he said, indicated the trend of the effort to obtain the appointment of a successor to the late Col. Thomas B. Felder, of Newark, N. J., as ancillary receiver in Massachusetts.

ORDER DISCHARGING RECEIVER

The order of the Federal court in Boston discharging the receiver, which the petitioners assert, through Attorney Tinsdale, should be supplemented by an order appointing a successor, follows:

"District Court of the United States for the District of Massachusetts, Harriet H. Gallagher, petitioner, *v.* Alabama & New Orleans Transportation Co., defendant.

"Counsel for the receiver of the above-named defendant consenting thereto.

"It is on this 18th day of February, 1919,

"Ordered, adjudged, and decreed that the order of this court, made on the 12th day of February, 1919, appointing Thomas B. Felder, of New York, as temporary ancillary receiver of the defendant Alabama & New Orleans Transportation Co., and directing that the said defendant, officers, agents, and attorneys deliver to him all the books, papers, and assets of the said defendant corporation, be, and the same is hereby, vacated.

"Further ordered that the petition filed herein for the appointment of an ancillary receiver, be, and the same is hereby, dismissed without costs of either party against the other.

"By the court. "JOHN E. GILMAN,
"*Deputy Clerk.*

"Deputy clerk, J. M. M., jr.

"I hereby consent to the entry of the above order and decree.
"JAMES D. CARPENTER, Jr.,
"*Solicitor for and Counsel with Temporary Receiver.*"

LETTER TO JENKS

A letter to Mr. Jenks from James S. Allen, clerk of the Federal court in Boston, follows:

BOSTON, *January 11, 1926.*

HIRAM C. JENKS, Esq.,
91 Beechwood Avenue, Pawtucket, R. I.

DEAR SIR: Judge Morton directs me to acknowledge that he has just received your letter, which appears to be dated December 9, 1926, and to say that there is no question now open in the equity case which you referred to, namely, the case of Harriet H. Gallagher *v.* Alabama & New Orleans Transportation Co., equity No. 914. In this case the bill was filed on February 12, 1919, and an ancillary receiver appointed. He was, however, discharged six days later. No application appears to have been filed here to reopen the decree, and there is, as far as we know, nothing before the court relating to this matter.

Very truly yours,

JAMES S. ALLEN, *Clerk.*

INCLUDE ATTORNEY'S LETTERS

Letters from Carpenter, attorney for the original petitioner, and from Barker, chairman of the Alabama & New Orleans Transportation Co., bondholders' committee and head of the National Shipbuilding Co., successor to the Alabama & New Orleans Transportation Co., to Jenks are included in the documents. H. H. Patten, a Boston attorney, is associated with Attorney Tinsdale in the case, he said to-day. There are three petitions on file for the appointment of a successor to the discharged ancillary receiver.

Carpenter's letter to Jenks follows:

JERSEY CITY, N. J., *March 20, 1925.*

HIRAM C. JENKS, Esq.,
91 Beechwood Avenue, Pawtucket, R. I.

DEAR SIR: Further replying to your letter of March 10, beg to advise that in February, 1919, I filed a bill in equity in the United States District Court, District of New Jersey, for Mrs. Harriet H. Gallagher against Alabama & New Orleans Transportation Co., duly verified, and Judge Haight on the filing of the bill appointed Col. Thomas B. Felder receiver of said company.

I went to Boston immediately thereafter, filed a petition for the appointment of an ancillary receiver, and Judge Morton appointed Colonel Felder as ancillary receiver in Massachusetts, the order of appointment being made February 12, 1919.

A few days thereafter Messrs. Barker, Wood & Williams bought Mrs. Gallagher's stock and bond, paid the expenses of the suit, and the suit was discontinued by order of the court.

I do not have any knowledge as to anything that took place after that time. It may not be too late for you to collect something, but I do not know about this. Only a careful investigation would reveal the present situation. I am writing to our secretary of state to see whether the State taxes have been paid or whether the corporation's existence has been terminated.

I trust this answers your question fully.

Very truly yours,

JAMES D. CARPENTER, Jr.

BARKER'S LETTER

Barker's letter to Jenks follows:

33 CONGRESS STREET,
Boston, Mass., June 8, 1925.

Mr. HIRAM C. JENKS,
91 Beechwood Avenue, Pawtucket, R. I.

Re: Alabama & New Orleans Transportation Co., bondholders' committee

DEAR SIR: I have corrected your address as requested and am sorry to have delayed so long in answering your letter of the 30th, but I have been away from the office a great deal. I note particularly what you say about a clamorous creditor being paid off and I think what you probably refer to is a receivership suit which was started by the holder of a few bonds and shares of stock shortly after the formation of the bondholders' committee, but before we foreclosed the mortgage and made the sale of the property to the National Shipbuilding Corporation. Some of the larger bondholders feeling that it was not for the best interests of the bondholders as a whole to have this action continued, purchased the securities of the complainants and the suit was withdrawn. It was what we call a "hold-up" suit, but it had nothing to do with the bondholders' committee. I did not handle the details of the transaction, although I was familiar with it at the time. My memory, however, placed the date as earlier than 1919 until I verified the date since you were here.

You may be sure that the bondholders' committee has treated all of the bondholders exactly alike; has never paid anyone off and has made no payment except the two pro rata distributions of $70 and $10, respectively. It has been our earnest endeavor to preserve the property and to realize for them the utmost possible from it.

I am sorry that my time was so very limited on your last visit and I should be glad to explain anything you do not understand whenever you are in Boston again.

Very truly yours,

DEVEREUX BARKER,
Member Bondholders Committee.

[From the Providence News of December 8, 1926]

CLAIM ASSETS USED TO PAY EXPENSES

That assets of the defunct $2,000,000 Alabama & New Orleans Transportation Co. actually were taken, under court order, to pay receivership expenses in 1919 was contended to-day by Edmund J. Tinsdale,

Providence attorney, who is seeking to have the Federal district court in Boston appoint a successor to the original receiver.

Thus far, according to some of the bondholders, the Federal district court in Boston has not granted the petition of Tax Assessor Hiram C. Jenks, of Pawtucket, or the Rev. Father Joseph Coleman, of St. Augustine's parish, Newport, for the appointment of a receiver to succeed the late Thomas B. Felder, of New Jersey.

Meanwhile, some of the bondholders say, B. Devereaux Barker, Boston attorney, seeks to reorganize the company against their will. Much stock and bonds of the Alabama & New Orleans Transportation Co. were sold in Rhode Island and Massachusetts.

ORDER DISMISSING RECEIVER

The New Jersey order, signed February 17, 1919, dismissing the receiver under the original proceedings brought by a Rhode Island woman creditor follows:

"Complainant requesting permission of the court to discontinue the above-entitled cause, and the defendant company agreeing on its part to pay the fees, charges, and disbursements of the receiver and their attorneys to date, and a committee representing the great majority of the first-mortgage bondholders consenting thereto,

"It is, on this 17th day of February, 1919, on motion of McDermott & Enright, solicitors of the complainant, ordered that the above-entitled cause be, and the same is hereby, discontinued without costs to either party against the other.

"It is further ordered that the order and decree made herein on the 10th day of February, 1919, with all the restraints therein contained, be, and the same is hereby, vacated and dissolved.

"It is further ordered that the payment by the defendant to the receiver and his attorneys for their fees, charges, and disbursements to date in the sum of $1,250 be, and the same is hereby, approved.

"It is further ordered that Thomas B. Felder, temporary receiver of the defendant corporation, be, and he is hereby, discharged and all liability on his bond filed herein be, and the same is hereby, terminated and canceled."

The order is signed, "Thomas G. Haight, U. S. D. J."

According to the Massachusetts record of the case, cited by Attorney Tinsdale for the bondholders, the New Jersey order appointing a receiver required that it was—

NOTICE SHOULD HAVE BEEN MAILED

"Further ordered that notice of this order be mailed to all creditors, bondholders, and stockholders of the defendant corporation within four days from the date hereof and addressed to said creditors, bondholders, and stockholders at their respective post-office addresses as the same appear upon the books of the company, and that a certified copy of this order and of the bill of complaint and annexed affidavit be served upon the defendant corporation by service upon the registered agent of the defendant corporation in the State of New Jersey on or before February 11, 1919."

All the security holders were not so notified.

The original order, signed by Judge Morton, appointing an ancillary receiver in Massachusetts, as supplied by Attorney Tinsdale, follows:

ORIGINAL MORTON ORDER

"Upon reading and filing the verified petition of Harriet H. Gallagher wherein it appears that the defendant Alabama & New Orleans Transportation Co. is insolvent and unable to continue its business with safety to the stockholders and creditors, and that the said corporation has been adjudged to be insolvent by the District Court of the United States for the District of New Jersey, and that said corporation is a corporation organized and existing under the laws of the State of New Jersey, and that the said District Court of the United States for the District of New Jersey had jurisdiction over the said corporation, and that Thomas B. Felder, of New York, has been appointed temporary receiver of such corporation by the District Court of the United States for the District of New Jersey, and has qualified as such receiver and filed his bond as required by his order of appointment and good cause appearing.

"It is on this 12th day of February, 1919—

"Ordered: That Thomas B. Felder, of New York, be, and he hereby is appointed temporary ancillary receiver of the said defendant corporation with full power and authority to demand, sue for, collect, receive, and take into his possession all the goods and chattels, rights and credits, moneys and effects, lands and tenements, books of all nature, papers, choses in action, notes and property of every description of the corporation, and to institute suits at law or in equity for the recovery of any estate, property, damages, and demands existing in favor of the corporation, and to hold the same until the further order of the court in the premises.

"Further ordered: That the defendant and its officers, agents, attorneys, and employees, and all other persons forthwith deliver to said receiver all property of every nature belonging to the defendant corporation.

"Further ordered: That the creditors of said corporation and trustees under all its issues of bonds be, and they hereby are, restrained from suing out process against the defendant corporation to take possession of any of its assets, and from paying out to the holders of bonds issued by said corporation any moneys now in the hands of the said trustees, except upon application and permission of this court.

"Further ordered: That a true copy of this order and of the petition and annexed affidavit, which may be certified to be true copies by the said receiver or his solicitor, be served upon Vincent Goldthwaite, treasurer of the defendant corporation, personally or by leaving the said copies at his office in the city of Boston, Mass., or upon Messrs. Barker & Wood, attorneys for said corporation, at their offices in Boston, Mass., within two days from the date hereof.

"Further ordered: That until the further order of the court no bond shall be required of the ancillary receiver, it appearing to the court that the court of original jurisdiction in fixing the amount of bond took into consideration the property in the district of Massachusetts.

"Witness, the Hon. James M. Morton, jr., judge of said court and the seal thereof at Boston, in said district, this 12th day of February, A. D. 1919."

THE FARMER AND THE TARIFF—ADDRESS BY SENATOR WALSH OF MASSACHUSETTS

Mr. KING. Mr. President, the junior Senator from Massachusetts [Mr. WALSH] delivered a most excellent and instructive address before the Institute of Public Affairs, University of Virginia, upon the subject "The Farmer and the Tariff," on Friday evening, August 9, 1929. It is particularly pertinent to the discussion which is going on over the tariff, and I ask unanimous consent that it may be printed in the RECORD.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

The farmer is discontented, and there is substance to his discontent. In many parts of the country, but particularly west of the Mississippi River and in the Cotton Belt, there is very real distress. This is not the time or place to present detailed proof of this statement, which would involve much research into particular crops, and their prices, and into conditions of production similar to those which occasion the distress and troubles being experienced by the textile, coal, and other industries. What is well known to everybody, the record of bank failures in the western country of recent years, is sufficient generalized proof. There are people from the cities of the East who journey into the West and come back with reports that everything is fine there; that there is no distress. They are the kind of observers who have no faculty for seeing beneath the surface, and on the surface there is often an appearance of social well-being when the real condition is otherwise. The situation really calls for a comprehending mind and a sympathetic heart on the part of all of us. They are our countrymen, these farmers, and moreover, in the long run, our welfare is bound up with theirs.

Let us briefly consider the causes of the agricultural distress and the relationship of those causes with the tariff. There are a number of causes, of course, but among them the tariff is not properly included. Broadly speaking, the tariff has had nothing to do with producing the acute economic distress of considerable portions of our agricultural population, for the relief of which remedies are now being sought. In a word, the cause that is new in character for the lack of prosperity with many farmers is the profound economic dislocation occasioned by the World War. That is the new thing and the big thing that has happened. During the war there was a great inflation of prices, and since the war a considerable deflation. Price deflation has hit the farmer with greater severity than other sections of the economic community. Again, during the war there was in many lines an overexpansion of facilities of production—in manufacturing industry as well as in agriculture. For reasons peculiar to agriculture those who manage its operations find it more difficult to make the adjustments necessary to avoid overproduction than do others.

The old evil that is a continuing cause to-day of lack of prosperity for the farmer is the evil of waste and excessive expense in distribution. The prices that the farmer receives for farm commodities have been in general much reduced below the war-time level, but the consumers of the industrial centers still keep on paying the same, or nearly the same, high prices that they paid during the war. The costs of transportation were very greatly advanced during the war, and have even been increased since the war; and the ever-growing army of middlemen, in order to live, must exact their tribute at every stage of the movement of farm products from the farm to the market basket of the ultimate consumer. The much talked about but little done about "spread" in prices between the farmer and the consumer comes directly out of the farmer's hide. It always did come out of him, but he feels it more now when other conditions—the after effects of the war—place him in a worse position to bear it.

The high prices which city dwellers and small industrial town workers still pay for most everything that comes from the farm is a reason—in fact, the chief reason—why the prices of manufactured products, such as the farmer uses, are not and can not be reduced. The manufacturer has to pay such wages to his work people to enable them to meet their living expenses that he can not reduce his prices. Thus the

high prices for food, which the farmer himself does not receive, are reflected back upon the farmer to his injury. In short, the dislocation—the lack of balance in our economic system—brought about by the war is the root of the farmer's trouble, in one form or another, and not anything that has to do with the tariff. He is not being swamped by imports competitive with his own products because of low duties or no duties. On the other hand, the duties on manufactured products have not suddenly become more effective than they used to be. Here and there some monopolist manufacturer may be gouging the farmer, but most of the protected industries are highly competitive and are not gouging the farmer. It is the monopolized protective industry that victimizes both the farmer and other consumers. Of course, the farmer has to pay the penalty of excessive prices where excessive protection is extended to those industries not suited to conditions in this country, and therefore not carried on to advantage here.

Nothing that is new in or through the tariff on manufactured goods, or the absence of the tariff on farm products having happened, why should "tariff adjustment" be preached up as a remedy for the farmer's ills? Is it not largely because the public men of the political party kept in power all through the West for lo these many years by farmers' votes have only that one string to play upon? They are, to change the figure of speech, like old fogy doctors who can only prescribe calomel, and still more calomel, for any sort of diseases new or old that their patients may have. If they are not seriously ill, it does not much matter; but if they are, the results of such treatment may be disastrous.

My own position on the tariff is that there should be protective duties on manufactured commodities and agricultural products alike for all those branches of industry and agriculture that need protection from foreign competition. Such duties should be fixed in amount in accordance with the principle of a competitive tariff to afford no more than the protection really required to equalize the conditions of competition. What I object to with respect to agricultural duties is the levying of some of them at such high rates that they will constitute a grievous burden upon certain sections of the country without corresponding benefit to the farmer, and the cluttering up of the tariff act with gesture duties—mere political bread pills—supposed to be in the farmer's interest but really of no advantage to him whatever. I fear the after effects as well as the immediate effects of the tariff now being framed as related to its professed purpose of affording so-called farm relief. The farmer will not be helped materially by these agricultural duties, and in his disappointment and exasperation he may turn, and to an extent he is turning, upon the whole tariff system to tear it down. If that happens it would disorganize American economic life to the great injury of the farmer himself as well as others. The farmer can not prosper if manufacturing industry is disorganized any more than the manufacturers can prosper if agriculture languishes and declines.

The reason why most duties on agricultural products—either new duties or old duties increased in amount—can not help the farmer is because they will not be effective. Upon this point much has been said with respect to those agricultural staples which are upon an export basis and for which duties are therefore wholly inoperative as a price influencing mechanism. The debenture plan, recently passed by the Senate but rejected by the House, would be operative. It is much to be preferred to the McNary-Haugen scheme and is a logical and necessary adjunct to a protective tariff enactment, the remainder of which can benefit the farmers of the country little if at all. That is, it is a logical and necessary measure for protectionists caught in a political jam and sweating drops of blood in attempting to do something for the farmer by means of a protective tariff. I do not myself, personally, follow into the debenture camp.

With respect to the noneffectiveness of agricultural duties in general there is another aspect of the matter (beside consideration of the agricultural commodities that are on an export basis) which has received little attention; and that is the fact, that for many products of agriculture there is in this country no general market, but only a series of local markets. There may be imports of such commodities regularly coming in of considerable amount, but their consumption in this country is localized and their competitive effect is largely localized. The determining factor in the matter is cost of transportation. The imports do not and can not penetrate into the interior because they are of low value in proportion to their weight, and therefore can not bear the burden of considerable land transportation charges. Contrariwise, similar domestic agricultural products raised in the interior of the country can not be shipped to the seaboard consuming centers (where the imports find their market) because the railroad charges preclude such shipment.

Two specific illustrations of this particular matter may be given. Potatoes of the "late" varieties, shipped largely from storage and eaten during the winter, are one of the most important products of the farm, both from the point of view of the producers and the consumers. Each of the leading consuming districts of the country uses mainly a neighborhood supply or, turned about, the producers of potatoes (even those in what are called the "surplus areas") do not as a rule ship to distant markets. For instance, Boston and New York, and the rather densely populated industrial region between those cities, in ordinary years draw their supplies of late potatoes chiefly from northern Maine, eastern Long Island, and northern and central New York State. To a considerably lesser degree in ordinary years supplies are drawn from the Maritime Provinces of Canada (New Brunswick and Prince Edward Island chiefly), and negligible quantities (less than 1 per cent) from Michigan and other States farther west. But, as everyone knows, potatoes are a very variable crop. Some years there may be a shortage in the Maine and New York State producing areas, due to an excessive amount of rainfall or other causes, and then what happens? Potatoes are brought in from Canada in unusual amounts to supply Boston and New York, and the duty, at present 50 cents per 100 pounds or 30 cents a bushel, and proposed to be raised to 75 cents per 100 pounds or 45 cents a bushel, becomes fully operative upon the price, which, in such a year of shortage, is already a high one. Contrariwise, in those years in which the Maine and New York State late potato crop is above normal, and the price is unprofitable to the producers, practically no Canadian potatoes come in, and the duty is completely noneffective. I protest against a duty of such a nature of little benefit ever to anybody, and which precisely at those times when millions of poor housewives find it hard work to feed their families with that article of food which, next to bread, is most important, places an extra and unnecessary burden upon them.

Another illustration is milk and cream, the demand for which by the large cities along the northern seaboard has outgrown the supply to be drawn from the adjacent milk and cream producing territory. Consequently considerable supplies are drawn from eastern Canada, especially in the summer months when there is the extra demand of the stay-at-home city dwellers for ice cream. With respect to milk and cream there will not be much variation of marketing conditions with the seasons as there is with late potatoes, and therefore the effect of the tariff will be about the same one year and another. And what will that effect be—the effect of a duty already exorbitantly high and which it is proposed to make still higher. Indeeed, the Senate Finance Committee's proposal just announced is to increase the duty levied under the last tariff law (1922) on milk by 160 per cent and cream by 180 per cent. This is one of the most brazen attempts in tariff history to deny millions of people who do not live on farms the full benefit of the health-sustaining qualities of milk and cream now so generally used in the preparation of many nutritious foods, and in the summer months the American child's chief fortification against the sweltering and depressing heat of the city streets. The immediate effect will be to shut out Canadian imports and to cause resort to Michigan and Wisconsin for the supply of these basic necessities of life. The price will go up because of the duty and it will come out of the consumers, injuring particularly the city poor of the whole northeastern section of the United States, and they must also take the risk of deterioration of quality. And who, in the ultimate effect, will be benefited? Not the producers of milk and cream in Michigan and Wisconsin. They will get little, if any, greater price f. o. b. shipping point than they did before. The increase in price of western milk and cream when delivered and sold in the eastern cities, the railroads, not the farmer, will get. That is what duties of this character are for; they are designed specifically to offset costs of transportation; they are protective, not against foreign-producing conditions, but domestic freight rates. I protest against each and all such duties which will seriously injure one section of the country and be of substantial benefit to no important group of American producers. The American railroads, especially those in the trunk-line territory, do not need this extra business thrown to them. It is something new to witness the American farmer in times of potato famines and milk shortages assuming the rôle of a tariff gouger. Also, it is not creditable to the American farmer to urge, as he is doing to-day, duties upon the raw materials of existing industries in order to secure the chance benefit of the substitution of other materials produced in this country. It is only fair to add that it is not the farmer but his misguided and grasping political spokesman that is responsible for these demands.

Something should be done to help American agriculture—we all are agreed about that. But manipulating the tariff so as to fool the farmer is not the way to do it. The correction of the enormous waste of distribution—the handling and trading aspects of distribution—is one of the things to do. And that the farmer is already manfully and sensibly largely doing for himself through his cooperative organizations with their helpful marketing arrangements.

Of things that might be done for him by the Government that also would be of real consequence, the principal one would be a general overhauling of railroad rates. In some instances new preferential rates—or "commodity rates," as the railroad men call them—would meet the requirements of the situation to enable certain special agricultural products to reach certain special markets. However, the main thing to be done is to revise the ratio of rates applicable to the different groups of commodities of the general scheme of freight classification. The rates on low-class freight, which includes most of the agricultural commodities and raw materials that come out of the ground, are absolutely lower per hundred pounds than the rates on the high-class freight covering the more advanced products of manufactures; but proportionately, in relationship to values, the rates on low-class

freight are far too high, and those on the high-class freight not high enough. The existing rates for the lowest classification—the charges per 100 pounds per length of haul—are 17½ per cent of the rates for the highest classification. On the other hand, the value of the commodities carried in the lowest classification are only 1 per cent, or one-half of 1 per cent of the value of the commodities carried in the highest classification. What the specific rate charges work out to as ad valorem equivalents is obvious, and also the enormous discrepancy involved. The effect of this discrepancy, bearing with greatest severity upon the farmer and other producers of low-class freight, has been much enhanced by the increase of the absolute rates all along the line to the significant amount of over 50 per cent since 1913. Congress passed the Esch-Cummins Act to save the railroads from bankruptcy, and left the Interstate Commerce Commission to apply the measure without adequate adjustment and elasticity, without ever thinking apparently of the probable consequent bankruptcy of the farmers. Here is something to be rectified in the interest of "farm relief" that is worth doing, in contrast to a piffling performance of tinkering with the tariff.

In a word, what the farmer needs, instead of paper tariff duties, is radical reductions in freight rates upon farm products such as wheat, corn, potatoes, cereals, milk, cream, meats, poultry, eggs, fruits, vegetables; and to offset these reductions substantial increases upon machines, radio sets, victrolas, steel products, automobiles, pianos, and other highly wrought and valuable commodities.

In conclusion, let me discuss the pending tariff bill. It will be, in name at least, a farmer's tariff bill. His political spokesmen will write every line of it and approve every proposed duty. They have the deciding votes. They can pass or defeat this or any other tariff bill. Why the recently aroused interest of the farmer in the tariff? Was it not largely because no less a political leader than President Hoover said, "An adequate tariff is the foundation of farm relief"? Of course, it was said in a campaign when farm relief was a fancied campaign necessity. But, nevertheless, that fallacy has produced the present tariff debacle in the Congress. Do not such statements indicate that the farmer can be benefited through the tariff? Is it not natural for the farmer to infer from such statements that definite benefits will accrue to him by levying high duties on farm products? The situation to-day in Congress is that farm products can have any rate levied that may be suggested.

The representatives in Congress from the manufacturing sections will oppose nothing remotely hinted to be politically soothing to the farmer. Cui bono? That is inconsequential! Will not the political spokesmen, if farm rates are increased, be able to present to the distressed farmer a long list of "increases"? And will not the industrial and administration forces be able to show that these increases have removed the argument for a farm debenture, because of the enactment of a tariff bill that has at last satisfactorily adjusted tariff rates by levying duties in such increases that the tables which heretofore showed that the farmer's tariff benefits (the rates on his products) were out of parity with the rates bestowed on manufactured commodities no longer show that out-of-parity condition? Why be concerned with more than the parallel column of figures comparing agricultural with other rates? The farmer is not expected to be an analyst of tables and able to discover the difference between effective and ineffective duties. Will not all Members of Congress in both political parties, regardless of their final attitude toward the tariff bill, proudly point to their speeches and votes for "increases" to the farmer?

I repeat, "Cui bono?" The answer can be read in the faces and attitude of the political representatives of the manufacturing centers. Their willingness, their eagerness, their insistence and enthusiasm for farm "increases" speak volumes. They know the worthlessness of these gestures. Well they know that the farmer can not, under any known economic law, receive any appreciable benefit from these increases. He already has high duties on everything he produces; all that he asked for was given him in 1922. His present duty on wool is 40 per cent to 80 per cent ad valorem; on wheat nearly 50 per cent; and correspondingly high on flax and sugar and citrus fruits—all of which duties are at times effective. Yet no period for the farming industry has been so disastrous as the past seven years. If the increases of 1922 brought injury rather than benefit, how are additional "increases" in 1929 to help? Now, I ask, not "Cui bono"? but "Cui malo"?

Here are the evil consequences:

First. Increased duties on many food products will, as I have pointed out heretofore, increase the cost of living to the industrial and nonindustrial workers of those sections of the country which, at certain seasons of the year and because of geographical location, do not produce sufficient farm products and, consequently, must purchase from Canada and Cuba. Compared with the total domestic consumption, this volume of imports is insignificant, and really calls for no tariff change. To force far western farm products upon these consumers is impossible, because of prohibitive freight rates and perishability factors. Whatever tariff rates are levied will, without helping the farmer, punish these consumers by adding the duties to the costs of what they need to support their very life.

Second. Canada will be prompted to retaliation if we succeed in destroying the natural market of her farmers along the international border south of Quebec and Montreal. It can not be too often reiterated, Canada is our best customer. We send her about double the value of goods we buy of her and more even than she imports from Great Britain. In this volume of business which we sell her is included 7 per cent more of cotton and textiles alone than all her shipments to this country of farm products. Are we to engage now in a vain attempt to help the western farmer to secure a lesser volume of business than Canada contributes to the cotton growers of the South?

Third. The farmer will be injured, directly and indirectly. The increased rates will temporarily act as a soothing sirup, but in the end will actually lessen his argument for real relief. He will be on the defensive.

If I understand the farmer's strongest appeal and surest operative measure in the way of relief, demanded because of what he calls the tariff inequalities between him and other producers, it is the so-called debenture plan. Whatever logical foundation exists for this plan is by reason of the ineffectiveness of the tariff to serve the farmer with benefits and because of the tariff's effectiveness in bestowing benefits upon manufactures that the farmer must purchase. Even opponents of the debenture admit it "will do the work" of bestowing financial relief, so why seek to befog the issue for him?

Is not the farmer in searching for real relief in an immeasurably stronger position if he takes the following courses:

First. Opposes all excessive and indefensible tariff rates.

Second. Opposes protection to trust-controlled business.

Third. Insists upon the strict application of a tariff formula based upon the honest difference in the cost of unit production here and abroad of comparable commodities.

Fourth. Insists upon the abolition of log-rolling tariff making, in which he has been a cat's-paw for every past tariff bill which has had the sanction of the farmers, who have never failed to give the necessary votes to support "high" protection.

Fifth. Disavows any claim to or benefits in the protective system, seeking and accepting no shadow-boxing rates but determinedly insisting upon the debenture as the only fair way of compensating him for the economic disadvantages he suffers due to the nationally accepted protective tariff policy applicable in the main to industry. If he declines the appeals to experiment with the plausible curatives of increased tariff rates he will be the sooner able to make his position of inequality fully understood, and the hour of his convalescence will be nearer. The farmer should turn with indignation upon the "medicine men" who offer him "rates" (tariff rates). He, above all men, ought to be suspicious and demand the "medicine" that will "do the work."

It seems to me that such a course, in view of the farmer's support of high protection, might ultimately triumph. Because of the views heretofore outlined, I, of course, can not follow him into a course of action which has admittedly all the evils of the protective system and is alone undertaken and justified as an offset to those evils.

NOMINATIONS OF ARMY OFFICERS

Mr. HARRISON. I now yield to the Senator from Pennsylvania.

Mr. REED. From the Committee on Military Affairs, as in open executive session, I report a large number of nominations. Most of them are routine nominations. They embrace half a dozen general officers, but all the others are routine. The number is so large that it seems useless to have them printed in the Executive Calendar; but, as the action of the committee was unanimous, I ask unanimous consent that the nominations may now be confirmed.

The VICE PRESIDENT. Is there objection?

Mr. ROBINSON of Arkansas. I think the principal nominations should be read. I have no knowledge of them.

Mr. REED. On the first page there are the nominations of four general officers.

Mr. HARRISON. Mr. President, I think that this matter had better go over.

The VICE PRESIDENT. The Senator from Mississippi declines to yield.

Mr. ROBINSON of Arkansas. Then let the matter go over.

Mr. REED. May the nominations be placed on the Executive Calendar?

The VICE PRESIDENT. Without objection, the nominations will be placed on the Executive Calendar.

REVISION OF THE TARIFF

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 2667) to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, to protect American labor, and for other purposes.

Mr. HARRISON. Mr. President, in the beginning, I wish to assure the Senate that it is neither by design nor prearrangement that I speak to-day, Friday, the 13th of the month, relative to the pending legislative monstrosity. If I should give expression as a partisan it would be of no surprise, either in

the conception of construction of the bill, but as an American I should say that I feel humiliated. In the art of discrimination, it is a masterpiece. The forked tongue of hypocrisy hisses through every paragraph of it; from its title to its concluding clause deception abounds. If snares were thistles, it would be comparable to the cactus plains of Mexico. First, let us analyze the title. Heretofore in the construction of revenue measures those who have framed them have at least tried to state fairly in the title the object of the proposed legislation. That has been true up until this decade in every tariff bill proposed by Republican leadership.

In 1890 when the McKinley Act was presented the title read:

An act to reduce the revenue, to equalize duties on imports, and for other purposes.

"To reduce the revenue." Mr. McKinley and those who worked with him at that time knew that a protective tariff did not increase the revenue but "reduced the revenue." Thus it was so stated. When the Dingley bill came along Mr. Dingley and those who worked with him stated in the title of the bill that it was—

An act to provide revenue for the Government, and to encourage industries.

Then came the Payne-Aldrich law, whose title read "To provide revenue."

The Underwood-Simmons bill followed, and its title read, "To reduce duties," stating the fact.

Then the title of the Fordney-McCumber bill stated that it was—

An act to provide revenue, to regulate commerce with foreign nations, and to encourage industries.

For the first time in a tariff measure it was written in the title of the Fordney-McCumber bill that it was "to regulate commerce with foreign nations"; and now those who propose this bill begin by saying in the title:

An act to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, to protect American labor.

They knew the very expression was misleading. It did not truly state the purposes, but they evidently thought they might deceive American labor. If they had desired to indicate in the title the true effect which this bill would have, they would have said:

An act to destroy revenue, to stifle commerce with foreign countries, to discourage industries, to flimflam American labor, and to fleece the American farmer.

Bear with me while I discuss the effect of tariff rates upon labor.

Statistics under the last census show that the number of people engaged in work in all occupations at that time was 41,000,000 plus. In the manufacturing and mechanical industry it showed only one-tenth of the population of the country. And of that number, millions were engaged in the work of those industries that were paying wages free from the protection of tariff duties. It included the large number engaged in the manufacture of agricultural implements, boots and shoes, and typewriters and automobiles. They either had no tariff protection or, if they did, it was inoperative. And it is a remarkable fact that in the study of wages in America the laborers who receive the highest wages, in most instances, are those who engaged in work unrelated to the tariff. The tens of thousands of plasterers and carpenters and masons are not protected by the tariff. The hundreds of thousands of men working upon the railroads and transportation systems are not protected by the tariff.

Agricultural implements, typewriters, boots, and shoes are now on the free list, and under the Government census for manufactures in 1923 we find that, while the average of wages to materials in all manufacturing industries at that time was 28.3 per cent, that in the boot and shoe industry the percentage of wages to materials was 36.2 per cent; in the agricultural implements industry it was 45.3 per cent; and in the manufacture of typewriters it was 68.3 per cent.

We find, too, that the percentage of wages to value of products in all manufacturing industries was 23.1 per cent, while in the boot and shoe industry, the manufacture of agricultural implements, and in typewriters the percentage of wages to value of products was 30 per cent, 35 per cent, and 47.6 per cent, respectively. So, from a study and analysis of the various industries engaged in the manufacturing business, we find that generally the highest wages paid are those in industries which are not protected by tariff duties.

Senators will understand that a comparison of daily wage rates alone that enter into the cost of products which compete in the world market furnishes no working index pointing clearly to actual labor wages or costs. Such comparison ignores the relative productivity of the wage earner, relative efficiency of management, and relative mechanical equipment.

Only when the amount of wages paid is divided by the amount of product of the employee is reliable and serviceable information furnished as to comparative labor costs. Both the amount of wages paid and the amount of product are essential elements in the test of actual wages.

The bituminous-coal industry affords one of the simplest illustrations. The latest figures available show:

	Tons per man	Wages per year	Wages per ton
France	172	$427	$3.79
Belgium	142	420	3.41
Great Britain	290	866	3.28
Czechoslovakia	253	489	2.06
Germany	296	601	2.03
United States	876	1,382	1.58

It will be noted that where the output per worker is substantially greater in the United States than in Europe the wages paid per ton in Europe are greater than in the United States.

For instance, in the case of Belgium, the output of the worker is only about 16 per cent of that of the United States worker, while the Belgian worker is paid about 30 per cent of the amount paid the American miner.

But, since the title of the bill says that it is to protect American labor, let us take some of the protected articles; for instance, soap.

On the basis of quantity produced per $100 paid out in wages in the United States 15,839 pounds are produced, while in Great Britain 8,559 pounds are produced. In the case of cement, which is one of the subjects about which discussion will revolve later on, in the United States 300 barrels are produced, while in Great Britain only 233 barrels are produced. Taking pig iron, in the United States quantity produced per $100 is 81 tons, while in Great Britain the production is only 41 tons.

As an illustration, let me compare $100 of wages in the United States and in Great Britain, using as a basis the quantity produced. In cotton spinning and weaving, for instance, $100 of wages in the United States will produce in the United States $180; Great Britain the same amount of wages will produce only $175 of value in cotton spinning and weaving.

Using the same basis, take boots and shoes: One hundred dollars paid in wages in the United States will produce $197 of boots and shoes, while in England $100 in wages will produce only $160 of boots and shoes.

Upon the same basis, in the production of iron ore in the United States, $100 in wages will produce $264 of iron ore, while in Germany $100 paid out in wages will produce only $195 of iron ore.

Let me compare the product per man per year in the case of brick, which will be a question of controversy in the discussion of the pending bill. In the United States the average man per year will produce 140,000 bricks, while in Germany one man per year will produce only 60,000 bricks.

Take steel: In the United States one man per year will produce 77 tons of steel, while in Great Britain one man in a year will produce only 25 tons of steel.

In tin plate, one man per year in the United States will produce 100 tons, while in Great Britain one man per year will produce 25 tons.

Let us take window glass: One man in the United States per day will produce 21 square meters, while in Sweden he will produce only 10 square meters, and in Belgium 11 square meters.

Let us compare this country with that of Japan in cotton yarns: One man per day throughout the year will produce 414 pounds, while in Japan per day he will produce 104 pounds.

Let us compare the agricultural production per man in the United States and in other countries:

One man in the United States will produce as much as 6½ men in Italy, 3.6 men in Hungary, 3.2 men in France, 2½ men in Germany, 2½ men in Belgium, and 2.3 men in the United Kingdom.

As a general rule, the wages in this country are lowest in those industries that receive the greatest amount of protection, and are highest in those industries that are not influenced by tariff advantages.

As an illustration, take the sugar-beet industry, which carries as high if not higher protection than others and employs

Mexican labor at as cheap a price as possible. It is true also in the highly protected woolen industry and in the silk industry; and it is just the opposite, as I have pointed out, in the automobile industry, the manufacture of typewriters, and other industries that are either on the free list or uninfluenced by the tariff.

Mr. WALSH of Montana. Mr. President——

The VICE PRESIDENT. Does the Senator from Mississippi yield to the Senator from Montana?

Mr. HARRISON. I do.

Mr. WALSH of Montana. The figures being given us by the Senator from Mississippi are exceedingly impressive. From what source do they come?

Mr. HARRISON. They come from reports made by Professor Taussig, as well as the Census Bureau and the Tariff Commission. They are quite authentic.

Mr. BARKLEY. Mr. President——

The VICE PRESIDENT. Does the Senator from Mississippi yield to the Senator from Kentucky?

Mr. HARRISON. I do.

Mr. BARKLEY. Referring to the window-glass situation, has there been taken into consideration the basis of 1928 or 1929 or 1926?

Mr. HARRISON. These figures, I think, were based upon the year 1927.

Mr. BARKLEY. I will state to the Senator that if he had the figures for the present time they would be still more impressive, because the old-fashioned methods of manufacturing window glass have been practically abandoned in the United States, so that to-day American labor produces even more than the figures cited by the Senator show.

Mr. HARRISON. Yes; the Senator is quite right. The Libbey-Owens people, for instance, are operating under modern methods and making tremendous profits.

Mr. BROOKHART. Mr. President——

The VICE PRESIDENT. Does the Senator from Mississippi yield to the Senator from Iowa?

Mr. HARRISON. I yield.

Mr. BROOKHART. Has the Senator a comparison of the profits of capital in those countries?

Mr. HARRISON. I have not.

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

The VICE PRESIDENT. Does the Senator from Mississippi yield to the Senator from Utah?

Mr. HARRISON. I yield.

Mr. KING. May I say to the Senator from Iowa that the profits of the large concerns in the United States are from two to four times as great as those of the concerns in the other countries referred to.

Mr. BROOKHART. I think the proportions stated by the Senator are about correct.

Mr. HARRISON. Mr. President, on yesterday the distinguished Senator from Utah [Mr. SMOOT] made a speech in which he told about the large exports of the United States and also, I believe, laid down the principle that tariffs have little or no effect upon prices. It was a new idea to be advanced, but that is what appears in the speech of the distinguished Senator from Utah.

The President of the United States, while Secretary of Commerce, made the interesting statement that less than 6 per cent of our total productivity is exported—less than 6 per cent. We all know that we dominate the world in the possession of raw materials. In 18 out of 20 of the prime raw materials we dominate the whole world, and, occupying the position that we do, it would seem that we would dominate the markets of the world with our exports; but we do not. It is a startling fact, but it is true, that France, for instance, is exporting 38 per cent of her productivity; that Germany is exporting 64 per cent of her productivity; that Great Britain is exporting 62 per cent of her productivity; and yet in the case of this great country, with the organizing genius of our people unapproached, with more capital than any other people, and possessing raw materials such as no other country possesses, our exports when compared to our total productivity are only 6 per cent.

What is the reason? What is the answer? It is because you have throttled international trade and commerce by your custom duties. You are shackling the industries of this country and shutting the door of opportunity to an extension and enlargment of American business through tariff restrictions. Protecting American labor! If that were true, then why is it that in countries such as Russia and Italy and Germany and other countries that have high tariff rates the wages of labor are not high also?

No! You know this tariff is not for the purpose of protecting American labor. Labor in this country never received a just wage until they demanded it, exacted it from those for whom they worked. It was not given voluntarily. I am glad to-day to see a better day dawning and a finer spirit of comradeship and cooperation between labor and capital, but labor's place to-day was attained through demands made upon their employers for higher wages. It is only in rare instances where the increased profits are shared with the labor employed.

The average American manufacturer is bent upon profits, and in only a few cases are those who direct the operation and management actuated by humanitarian motives, either in retaining employees or increasing wages.

Mr. President, since the passage of the Fordney-McCumber tariff bill there has been much discussion about the tariff. People with average wages and salaries have felt the load that they have been forced to carry. The increased cost of living has been apparent upon every side; and for the first time in the history of the country those engaged in agriculture have waked up to the fact that the industrial wing of the Republican Party was gouging them and making their task heavier. So somewhat of a revolt has arisen in this country. The agricultural interests for the first time appreciate their condition and the situation. The revolt grew to such an extent that last year, in January, here in this body, the distinguished Senator from South Dakota [Mr. MCMASTER] submitted a resolution expressing the sense of the Senate that there should be a revision of the tariff and a lowering of the rates, equalizing if possible or approaching some equalization between agriculture and other industries; and to-day, as we begin the discussion of the bill now given to us, as I read the list of names of the majority members of the Finance Committee and then read the vote taken in the Senate on that resolution, I may say that I am not surprised at the contents of this tariff proposal.

It is a remarkable fact—I suppose it has no counterpart in history—that every member of the Republican Party on the Finance Committee that wrote this bill opposed and voted against the McMaster resolution on the floor of the Senate. Take the list right straight down.

There is the Senator from Utah [Mr. SMOOT]. He was loud in his denunciation of the McMaster resolution, and when his name was called he voted against it. There is the Senator from Kentucky [Mr. SACKETT], who helped draw this bill. He voted against the McMaster resolution, as did the Senator from Connecticut [Mr. BINGHAM], the Senator from New Hampshire [Mr. KEYES], the Senator from Illinois [Mr. DENEEN], the Senator from Vermont [Mr. GREENE], the Senator from Michigan [Mr. COUZENS], the Senator from California [Mr. SHORTRIDGE], the Senator from Pennsylvania [Mr. REED], and the Senator from Indiana [Mr. WATSON]. The only one of the Republican members of the Finance Committee who did not vote on the McMaster resolution was the new Ambassador to France, the Senator from New Jersey [Mr. EDGE]; but he was paired against it. Nobody ever suspected that he would have voted for it; and thus it is that this legislation is brought before the Senate.

Under the rules of the Senate I am not permitted to criticise the House of Representatives. I have no desire to do it. I do not like the rules as they are administered by some people; but from speeches made on the floor of the House it is clear that this bill, after it came out of the Ways and Means Committee was, through gag rule, forced through the House of Representatives without the opportunity being allowed of offering amendments or of voting to reduce many of the rates carried in it; and that is the way this bill came to us.

When the bill got here what happened? It was referred to the Finance Committee, and then we had long hearings. We thought perhaps the Democrats might help you to write a very good bill; but as soon as you had listened to all the representatives of special interests in this country telling you what they wanted, many of them demanding you to do certain things, you went behind closed doors and there closeted together began to write the bill. But before you did that, after conferring and caucusing a little bit, you said, "Now, let us allocate this work. It will take too long, and there will be too many complications, if all the majority members sit in the committee and write this bill. So let us parcel it out. Let us give one schedule to a certain group of Senators, and let us give another schedule to another group, in order that we may hasten our work and get a common understanding quickly in this matter."

So I can imagine now my friend from Utah [Mr. SMOOT] sitting at the head of the council table, with all these distinguished Senators who had fought the McMaster resolution and had voted against it sitting around; and the first one who spoke up said, "Well, what are we going to do about sugar? How about the sugar schedule? Who is going to be chairman of that? Who is going to direct that schedule?" I can imagine that many members of the committee said that their people were interested in the price of sugar. I imagine that at least one Senator said, "I can remember when the price soared so high

that we had to send abroad and import sugar into this country." Another may have spoken up and said, "Yes; some of the same crowd who are now asking for the increase were indicted during the war for extortion in sugar prices." Many no doubt expressed a desire to be placed on that subcommittee. Then I fancy I can hear the saccharine voice of my friend from Utah as he quiets the argument and says, "Now, here, fellows, sugar is mine. I am experienced in the discussion of high sugar rates. I am the Lindbergh of sugar aviation. I know more about sugar than all of you put together. I came up in sugar. My friends and political allies and associates are engaged in the sugar business. Do not take away from me that upon which my reputation was based." Either he got into repute or disrepute about it. I do not know which; but he said, "Give me sugar above everything else." So naturally they gave to him sugar, and he proceeded then with his work on the sugar schedule.

It is unfortunate that the Senator from Utah could not put over his great sliding-scale scheme, which he nursed for nights and cared for by day, and which the newspapers quoted him as having gone over with President Hoover, but which he afterwards denied. When he proposed it to the full committee, and witnesses came here from everywhere, not a single voice representing any industry in this country indorsed his proposal. So by that action they somewhat condemned his knowledge of sugar; but he got it, and he is the one who steered the sugar schedule here. He first wanted the same increased rates that were carried in the House bill, although it is said he voted against them when you had your secret votes in the committee; but at least he was able to bring out of that committee an increased rate that will lay an additional burden of $55,000,000 upon American sugar consumers.

Then there arose the question of the cotton schedule. "Who will take the chairmanship of the subcommittee having charge of the cotton schedule?" That is an important schedule, and I imagine several voices rose; but finally one voice, in that suave, well-mannered, and diplomatic way of my friend from Connecticut [Mr. BINGHAM]. He said, "Now, here, Mr. Chairman, we have given you sugar. You ought to be satisfied. But I have got to satisfy my people. Your becoming chairman of the subcommittee on sugar may satisfy the Great Western Sugar Co., which has had poured into its treasury for years millions on millions of dollars, and needs no protection. It might satisfy the Utah-Idaho Sugar Co. and the other great sugar-beet companies in Utah and that section of the country." But my friend the Senator from Connecticut must have said, "Now, I have to satisfy my people. Here is the subject of cotton textiles. That is one of the things that made Connecticut prosperous and famous in days gone by. The people in that industry are my friends. I know them. I know the cotton industry. They have not only contributed to my pleasure," said he, "but they have contributed to my campaign, and they have been generous to the Republican Party in their contributions. This first time when I come down here and am in a position to serve these special interests in Connecticut, the first opportunity I have to do them a favor, do not take it away from me. Let me serve as chairman of this subcommittee." So the Senator from Utah evidently said, "All right; I think that proper; you take the cotton schedule."

Then they had to put two others on that subcommittee. They wanted to get one, no doubt, from Rhode Island, because many in Rhode Island are engaged in the cotton-textile industry. But my friend the Senator from Rhode Island [Mr. METCALF] did not happen to be on the Committee on Finance. So they said, "Who shall it be? Massachusetts has not a Republican on that committee. To whom shall we give Rhode Island?" So they went forth and said, "The prodigal son who left Rhode Island many years ago and went to Kentucky can serve her interests on that committee." So it was that my friend the Senator from Kentucky [Mr. SACKETT] was placed on it.

Then they went up into Vermont and they said, "That is close by Connecticut. Let Vermont have a representative on that subcommittee. He can help Rhode Island out." So they put my friend from Vermont [Mr. GREENE] on that subcommittee.

Then they got down to the wool schedule, and again the voice of the Senator from Connecticut rose, and the same group was put on that subcommittee, handling woolens of all kinds, serving those interests which had served them in the past. They were put on that committee to write the bill.

Then they came to the silk schedule. Surely they were not going to put the same group in charge of the silk schedule. But then the voice from Connecticut rose again, and he said, "Now, here, you fellows know Horace Cheney. You know he is the legislative representative of the whole silk industry in this country. He lives in my State. He is my friend. Give me this chairmanship in order that I may serve that interest also." So the same three musketeers were placed in charge of the silk schedule.

Then they got down to earthenware, an important subject, the schedule which deals with almost everything that goes into the kitchen and into the dining room, that has to do with brick and cement, tiles of every kind, crockery, and chinaware. Then the question arose as to who should go on the subcommittee having charge of that schedule, who would direct it. Various ones, perhaps, were suggested; but finally I think I can hear my friend from from New Jersey [Mr. EDGE] saying, "Now, look here. I have been in the Senate a long time. I am staying here longer than I should stay if I would answer the call to duty. Months ago I was chosen as ambassador to France; but my friends want me to stay in the Senate and serve on this Finance Committee until at least some of these schedules shall have been voted upon. If you ask me any other reason for not going I can not tell you; but it is the one time in my legislative experience when I can render real service to those men and leaders of industry in New Jersey engaged in pottery and earthenware manufacture of every kind, and I want that chairmanship. It is perhaps the last request I shall make of you gentlemen. Let it be my valedictory in legislative performances." So it was that the Senator from Utah, whose heart is always warm, said, "Well, I will not refuse you." So he made him chairman of the subcommittee on the earthenware schedule.

Mr. ALLEN. Mr. President——

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Mississippi yield to the Senator from Kansas?

Mr. HARRISON. I yield.

Mr. ALLEN. I just wanted to ask, for information, whether these answers and questions were apocryphal or actual?

Mr. HARRISON. The Senator ought to ask the Senator from Utah. He could indorse what I am saying; but he keeps his peace, thus silence gives approval.

Then they came to put some other gentleman on the subcommittee. Of course, the Senator from Utah, a State which produces a good deal of material that goes into earthenware, wanted to get on the subcommittee; he was not going to let that chance slip, even though he had become chairman of the subcommittee having charge of the sugar schedule. So he reserved a place for himself.

Then the voice of the ambassador from Pennsylvania rose, and he said, "Now, here, gentlemen; here is the place where I must be. They have a lot of these pottery manufactures and various things that are included in the earthenware schedule in New Jersey, but I want to tell you that Pennsylvania has a lot of them, and I must go on that subcommittee, because, you know, there is just one of me here from that State, and they look to me to do great things at this particular time." His appeals were so telling that he convinced the Senator from Utah that he ought to go on that subcommittee, and so he did.

Thus that subcommittee was made up, the Senator from New Jersey, the Senator from Pennsylvania, and the Senator from the far West, and it was there, in the secret council chamber of that subcommittee, where the West and the East met, and they blended together in brotherly love and common understanding.

Then they got down to the next schedule, the steel schedule. That is an important schedule, the steel schedule. The Republican members of the Finance Committee know more about the steel schedule than they do about any other schedule. I except, of course, my friend, the Senator from Utah, where sugar is concerned.

Mr. BARKLEY. Mr. President, will not the Senator explain how he spells the name of that schedule?

Mr. HARRISON. The Senator is referring to the steel schedule?

Mr. BARKLEY. Yes.

Mr HARRISON. The Senators on the other side know how to spell it.

The question was who was to go on that subcommittee. They looked around the table, no doubt, and saw the distinguished Senator from Michigan [Mr. COUZENS], a man who was experienced in manufacturing, who had made a great success out of it, who knew it, who was a great organizer, who had bought steel in the manufacture of automobiles; but he had been an unruly boy in committee matters. It was he who gave out news. When the majority members were giving it out to their constituents as to how rates were being increased and decreased, he gave the information to the press. So he was not in very good grace to get a high committee assignment, and they disregarded him Then it was, I imagine, that the voice from Pennsylvania rose and said, "Now, here; I should not think you would delay this matter at all. There should not be any question as to who should become chairman of the sub-

committee having charge of the metal schedule. I know more about steel than the chairman of the committee knows about sugar. I have seen the skies blackened from the smoke of the factories of my city. I have seen the furnaces reflecting their flares. I know steel now. I have known it for years. I have sat at the same table with those engaged in that industry. I have conferred with them. I have counseled them. I have kept them out of jail. I know their ways. I know their views, as well as their wants. You must put me on as chairman of this subcommittee." So the big-hearted chairman of the Finance Committee and the other members said, "All right; you take the chairmanship of the subcommittee having charge of the steel schedule." Then it was they put on that subcommittee his distinguished coworker and laborer, who has some steel interest in his section, Mr. EDGE.

Thus, Mr. President, this bill was drafted. No band of pirates ever better pillaged and looted a victim, and were more successful in getting their prey, than has this set of distinguished gentlemen, behind closed doors, in writing a bill which in effect would rob the American consumer.

Yes; it is a great success in that respect, trafficking and trading and swapping, as you did, forming your blocs. That is the way you concocted this conspiracy against the American people. In this debate it will be revealed. We will show to the people just what you have done. We will arouse them, not by gentle zephyrs, because such breezes sometimes lull to sleep; but we will provoke such a storm of discussion here that will stir the people to move against you in this tragic event.

Yesterday the distinguished Senator from Utah attempted to defend this bill on the theory that it was in line with what the President wanted. He quoted from President Hoover. When the question was put to him as to whether or not he had conferred with the President touching this bill, he said no, he had not conferred with him.

Ah, what a situation have we in this country! A President of the United States of Republican faith calls Congress together to revise the tariff, and not yet has he taken into his confidence the chairman of the Finance Committee of the Senate. Is it because he has not the courage to suggest or outline a course, or is it because the Senator from Utah refused to go and confer with him? It is said that his influence has been felt in the writing of this bill only in connection with the rates put upon fishing rods and flies and fishing reels of every kind. The House increased those rates, but that was before the President had established his fishing camp on the historic banks of the Rapidan. The Senate Finance Committee did refuse to follow the House in that instance.

Mr. President, they are attempting to hoodwink the American farmer. Yet, there is one good thing coming out of all this, and that is that now the American farmer is alive to what they are doing to him. He knows now of the unholy wedlock between big business and this Government, and that he can not afford to sit down at the same table with these bloated representatives of special interests, because he is too hungry, the farmer is too lean, he can not possibly get a fair division of the provender. The bloated representative of special interests will get all the pie and leave only to the farmer the crust; and that is what they have done in framing this bill.

Trying to protect American labor? Trying to help the farmer? Every ounce of increase given to him in a tariff rate has been offset by the laying upon him of a pound of burden in the increases that he will have to bear. Let me read some of these increases. Let me call your attention to the fact that under the present law, enacted before these unreasonably high increases were made in the pending bill, the ad valorem on woolen manufactures was 61 per cent, on cotton manufactures 47 per cent, on silk manufactures 60 per cent, on metals 49 per cent, and on pottery and earthenware 60 per cent. Do you think you have satisfied the farmer by giving him in most instances mere paper increases? The Senator from Utah admitted in his report that in many cases the increases were paper increases. No one ought to know this better than the distinguished Senator from Kansas [Mr. ALLEN], who knows how the people of Kansas feel about it.

In July, 1928, the price of 21 representative farm products was 146 on the 1913 basis, whereas the relative prices of the principal products the farmer buys was at that time 172 on the same basis. In July, 1928, 100 units of the principal farm products would purchase only 82 units of the principal things the farmer had to buy. One hundred units of farm products would purchase 73 units of clothing, would purchase 79 units of household supplies, or would purchase 88 units of building material, and yet on every one of those items you have increased the rate and widened the gulf.

The Senator from Utah yesterday permitted me to have placed in the RECORD the large percentage of increases covered in the many schedules of the bill. He had left them out of his summary, but the percentage increases were placed in the RECORD at my request in the form of tabulations prepared by the Tariff Commission. Let me call some of the facts to your attention.

In the chemical schedule you have increased the rates on 74 articles and decreased them on 29. The 29 decreases made in those schedules, as well as the decreases in other schedules—and I lay it down and the Senator will not now deny it—were either in cases where our productivity was so great that there was no importation whatsoever, or that we had no production of those articles and our importations were large. One or the other was true, so no benefit whatsoever is given to the consumer in those decreases.

Mr. WALSH of Massachusetts. Mr. President——

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

Mr. HARRISON. I yield.

Mr. WALSH of Massachusetts. Is the reduction to which the Senator referred a reduction of the House rate or a reduction of the rate in the present law?

Mr. HARRISON. I am referring to the present law. I am going through the schedules to show how many increases were made and how many decreases were made from the present law. This tabulation is prepared by experts of the Tariff Commission. The Senator from Utah would have the country believe that there were none of the large increases we have heretofore discussed. In the earthenware schedule they made 20 decreases and put on 99 increases. In the metal schedule they made 45 decreases and 181 increases. Those decreases in the main were due to the fact that manganese was taken from the dutiable list and put on the free list and the compensatory duty reduced accordingly.

In sugar you made 14 increases and no decreases. In tobacco you made 1 increase and no decrease. In agriculture you made 11 decreases and 179 increases, and only in the rarest of instances, as we will show as the debate goes on, are those increases going to do the farmer any good. I do not say in all instances they will not do him any good, but in the great majority of instances they do not help him.

In spirits there were 6 increases and no decreases. In the cotton schedule there were 28 increases and 10 decreases. In the flax and jute schedule there were 36 increases and 1 decrease. In the wool schedule there were 61 increases and 5 decreases. In the rayon schedule there were 16 increases and 1 decrease. In the silk schedule there were 10 increases and 2 decreases. In the paper schedule there were 23 increases and 1 decrease. In the sundries schedule there were 152 increases and 25 decreases. That is what you have done in carrying out the promise of your candidate for President in the last election.

Mr. President, let me cite this significant illustration. If a farmer from Iowa with his wheat or corn or a farmer from my State with his cotton should go to England and sell his product for $5,000 and then buy goods there such as are needed in the construction of a home, in the way of lumber, brick, cement, furnishings, and necessities that go into a home, he would find when he got to the customhouse at New York with his goods, if the proposed rates were applied, he would have to pay $2,785 of customs duties. The duty would be in that instance 10 per cent more than under the present law. That is what you have done to him in this bill. If he took his $5,000 and came home and purchased the same goods in the United States, he would pay a great deal more than the $2,785 increase.

The Senator from Utah smiles, because he said that the tariff has no effect upon prices. We have never contended that the exact amount of the tariff is reflected immediately in the prices in all instances, but in a great many instances it is. It is in the case of sugar, for instance. It is largely in the case of wool, for instance. When we have a monopoly in this country, or a combination, they use these tariff duties as a screen behind which to form combinations and fix unreasonable prices. That is the reason why there has grown up in this country institutes and associations which have their meetings and approach common understandings as to prices and policies.

When the subcommittee dealing with sugar was holding its hearings, Mr. Spreckels came before us and told us of the organization of the Sugar Institute. You have the same thing in the steel industry, you have it in the cement industry, and you have it in every large industry in the country. It is these institutes which work behind the walls of protection and raise the prices as high as they can to the American consumer.

Mr. President, let me take a few of the rates carried in the agricultural schedule upon which you have made increases. Let me show the fallacy of those rates and the hypocrisy of the practice of the majority of the committee in the writing of the bill.

Corn has been alluded to. I wonder if the Senator from Utah would now rise in his place in the Senate and say that the duty on corn helps the price of corn. There is produced in this country 2,800,000,000 bushels of corn, and the importations were only 583,000 bushels. We export over 25,000,000 bushels of corn, and yet, in order to fool the corn farmer, they increased the duty on corn from 15 to 25 cents a bushel.

Mr. BROOKHART. Mr. President——

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

Mr. HARRISON. I yield.

Mr. BROOKHART. On that proposition, does not the Republican majority intend to give us the debenture to make the corn tariff effective?

Mr. HARRISON. They ought to do so.

Corn grits. We export 739,000 pounds and import 31 pounds. The year previous we imported 21 pounds. Yet you increased the duty on corn grits from 30 to 50 cents a hundred pounds. That is an example of the way you have acted. I know that the Senator from Utah is ashamed of his work, because he does not like to practice that kind of deception. He wants to have a little bit of reason behind his acts. I can not believe that the Senator voted for those rates in the committee. If he did, I wish to yield to him now to explain why he did it and to say whether it would affect the price of corn grits or corn. The Senator remains silent.

Oats. We produced 1,500,000,000 bushels and we imported 489,000 bushels and we exported over 10,000,000 bushels—and yet you have put a tariff on oats.

Rye. We produced 41,000,000 bushels and we exported 15,000,000 bushels, but we only imported 1,500 bushels, and yet your bill carries a duty of 15 cents a bushel.

Barley. The production was 350,000,000 bushels, the imports 7,000 bushels, and the exports 55,000,000 bushels, and yet you put a duty of 20 cents a bushel on barley. There is not a Senator over on the other side of the Chamber that will rise in his place and say that that will help the barley producer one iota.

Mr. BROOKHART. Mr. President——

The VICE PRESIDENT. Does the Senator from Mississippi yield to the Senator from Iowa?

Mr. HARRISON. I yield.

Mr. BROOKHART. Does the Senator mean to say that the Republican members of the Finance Committee forgot to give us any debenture on any of those things so that the tariff would be effective?

Mr. HARRISON. They have not written it yet in the bill. I hope we may be able to write it in the bill before we conclude its consideration so we may be able to make some farm rates really effective.

Let me now refer to lard and lard compounds. I have just picked out a few of these items. There is an increase on lard in the present bill from 1 cent to 3 cents, a pretty big increase per pound. On lard compounds the increase is from 4 cents to 5 cents a pound. Now let us see what the true facts are about lard and lard compounds.

The production in the United States last year was 2,500,000,000 pounds—billions, not millions. The exportations were 788,000,000 pounds, the importations were none, and yet the majority of the Senate Finance Committee increased the rate two or three hundred per cent on lard and lard compounds. You know you are trying to fool the farmer. You know it is gross deception and yet you remain quiet in your seats and refuse to rise to defend such an action.

Why do you not be fair with the American farmer? That is what we on this side of the aisle are trying to do. We will vote for rates in the bill on agricultural products and anything else wherever the importations are sufficiently large as to flood our market and create unfair competition. We will vote for such rates, but not for such propositions as those I have cited, because as to those you are merely trying to fool somebody.

Let us take ham, bacon, and shoulders. They carry a rate of 3.25 cents a pound. The production in this country is 3,750,000,000 pounds. Our exportations were 500,000,000 pounds and the importations 1,500,000 pounds, and yet you carry that high rate in the present bill.

As to apples, the production is 184,000,000 bushels, the exportations nearly 14,000,000 bushels, and our importations 114,000 bushels, and yet you have put the high duty of 25 cents a bushel on apples.

Peaches. The production of peaches last year was 68,000,000 bushels, the exportations were 500,000 bushels, and the importations were only 4,000 bushels, and yet you put a big rate on peaches. You think that is going to help you get some votes among the peach growers, but do you think there is any peach grower in the country or any man who produces peaches that has not enough sense to know that that duty is not going to help him? Why did you put it in the bill? It was done simply to fool somebody.

Broomcorn. Here is a fine example. We produced last year in the United States 91,000,000 pounds of broomcorn. We exported over 10,000,000 pounds. We imported 155 pounds. And yet you took broomcorn from the free list and put a tariff duty of $25 a ton on it. That was a fine act. Do the Republican members of the Senate Finance Committee think that they are going to fool some broomcorn farmer on that proposition?

Mr. BROOKHART. Mr. President——

The VICE PRESIDENT. Does the Senator from Mississippi yield to the Senator from Iowa?

Mr. HARRISON. Yes; I yield to the Senator.

Mr. BROOKHART. There is one thing in this situation that, as I see it, may result in benefit to the farmer. The higher the rates are put up the greater the debenture we may put into the bill.

Mr. HARRISON. Now let me take another commodity.

Mr. REED. Will the Senator from Mississippi tell us what the imports of broomcorn were?

Mr. HARRISON. The imports of broomcorn were 155 pounds.

Mr. REED. I think if the Senator will look at the figures he will find that he is in error.

Mr. HARRISON. I am not mistaken about it at all, because I happened to be on the subcommittee which considered the subject. I know that some witnesses came before the committee and said there had been some importations of broomcorn into this country; and the Senator from Utah even invoked the aid of some experts or detectives in order to try to find out where it came in, but they never could ascertain where it came in.

Mr. REED. If the Senator will look again at the figures with which he is so familiar, he will find that the imports of broomcorn last year were not 155 pounds, but that they were about 340,000 pounds. The Senator is not reading his figures correctly, because the imports were 155 long tons, and he is comparing the long tons with pounds.

Mr. HARRISON. Then, I will accept the correction, that the importations were 155 long tons, which makes no great difference. My figures show pounds, and if the Senator wants to give us more facts, he could cite that in 1927 only 17 pounds came in. These figures were compiled for me by an expert, who, I think, is the best one in the Tariff Commission, and I think they are correct. I remember the testimony quite well and, if the Senator from Pennsylvania will bear with me, let me say that I think one witness who appeared before the subcommittee on the agricultural schedule said broomcorn came in, which was denied, and we tried to find out about it, but I do not think we ever did find it out.

Mr. REED. If the Senator's expert does not know the difference between a pound and a long ton, the Senator had better get another expert.

Mr. HARRISON. If it will satisfy the Senator, I will say, then, that that was my mistake, that it should have been long tons instead of pounds. Now, perhaps the Senator thinks he has exploded my argument because he has called attention to the fact that I read it pounds when it should have been tons.

Mr. BROOKHART. What was the amount of the exportation?

Mr. HARRISON. The exportations were 10,109,000 pounds, or 4,513 long tons.

Mr. REED. Mr. President, will the Senator from Mississippi yield to me again?

Mr. HARRISON. I yield to the Senator.

Mr. REED. Does the Senator think it worthy of mentioning to his farmer friends, for whom he is pleading, that in 1923 the imports of broomcorn were over 14,000,000 pounds, and that perhaps we are trying to protect the farmers from a recurrence of such a large importation?

Mr. HARRISON. That explains then that the Senator and his colleagues are writing this bill on importations not of to-day, but six years ago. Mr. President, I am glad to see the Senator from Pittsburgh interested in the broomcorn farmer. I wish he would also become interested in the wheat farmer, the cotton farmer, and the corn farmer.

Mr. REED. Mr. President, will the Senator from Mississippi again yield?

Mr. HARRISON. But the greatest alacrity that he has shown in this whole discussion in behalf of the farmers is in connection with broomcorn and mushrooms, the latter article being raised in hothouses in Philadelphia. Later I shall point out that the duty on the mushrooms which are produced in those hothouses

in Philadelphia was raised by a higher percentage than the duty on any other agricultural product.

Mr. REED. Mr. President——

The PRESIDING OFFICER (Mr. ROBINSON of Arkansas in the chair). Does the Senator from Mississippi yield to the Senator from Pennsylvania?

Mr. HARRISON. Yes; I yield to the Senator.

Mr. REED. I might explain to the Senator, although he is a farm expert, that mushrooms are raised in cellars and not in hothouses.

Mr. HARRISON. What do they not have in cellars up there? Mushrooms! It is at least the only infant industry left in Pennsylvania. The only good I can see in it is that if the Senator takes some time in nourishing this infant the people will be benefited by the Senator's absence from nursing the larger infants of Pennsylvania.

Mr. REED. Furthermore, the agricultural product of Pennsylvania is many times the amount of the agricultural product of the Senator's own State.

Mr. HARRISON. The Senator has never been able to see a turnip grow up there because of the smoke that comes from the factories in Pittsburgh.

Mr. REED. Mr. President, will the Senator from Mississippi yield to me just once more?

Mr. HARRISON. Yes; I will.

Mr. REED. I want to ask the Senator about the agricultural rates of which he is speaking. What would the Senator do as to those he has mentioned? Would he strike off those rates?

Mr. HARRISON. Yes; I would strike them off, as I hope to strike off some of the increases on steel products. I would strike them off, because they will do no good; and I would also strike off every other rate which would do no good. I would not try to deceive anybody in this manner.

Mr. REED. Would the Senator include the last rate that he has mentioned, that on broomcorn, the imports of which two years ago were 14,000,000 pounds?

Mr. HARRISON. The Senator is mistaken. Two years ago the importation was 17 pounds. Of course, I would strike off the duty on broomcorn.

Mr. BROOKHART. Mr. President——

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

Mr. HARRISON. I do.

Mr. BROOKHART. I think it would be all right to strike those rates out and to strike out the steel rates and all the other rates unless we can get the debenture, so as to make them effective. If we can get that, then, it will be a different proposition.

Mr. HARRISON. Mr. President, there is another class of agricultural products which the Finance Committee proposes to protect, limes, for instance, the importations of which were 5,162,000 pounds, while the production in this country was negligible. There were only a few limes produced in this country, and yet the Finance Committee has put a duty on limes, in order to add greater burdens upon the American people.

Filbers. The production was 448,000 pounds, worth $60,000; and the importations were 18,000,000 pounds, valued at two and a quarter million dollars, and yet the Finance Committee put a high duty on filberts—fooling somebody. Those are some instances in which the increased rates recommended by the majority of the Finance Committee cost the American consumer just the amount of the tariff duty which is imposed.

Currants. There is no commercial production of currants in this country, and we import annually 11,135,000 pounds. Yet there is imposed in this bill a duty of 2 cents a pound on currants. Do those who are sponsoring this bill not know that that will add just that much cost to the American consumer and purchaser of currants? Are they trying to build up a hothouse industry in the case of currants? The evidence before the committee showed that in this country we had never been able to produce the same kind of currants as those which are imported.

Mushrooms. I have alluded to that delicacy. The House increased the rate on mushrooms from 45 to 60 per cent. The Senate committee has increased the duty still further—to 10 cents a pound plus 60 per cent ad valorem. The price of mushrooms is 19 cents a pound. They are produced in Philadelphia, and have been granted perhaps the greatest increase of duty of any product in the agricultural schedules.

Dates. The majority of the Finance Committee have increased the duty on dates 100 per cent. The consumption in this country is 46,000,000 pounds, while the production is only 1,400,000 pounds. We have to import all except that comparatively small quantity which I have mentioned, and yet by the increased duty it is proposed to add that much cost to the consumers of dates in this country. I shall not discuss at this time any more of the rates in this schedule, but I wish to take up some of the other schedules and see what the Republican majority of the Finance Committee have done with respect to them. Not only are rates increased but jokers abound.

I sat on the Committee on Foreign Relations yesterday when the distinguished chairman of that committee brought before it a treaty—I hold a copy of it in my hand—providing for the abolition of import and export prohibitions and restrictions. The document is marked "confidential," but I told the committee that, so far as I was concerned, it would not be confidential because it had been published elsewhere. It appears from this document that all the European countries have entered into a treaty arrangement with us by which the respective governments are obligated not to impose embargoes or prohibit entirely importations from one country to the other. Our Secretary of State has asked the Senate to ratify the treaty. He says:

> These prohibitions and restrictions have been and are causing material detriment to American foreign commerce.

Here is a spokesman of the Republican administration saying that such prohibitions and restrictions placed against our goods by foreign countries have been and are causing material detriment to American foreign commerce. So this treaty has been signed, obligating the governments not to impose embargoes and restrictions. Yet the Committee on Finance, composed of leaders of the Republican Party, are trying to jam through a tariff bill which is honeycombed with embargoes and prohibitions.

I say to you, Mr. President, that they are not acting in good faith when in one breath they ask us to ratify this proposed treaty with foreign governments providing that we will not impose embargoes and prohibitions against their goods, and in the next breath ask us to pass the pending tariff bill which by indirection does what the treaty says shall not be done directly. I ask you is it upon the part of our Government an act of good faith?

The distinguished Senator from Pennsylvania and the distinguished Senator from New Jersey have put into this bill—I do not know as yet whether the Senator from Utah is aware of the fact that it is in the bill—a provision which I will call to the attention of the Senator from Utah, which would absolutely violate the provisions of this treaty which they are asking us now to ratify. I refer to heavy window glass. Those interested wanted the importations cut out entirely, and so the majority of the Finance Committee increased the rate over the House rate in order to protect some glass producers in Pittsburgh or in New Jersey. When they had increased the rate, then they wrote in a provision to the effect that such glass when imported would have to be shipped here in a certain kind of a box, of certain dimensions, a provision which would add such a burden and such a cost that it would amount to a prohibition against the importation of that kind of glass into this country. There is no Senator on the other side who will contend differently about that item. It amounts to laying an embargo against the importation of heavy glass. I would not have the nerve or the effrontery, if I were responsible for the present administration, to ask this Government to ratify that treaty if at the same time I were standing sponsor for the pending tariff bill which the Republican majority is trying to jam through the Congress.

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

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

Mr. HARRISON. I yield.

Mr. KING. In view of the statement made by the Secretary of State which seems to seek to extend our foreign commerce and to engage in international dealings and international relations, I suggest that he must come under the condemnation of the chairman of the committee, who on yesterday spoke with a good deal of vehemence against people who are "internationalists." Of course, the definition of "internationalist" with him may be entirely different from the definition which finds sanction in the minds of others; but I assume from his statement and the statement of other Republicans that an "internationalist" is anybody who has any faith in the solidarity of the human race and is seeking to encourage trade and commerce between peoples. I think, perhaps, the Secretary of State ought to be investigated for becoming an "internationalist."

Mr. HARRISON. Mr. President, I hold in my hand—and I want to call it to the attention of the chairman of the Finance Committee—a book of 255 pages of small type that contains the protests of practically every government in the world against some provision of this tariff bill. Retaliations are threatened, confusion ensues, and all this has arisen since that treaty was promulgated and since the letter came to us from the Secretary

of State asking us to ratify it. Such proposals as this tariff bill do not bring peoples closer to us nor make them more friendly with us. Distrust and suspicion inevitably attends such a policy.

There is no good business sense in increasing a duty so high as to arouse a foreign government, and clamping down an embargo where the importation would be small, indeed, if the article should be permitted in some degree to come in on a competitive basis, when by doing it you are shutting off our exportations to that country in large amount.

Take Italy. We export to Italy every year goods worth $60,000,000 more than those they sell to us; and yet you propose here to put inordinately high rates upon spaghetti, or certain kinds of cheese made from goat's milk. The people who eat it will not accept a substitute for it. Then there are canned Italian tomatoes, that the people of that nationality in this country want. They will not eat the other kind; and yet you put high duties upon that product, and keep it out. By your action you are just cutting off so much in the way of purchases by Italy from us.

Take Argentina. We go ahead and impose a high tariff duty here that creates an embargo against their selling us something that we need. We arouse them. Then they start buying from some other country the articles which they have bought from us in the past. Our trade balance with Argentina is over $50,000,000 in our favor.

Take Denmark, which sells to us some cheese and butter. We put an embargo against their sales to us when the balance of trade between this country and Denmark is in our favor to-day to the extent of $30,000,000. Do you think, when we impose such treatment against their exportations to us, that they are going to sit idly by and continue to buy in volume from us? Many of these increased rates will tend to decrease the sale of surplus agricultural products to the injury and hurt of the American farmer.

We are cutting off our nose to spite our face in this matter. If we could follow the admonition of the President of the United States when he suggested that our exportations are but 6 per cent of our productivity, and compare it to France, whose exportations are 38 per cent of her productivity; to Germany, 64 per cent; to England, 62 per cent; and then wake up and try to frame these tariff rates upon sound principles, so that we might bring the nations of the world closer to us, build up a bigger international trade with them, and find new markets to which to sell our goods, we would have more prosperity in this country.

You are not following that kind of procedure, however. You are thinking only about the home market. You are not thinking of the foreign market. You cite some figures of exports, and you say, "Oh, how large they are!" Why, they ought to be larger, and they would be larger if we did not shackle our industries and destroy our international trade.

But let me go further. I talked about the sham and pretense of some of these agricultural rates. Let us take some of the other schedules showing what you have done.

Ah, there were no pretenses in these increases that you made. Take the chemical schedule, on which subcommittee my friend from Utah [Mr. SMOOOT] served. Chemicals are the ingredients that go into practically everything that is made in this country. They are the basis upon which everything is builded.

In this bill you increased the duty on pyroxylin. You made every toothbrush cost more to the American people when you did it. Celluloid is made from pyroxylin. It enters into innumerable things. What cared you for that? You wanted to increase it because perhaps some people from some of your particular States and your sections were interested in it and had appealed to you.

Oh, if you could wipe out, in the consideration and formulation of this tariff bill, sectional considerations, and not only be prevented by your action from discriminating in favor of your own industries but in refusing to give just treatment to industries in other sections! Why do you not frame the bill on the broad lines of Americanism, and not sectionalism, as you have done?

As was pointed out by the distinguished Senator from Georgia [Mr. GEORGE] yesterday, you have picked out certain items that might be produced in certain sections of this country, and you have either reduced the rates or you have left them on the free list when you could have placed a duty upon them, either on the theory of revenue, competition, or protection. No! You did not want to equalize rates. You were bent upon one thing, and that was to take care of certain interests and industries in your particular section or in your particular States.

Well, you have been highly successful in your work so far, I will say that for you. Some of you got more than others did out of it; but most of you could indorse the statement made by the distinguished Senator from California [Mr. SHORTRIDGE], when, after the committee had concluded their work, a representative of a San Francisco newspaper went to him and said, "Well, how do you feel about the bill now?" he is reported to have said, "Oh, well, I am now batting 999 per cent." California is taken care of.

I suppose my friend from Pennsylvania [Mr. REED] could have said to the Pittsburgh and Philadelphia press that he was batting a million per cent; and my friend from Utah [Mr. SMOOT] got along very well, too. He is in no batting slump. The only instances where he lost out were where the rates did not go still higher, as in the case of sugar. If he had had his way, he would have imposed on the American consumer through sugar alone an additional burden of about $150,000,000; but he was satisfied, perhaps—that is, he was complacent—with an increase of $55,000,000.

Take metals. That is an interesting schedule. Let us see what they have done on metals in this bill.

I know that this is irksome, and I beg the patience of Senators who do me the honor to listen to me so long; I know how hard it is for one to have to sit and listen to a tiresome discussion of a tariff bill, especially when you talk about rates. But in this schedule I want to point out to you, as I shall point out in the earthenware schedule, what these increases meant and what the committee has done.

Take pig iron, a basic material that goes into steel. They increased the duty. Pig iron used to be on the free list, but they have increased the duty here from 75 cents a ton to $1.50 a ton—a pretty big increase. Pittsburgh ought to feel pretty good about it. They have been taken care of. A dollar and a half a ton on pig iron! The domestic production of pig iron is 36,000,000 tons. Our importations in 1928 were 140,000 tons.

Was there ever a more complete understanding between interests than there is in the steel industry? Have they not got their institute? Do they not have their meetings? Are they not powerful enough to fix the prices? Yet in pig iron we have importations of only 140,000 tons, and we produce 36,000,000 tons; and still they say, "You shall have a duty of $1.50 a ton!" The United States produces 45 per cent of the whole world's output of pig iron, and yet you want to throttle the very small importation and put on this big increase!

Let us take structural steel. There is your proposition. This is what the United States Steel Corporation wanted. Here is the item that cares for the heavy steel that goes into the construction of bridges and skyscraping buildings—structural steel. What did the committee do with that? Ah, it looks like an innocent amendment. My friend from Pennsylvania makes things look innocent. I do not understand how the Senator from Utah fell for all this.

Mr. Doherty, who represented the Steel Institute, came before the committee and asked for this. This is what they wanted above everything else—an increased duty on structural steel. They increased the duty from one-fourth of 1 cent a pound to three-tenths of 1 cent a pound. It does not appear to be much; and yet you know that steel, which goes into the construction of these big buildings, is very heavy. The duty is an absolutely prohibitive one. It is not necessary. It gives further license to this interest to increase the prices in the building line in this country.

Let us see further:

Steel wire rods were granted six-tenths of 1 cent a pound, which amounts to an increase of 13 per cent ad valorem. The production is 2,800,000 long tons. We export 43,000 long tons, and there come into this country only 20,000 long tons; and yet you give this big increase on steel wire rods.

You have also increased the duty on steel ingots containing 50 per cent of tungsten from 45 to 60 per cent.

On fine wire fencing—the kind used by the poultry raisers out in Iowa and down in my country—you have increased the rate from 50 per cent ad valorem to 90 per cent ad valorem.

Mr. BROOKHART. Mr. President——

The VICE PRESIDENT. Does the Senator from Mississippi yield to the Senator from Iowa?

Mr. HARRISON. I yield.

Mr. BROOKHART. The Senator must remember that this revision of the tariff was made for the benefit of the farmer.

Mr. HARRISON. Yes.

Mr. SWANSON. Mr. President, will the Senator yield to me?

The VICE PRESIDENT. Does the Senator from Mississippi yield to the Senator from Virginia?

Mr. HARRISON. I yield.

Mr. SWANSON. As I understand, after the Senator from Utah and his colleagues had prepared their bill they summoned you Democrats to the meeting of the full committee, and announced to you the result of their deliberations. In reading this bill I have had great difficulty in understanding whether

Utah got the best of the trading that was made, or whether Pennsylvania or California got the best of it. I have had great difficulty in finding which one of these three Senators has the most in this bill.

When you met, on whose countenance did the beam of satiated satisfaction gleam the most—on the countenance of the Senator from Utah, the Senator from Pennsylvania, or the Senator from California?

If the Senator will tell me that, then I can reach a conclusion as to which one got the best of this bargain. Can the Senator recall which Senator seemed to be most satisfied and completely satiated with what he had gotten in the bill?

Mr. HARRISON. Well, I think I detected just a suspicion of a smile on the countenance of my friend from Utah [Mr. SMOOT]. It was pretty hard to detect it, but I think I did that day.

Mr. SWANSON. The Senator thinks he showed the most satisfaction?

Mr. KING. Mr. President, if the Senator will yield——

The VICE PRESIDENT. Does the Senator from Mississippi yield to the Senator from Utah?

Mr. HARRISON. I yield.

Mr. KING. I should like to say to the Senator from Virginia that I thought every countenance showed a sort of a beatific smile.

Mr. SWANSON. If I may be permitted, the Senator from Utah is a very close observer. Of course, it is hard for us to see whether or not every Senator is completely satisfied with the revisions that were made; but, as I understand, the Senator from Utah said he saw a look of satisfaction and complete satiation on the countenances of all these Senators. Apparently they had gotten what they wanted.

Mr. KING. A beatific smile.

Mr. HARRISON. In the case of wire rope, the committee increased the tariff from 35 to 40 per cent, when the production was 46,000,000 pounds and the importations were but 4,000,000 pounds.

On medium and coarsely woven wire cloth the committee increased the tariff from 45 to 50 per cent.

The rate on blacksmith anvils—they are going to help the blacksmith out—was increased nearly 100 per cent.

On molders' patterns the rate was increased from 40 to 50 per cent.

On iron and steel chains, used in the transmission of power—in every automobile of the country there is one of these transmission steel chains—they increased the rate from 35 to 40 per cent. The importations were but half a million pounds, and we export from this country 6,000,000 pounds annually.

On wire staples, used in paper machines, they increased the rate from 25 to 80 per cent. The exportation from this country of wire staples is 53,000,000 pounds, and we import only a quarter of a million pounds. Yet they give this enormously high increase on this article.

On upholstery nails, thumb tacks, chair glides, and drawing pins, they increased the rate from 25 to 40 per cent. That is where the Senator from New Jersey and the Senator from Pennsylvania got in some more of their work.

Mr. SWANSON. Mr. President, will the Senator yield again?

Mr. HARRISON. I yield.

Mr. SWANSON. The Senator's speech has been striking, one of the best speeches I have ever heard on the tariff. He has given figures which are arresting. He has just mentioned a case where there was a great exportation of goods and a small amount of importations. The only purpose of the committee's action would be to enable the manufacturers to sell their products in America at prices higher than those charged abroad. That is the only purpose they could have, to charge the consumer at home higher prices than are charged the consumer abroad. Has the Senator any figures to show how it works out that way?

Mr. HARRISON. In instance after instance, may I say to the Senator, rates are carried in this bill where there is a complete monopoly in the products, and the manufacturer sells the manufactured goods cheaper abroad than in the United States. For instance, the National Cash Register is a striking example. To refresh the Senator's mind, let me call to his attention the fact that some years ago, immediately following a presidential election, the President of the United States called certain big capitalists from all over the country to the White House that he might break bread with them, and draw from them a campaign contribution to pay off the deficit of the Republican Party. He invited one of the Pattersons down, and Patterson gave his check for $25,000, one for a like amount for his brother, one for his daughter, and one for his son. It is that concern which owns the National Cash Register, and there is a duty carried in the bill against the importation of National cash registers; yet they sell them abroad at prices cheaper than those charged in the United States.

Singer sewing machines are sold cheaper abroad than in the United States. Other cases might be cited.

Mr. SWANSON. Mr. President, I would like to have the Senator furnish later a statement showing a list of the goods that are highly protected, where there are large importations from foreign countries, and the prices at which they are sold, to show that the only object of a high tariff on goods that are exported in large quantities is to charge the home consumer more than is charged the foreigner. The Senator has shown such ability and industry that I would like to have him do that.

Mr. HARRISON. We will put that information in the RECORD.

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

Mr. HARRISON. I yield.

Mr. KING. I may say to the Senator that there are numerous examples of American manufacturers who are intrenched behind the ramparts of protectionism, who are charged with dumping in Canada and Australia, and other places, and before the debate is over we shall put into the RECORD evidence of the dumping by American manufacturers, some of whom have been mentioned by my friend, selling their products in foreign countries at prices lower than those at which they are selling them in the United States.

Mr. HARRISON. Now I go further, because I want to take up the various items on which they have put increases. I want to show how good the Republican members of the Finance Committee have been to the American farmer, how they have complied with the promise of the President of the United States for a limited tariff revision.

On umbrella and parasol ribs they have increased the rate from 50 to 60 per cent.

On belt and shoe buckles, on fasteners, on clasps, on metal embossed buttons and pins, on metal-cutting tools of every description, they have increased the duty.

On generators and transmitters the rates are increased in many instances when the importations were but a million dollars' worth, and the exportations were $88,000,000 worth, and our production was $370,000,000 worth. Yet they increased the rates in those instances a great deal.

They increased the rate on cheap pocketknives. They have practically made it impossible for a poor boy any more to own his own pocketknife. They increased the rate to 180 per cent. The rate was already 120 per cent, and they have raised it to 180 per cent, and that notwithstanding the fact that we have $5,000,000 worth of pocketknives exported annually from the United States.

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

Mr. HARRISON. I yield.

Mr. NORRIS. I have an idea that the object to be attained by that high rate on pocketknives is to protect the youths of America from cutting their fingers when playing with pocketknives.

Mr. HARRISON. Possibly so.

Mr. NORRIS. It would have that beneficial result in the end, would it not?

Mr. HARRISON. It would. Some other items in the metal schedule upon which they have increased the rates of duty are steel pliers and bells, bells in the homes of the country, bells on bicycles. They increased the rate, which would add to the cost of a bicycle for a boy, or might enter into the construction of a home.

They increased the rate on cheap watches to such an extent that it was not included in the report filed by the Senator from Utah in enumerating the increases in the ad valorem rate. They can not imagine how high it is, it is so high, upon cheap watches, so they omitted the estimate.

On shotguns they have increased the rate. No more, perhaps, can the country boy own a shotgun and go out occasionally and kill a rabbit, or a squirrel, or a quail.

Light fixtures made out of metal. Every electric light around which there is some metal is increased in price.

Milk cans, which are used in the dairy business, as the dairy farmer puts the can full of milk out in front of the house, and the truck comes along to take it down to the market. Those cans will be increased in price.

Yes; they are going to give an increase on casein and on skimmed milk, but they are going to take it away from the farmers in the increased price they will have to pay for the milk cans that are bought.

On type, type that is used in the printing and publication of the newspapers in this country, used at the Government Printing Office, which prints all the Government publications, the type used in the printing of books, textbooks of all kinds, the rate is increased at the hands of these gentlemen. They seek to put an additional obstacle to education.

On carpenter tools the rate is increased. Ah, they are going to protect American labor. I know the Senator from Utah must feel humiliated that he ever put into the title of this bill "to protect American labor," when he sees here in so many instances that they have increased the cost and burden to American labor.

On mechanics' tools the rate is also increased at the hands of this subcommittee and the Finance Committee of the Senate.

Then, when they finish increasing all the rates in the general schedules, they have a basket clause, and they say that on everything that is not specially provided for the rate of duty in the basket clause shall be imposed. They increased the rate in the basket clause of the metal schedule from 40 per cent to 45 per cent ad valorem.

Yes, my friends from Pennsylvania and New Jersey can rightfully say that they are batting 999 per cent.

Let us see what happened in the earthenware schedule, a schedule written by the Senator from New Jersey and the Senator from Pennsylvania, with the help of the Senator from Utah. On tiles of every kind, where the imports are not 5 per cent of the domestic production, they have increased the duty from 48 per cent to 73 per cent.

Mr. McKELLAR. Farmers have to use tiles.

Mr. HARRISON. Yes; and farmers will have to pay additional prices for the tiles they buy.

Brick of every kind. The production is 7,000,000,000 in this country, valued at over $78,000,000. The importations are less than a half a million dollars worth. They put a duty of $1.25 a thousand on brick. That will help the farmer! Perhaps they want him to use mud to build a chimney, or mud for the foundation for his home, because with such rates as are put in this bill, and with the further increases imposed upon him, he will not be able to buy brick and other things needed in the construction of a house.

They increased the rate on gypsum. The largest manufacturer of gypsum in the United States is the United States Gypsum Co., who use their own mines, and import gypsum from Nova Scotia free of duty. Yet they give them an additional duty and protection.

They have increased the rate on statues and statuettes, sometimes imported from foreign countries, oftentimes made here, which go into religious services, which decorate and adorn churches, from 35 to 60 per cent.

On decorated earthenware they increased the duty from 50 to 55 per cent.

They have increased the rate on cheap china, and through the increased rates provided by the Senate committee they have made it impossible for the people to buy cheap china any more.

On perfume bottles of every kind, on jars sold to the trade as containers of perfume, or talcum powder, or toilet water, if the bottles contain glass stoppers, they have increased the duty from 70 to 82 per cent.

On illuminated glassware, globes in lights, shades around every electric light, they have increased the duty from 60 per cent to 85 per cent.

On laminated glass they have increased the duty from 55 to 60 per cent. Not only did they increase the duty on laminated glass, but the pyroxylin that goes into the laminated glass to put it together is increased in duty. There is not a man who owns an automobile who will not have an increased cost imposed upon him because of this increased duty on laminated glass. What has escaped their attention? Everything seems to have come under their ministering care and a high and inordinate rate has been placed upon it.

Rolled glass rates have been increased. The rates on plate glass have been increased and the classification readjusted. It was in this heavy sheet glass where they imposed the joker, where they said it had to be prepared in such a way with so many feet to be contained in the package that it would cost a great deal more to import it. I have a communication from a gentleman who states this fact with reference to that matter:

> If this proviso is allowed to stand, it will be a complete embargo on the importation of the heavy sheet glass. There are many sheets of heavy glass that contain approximately 80 square feet. Under this proviso the importer could pack but a single sheet of glass in one box, and the packing expense in such case would be such as to be prohibitive. The price of this heavy glass f. o. b. Hamburg is 16 cents per square foot, including packing charges. Duty as provided in the bill, for this large-sized glass, is 3¾ cents per pound. As some of this glass weighs 2 pounds per square foot, the weight of a single sheet would be 160 pounds, which at 3¾ cents per pound, would equal $6 for the duty on the single sheet of glass.
>
> The cost of packing a single sheet of glass in one box is $5.88, so that this proviso saddles upon the importer a cost of packing practically equivalent to the entire duty to be paid.

Ah, Senators! I had thought, after the Senator from Utah had listened to what I have said here and had given some consideration to the matter, that he would feel a little tinge of sorrow and remorse. But no, as I read the high increases carried in paragraph after paragraph, he sits quietly in his place and only smiles. Never was such effrontery and brazenry practiced by any group of men in all the history of this country as by those who are writing these rates into the bill and attempting to perpetrate them upon the American consumer. They not only do not retrace or retreat but derisively they look at us and spurn our protests. I am wondering if the American people, as they become informed about these rates and what has been done, will be looked upon with the same derisive smiles. I hardly think so, especially as the days of the next election approach.

Mr. ROBINSON of Arkansas. Mr. President, may I ask the Senator a question?

The VICE PRESIDENT. Does the Senator from Mississippi yield to the Senator from Arkansas?

Mr. HARRISON. I yield.

Mr. ROBINSON of Arkansas. Was the amendment which the Senator has described in connection with heavy glass justified in the committee; and if so, upon what theory was it justified?

Mr. HARRISON. It was not justified at all. There has been no explanation from any of these gentlemen with reference to these provisions. They sit here and think they will put them over without debate or explanation.

In further answer to that question I want to call something else to the attention of the distinguished Senator from Arkansas. There are two groups of people in the country making glass. One group is producing it by modern methods. It is known as the machine-blown cylinder process. The other group use the hand-blown cylinder process. The one that is a little antiquated now was modern a few years ago, but progress has brought about new inventions, and the result is that the modern group is making more money than the other group.

There is competition in this country between the producers under modern methods and the producers who are still using the old method and evidently what these gentlemen of the Senate are seeking to do is to try to protect still further an industry in the country that is not sufficiently organized or economically operated. Here is what has happened with one of the big glass-producing concerns to which they are proposing to give increased protection.

The Libbey-Owens people are the largest producers of this glass in the country. Their record reads like a romance. They were organized in 1916 with $2,000,000 capital, and in 12 years have grown into a company whose capital was $22,000,000. In the last four years the Libbey-Owens people have earned net profits of $11,470,000. According to the Standard Corporation Record they have paid in dividends as follows—and no wonder the Senator from Utah and others fought against making the returns to the Treasury Department accessible to us. They tell the story of whether these glass manufacturers ought to have additional protection.

In 1920 the Libbey-Owens people declared a stock dividend of 25 per cent. In 1922 they declared an 8 per cent cash dividend. In 1923 they declared an 8 per cent cash dividend and an extra 4 per cent cash dividend. In 1924 they declared a dividend of 8 per cent cash and 2 per cent cash extra and a 50 per cent stock dividend. In 1925 they declared an 8 per cent cash regular and 2 per cent extra in cash. In 1926 they declared an 8 per cent regular dividend, 4 per cent extra cash, and 20 per cent in stock. In 1927 they declared 8 per cent cash regular and 4 per cent extra in cash. In 1928 they declared an 8 per cent regular dividend in cash.

Notwithstanding this tremendous distribution of dividends the common stock of the company has increased from $25 par value to a present market value of over $200 per share. This company under the 1922 tariff rate has been able to pay regular cash dividends and yet it is to get an increase in duties under the pending bill so it can enlarge its profits. What justification is there for it? The Senator from Utah remains silent and sits quietly in his seat. There is no one over on the other side of the Chamber who will defend it. No one over there will say a word. They remain as silent as the tomb.

Mr. WALSH of Montana. Mr. President——

The VICE PRESIDENT. Does the Senator from Mississippi yield to the Senator from Montana?

Mr. HARRISON. I yield.

Mr. WALSH of Montana. I would like to inquire of the Senator whether some representative of the company appeared before the committee?

Mr. HARRISON. Oh, yes; they appeared before the committee.

Mr. WALSH of Montana. Asking for an additional tariff?

Mr. HARRISON. No; a representative of the Libbey-Owens Co. did not appear. They evidently got the other companies to send their representatives here to make the appeal.

Mr. WALSH of Montana. Did the other companies represent what the conditions were that enabled their rival to make these enormous profits?

Mr. HARRISON. I think it is fair to say that the American Window Glass Co. is adopting quite rapidly in its plants the machine-blown process. The Libbey-Owens people have done so, and for that reason they can compete with the world.

Mr. WALSH of Montana. I assume the representatives of those companies did not admit their inefficient methods; but what explanation did they attempt to make?

Mr. HARRISON. The big competitor of the Libbey-Owens Co. is the American Window Glass Co. I think that is the name. As I stated, they are readjusting their business. They have now in one or two plants installed new and modern machinery and are installing it in their other plants as rapidly as they can, so they informed the committee.

Now, let me go further. On pharmaceutical and chemical glass used for scientific purposes in the colleges of the country, in hospitals, in laboratories, the rates are increased. On mirrors the rates are increased, when last year there were only $48,000 worth of mirrors imported into the country, and we produced $24,000,000 worth of mirrors. Nothing in the glass line has escaped their attention. They have taken window glass and electric shades and laminated glass and automobile windshield glass and mirrors and increased the rates thereon.

Let me refer to stained glass for windows, the glass that goes into the churches of the country. Here is what the majority of the committee did with reference to that glass. Under the present law stained-glass windows used for churches valued at $15 or more per square foot come in free of duty. They have increased this from $15 to $35 per square foot, when they know that under such a provision not a foot can come into the country. The records show that it came in at the price of $16, but they have increased the rate over the present law and through reclassification made it impossible in the future.

Mr. ROBINSON of Arkansas. Mr. President——

The VICE PRESIDENT. Does the Senator from Mississippi yield to the Senator from Arkansas?

Mr. HARRISON. I yield.

Mr. ROBINSON of Arkansas. The Senator has referred to the provision in the Senate Finance Committee amendment which he states is intended to constitute an embargo on heavy glass. That provision appears at the bottom of page 47 of the bill, as follows:

> That cylinder, crown, and sheet glass, imported in boxes, shall be denied entry unless such boxes contain 50 or 100 square feet, as nearly as sizes will permit.

The original House provision merely provided as follows:

> That cylinder, crown, and sheet glass, imported in boxes, shall contain 50 square feet, as nearly as sizes will permit.

Mr. HARRISON. Under the present law they were permitted to pack it as was best suited for their purposes in shipping the glass, but under the new provision the industry will be denied entry absolutely unless the glass is packed in that particular way. The men engaged in the business say it is impossible to pack it in that way.

Mr. ROBINSON of Arkansas. There is no reason, sound in convenience or custom, that would require this peculiar provision, namely, that the boxes shall contain 50 or 100 square feet.

Mr. HARRISON. It is a deliberate attempt to keep it out of the country.

Mr. ROBINSON of Arkansas. It seems to be true, since no one has even questioned the statement of the Senator from Mississippi, and his statement has been repeated and he has challenged the proponents of the provision.

Mr. HARRISON. It shows for itself upon its face.

Mr. SMOOT. It will be answered.

Mr. HARRISON. I am glad that we are finally going to get an answer, whatever it may be.

Mr. ROBINSON of Arkansas. Let the Senator from Utah answer the question now. What is the reason for putting in that extraordinary amendment?

Mr. SMOOT. I do not want to take the time of the Senator from Mississippi to answer it now.

Mr. HARRISON. I am perfectly willing to yield to the Senator from Utah for that purpose.

Going further on the earthenware schedule, on granite the majority have increased the rate, if for use as monumental paving or building alone, from 50 to 60 per cent. Not satisfied with putting a high rate on brick and structural steel and the numerous other things that go into building, they have now put it on monumental granite. Then they have taken cement—even cement did not escape them. The cement people have their institutes in the country, and some members of the industry are making immense profits. The Portland Cement Co., which is practically a subsidiary of the United States Steel Corporation, is one of them. Yet cement is taken from the free list and a duty is put on it. What are the farmers out in the great Middle Mest and other sections of the country, to whom we were trying to give some relief, going to do when increased taxes are imposed upon them in the building and construction of roads and highways out of the cement in their sections?

Nothing has escaped the attention of the majority members of the committee. It seems they have gone out of their way to pick out those things on which an increased tariff would impose greater burdens upon the farmers of the country. When they got through with the earthenware schedule, and had increased the rates in that schedule, they took the basket clause of the earthenware schedule and increased it from 55 to 60 per cent ad valorem. That pertains to kitchen utensils and table utensils of every kind, because they come under that schedule.

Now let us take the wool schedule for a moment, and see what was done as to that. The committee propose to increase the duty on woolen rags and shoddy from 7½ cents a pound to 24 cents a pound. It was done at the instance of the woolen manufacturers of the East, and it will make cheap clothing cost more to everybody who may buy it in this country.

On cheap felt hat bodies the committee has increased the rate from 56 per cent ad valorem to 76 per cent ad valorem. They have increased the rate on cheap oriental rugs, at the instance of the Wilton and Axminster rug manufacturers, in the cotton schedule. The committee were modest with the woolen schedule, may I say. They knew it could hardly be increased higher than it is. The other House increased the duty on cotton sewing thread 5 per cent, and then the Senate committee increased it 5 per cent more. Our domestic production is $8,000,000 annually; our exportations are $1,000,000 annually, and there are only about $100,000 worth imported. There are about three concerns engaged in the manufacture of this commodity, and there is an international understanding between them.

On cotton cloth, which is used by the American housewife, the committee has increased the duty 5 per cent. The importations into this country of cotton cloth are less than 1 per cent of the domestic consumption. The committee increased the duty on dye cloth, irrespective of the quality of the dye, whether it was fast or whether it was inferior.

The committee increased the duty on cotton stockings from 50 per cent to 60 per cent. They increased the duty on cotton shirts from 35 per cent to 50 per cent. On cotton tapestry and upholstery cloth of every kind the duties were increased. On Nottingham laces the committee permitted the high duty of 60 per cent to remain, although they knew that the Tariff Commission, after a full investigation, found that 35 per cent ad valorem was all that was necessary.

Here is what the Committee on Finance did as to woolen blankets: It is stated in the bill that where a blanket is valued at more than 30 cents a pound the duty shall be 25 per cent ad valorem, which would be a duty of 7½ cents. Then, after having stated that, in another part of the bill it is provided that in no instance shall the duty be less than 16¼ cents a pound. That duty is imposed on cheap woolen blankets. Such blankets are yet used in this country; they are sometimes needed for the health and the comfort of the American people; and yet when the committee increased the rate, and put on those articles when the value is not over 30 cents a pound, a duty of 25 per cent ad valorem, which would be 7½ cents a pound, then the committee come in with their joker and say that in no instance shall the duty be less than 16½ cents a pound.

Does the Senator from Utah [Mr. SMOOT] deny that? Is there anyone on the other side of the Chamber who takes issue with me on that proposition? No; Senators over there still sit as silent as the tomb. There is either one of two things; the committee never thought that we would find out these things about the bill, or they are ignorant of these provisions themselves; and I never heard of a Republican leader being ignorant of the contents of a Republican tariff bill.

Mr. President, I shall not at this time discuss sugar; I shall discuss that subject as well as the duty on maple sirup on a future day. I wish someone would give me some justification for increasing the duty on maple sirup. Perhaps the committee thought that was an agricultural product, and to increase the duty imposed on it would help the great wheat farmers of the West or the cotton farmers of the South or the corn producers of the Middle West.

Then, when the committee got down to the sundries schedule, oh, how they did work as to the many items included in that schedule to increase the duties thereon. I am merely going to mention some of them, because I have already occupied the attention of the Senate to-day at more length than I had intended. Here, however, are some of the articles upon which the committee imposed a duty or increased the duty in the sundries schedule.

Boots and shoes. There are men in this country to-day who have so many children that it costs them as much money to buy shoes for them as it does to send them to school, and yet the committee propose to put a duty on shoes and boots. That will help the American farmer.

Saddles. A duty on saddles will also help the farmer.

Harness. The farmer will welcome a duty on harness, will he not? Do members of the committee think that the farmers of the country do not use saddles any more? Do they not think it is sometimes necessary for them to use harness? Yet they propose to increase the duty on these necessaries of the farm.

Toys for little children. Those did not escape the attention of the committee. They did not think of the little fellow who, as Christmas time approaches, writes his little letter, asking Santa Claus to bring him a toy. The committee put an increased duty on toys for little children.

Toothbrushes. It is proposed to discourage people from keeping their teeth clean by imposing a high duty on tooth brushes.

Beads. The Republican majority do not want the girls and women of this country to wear beads any more, so they increase the duty on that article.

Pipes. The Senator from Utah some time ago wanted to prevent people smoking cigarettes, and now he does not want them to use pipes. He does not want the old fellow back in the forks of the creek, who is not making much and needs a pipe at evening time, when he is tired from his day's labor, to enjoy himself with a smoke. The majority of the committee are going to make him pay more for his pipes.

Straw hats. The committee proposes to make straw hats cost more, so they greatly increase rates on straw hats.

Brooms. They are still needed to keep the house swept. The duty on brooms, however, is increased and the housewife will have to pay more for this essential.

Brushes of every kind. They will be made to cost more because of the increased duty imposed upon them.

Matches. It is even proposed to make the man who strikes a match to light his pipe or cigarette pay more for the match which is needed. I think the Senator from Utah does not like the advertising campaign which urges people to turn away from sweets and "reach for a Lucky." Through the tariff he wants to punish people who smoke pipes or cigarettes and who have to strike matches.

Feathers and downs. The duty on these commodiies is increased.

Combs. I imagine the committee thought if they were going to put a duty on the brushes that they ought also to put a duty on combs. Not only has a duty been put on pyroxylin that goes into the manufacture of combs but they also put a duty on combs.

Pipe organs. They do not want pipe organs to come into this country any more.

Ah, Mr. President, these are some of the iniquities of this bill. It is no wonder that the Senator from Utah sits there with his head bowed in shame over it. [Laughter.] There never was such a nefarious bill offered to the American Congress as this. It can not be defended; it was born in conspiracy having in view the division of spoils on the part of those who framed it. It is unfair to the American consumers; it stifles the legitimate efforts of American business men; it creates confusion in our international trade; it will retard the revenues of the Government.

Mr. President, I remember some time ago—I was then but a schoolboy—reading the speech which was delivered by the martyred President, a man whose name was attached to an important Republican tariff bill in 1890—Mr. McKinley. I refer to the last speech which he delivered. Would that his words would sink into the minds of some of the modern would-be leadership of the Republican Party to-day. Here is what he said in his last speech at Buffalo, N. Y.:

> A system which provides a mutual exchange of commodities is manifestly essential to the continued and healthful growth of our export trade. We must not repose in the fancied security that we can forever sell everything and buy little or nothing. If such a thing were possible, it would not be best for us or for those with whom we deal.
>
> What we produce beyond our domestic consumption must have a vent abroad. The excess must be relieved through a foreign outlet, and we should sell everywhere we can and buy wherever the buying will enlarge our sales and productions, thereby making a greater demand for home labor.
>
> The period of exclusiveness is past. The expansion of our trade and commerce is the pressing problem. Commercial wars are unprofitable. A policy of commercial and friendly trade will prevent reprisals. If, perchance, some of our tariffs are no longer needed for revenue or to protect and encourage our industries at home, why should they not be employed to extend and promote our markets abroad?

Those were wise words. The kind of a tariff bill now pending will force American capitalists to go into foreign countries and establish industries there, which will work to the detriment of American labor. That movement is now well on its way.

Mr. President, the minority throughout the consideration of this bill will so conduct itself as to do no injury to any industry in this country, it matters not where that industry is located. If the facts in any case warrant the levying of additional duties in order to preserve the American standard of wages and prevent unreasonable importations from abroad, we will vote for them. We want to vote upon rates upon a competitive basis; upon the principles of lost party pledges. If we were writing a bill now—realizing that an unholy alliance, existing, for many years has existed, between big business and this Government, and that it has worked injury to the masses of the American people—in order to break that alliance we would not apply in the readjustment of tariff rates the axe, but we would employ the jackscrew in the lowering process. These rates must be lowered to meet the new conditions, and let industries adjust themselves to them; and so throughout the consideration of this bill, in the casting of votes and otherwise, we expect to follow that policy, upon the principle of equality and justice and broad Americanism.

REVISION OF THE TARIFF

Mr. BROOKHART obtained the floor.

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

The VICE PRESIDENT. Does the Senator from Iowa yield to the Senator from North Dakota?

Mr. BROOKHART. I do.

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

The VICE PRESIDENT. Does the Senator from Iowa yield for that purpose?

Mr. BROOKHART. I do.

The VICE PRESIDENT. The Secretary will call the roll.

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

Allen	George	La Follette	Simmons
Ashurst	Gillett	McKellar	Smoot
Barkley	Glass	McMaster	Steck
Bingham	Goff	McNary	Steiwer
Black	Gould	Metcalf	Swanson
Blaine	Greene	Moses	Thomas, Idaho
Blease	Hale	Norris	Thomas, Okla.
Borah	Harris	Nye	Trammell
Brock	Harrison	Oddie	Tydings
Brookhart	Hastings	Overman	Vandenberg
Broussard	Hatfield	Patterson	Wagner
Capper	Hawes	Pine	Walcott
Connally	Hayden	Pittman	Walsh, Mass.
Couzens	Heflin	Reed	Walsh, Mont.
Deneen	Howell	Robinson, Ark.	Warren
Dill	Jones	Sackett	Waterman
Fess	Kean	Schall	Watson
Fletcher	Keyes	Sheppard	
Frazier	King	Shortridge	

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

Mr. WATSON. Mr. President——

The VICE PRESIDENT. The Senator from Iowa has the floor. Does he yield to the Senator from Indiana?

Mr. BROOKHART. I do.

Mr. WATSON. I ask unanimous consent that when the Senate concludes its business to-day it take a recess until to-morrow at 12 o'clock.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. BROOKHART. Mr. President, the basic measure of protection, as declared in the principles of the Republican Party, is the difference in the cost of production at home and abroad. These bills, as presented to Congress by the House and by the Finance Committee of the Senate, are a violation of that principle. The chairman of the Finance Committee has admitted that no consideration was given to the great mass producers in the United States or to their cost of production. That being true, it is impossible for this bill to be based upon that fundamental principle; and therefore it is not a Republican bill, but it is a bill for special interests, even as presented by the Senate committee.

Again, the Republican platform says:

> A protective tariff is as vital to American agriculture as it is to American manufacturing. The Republican Party believes that the home

market, built up under the protective policy, belongs to the American farmer, and it pledges its support of legislation which will give this market to him to the full extent of his ability to supply it.

Mr. President, I assert that there is under this bill, either as presented by the House or as presented by the Senate committee, no American market for the farmer. I assert that this bill leaves him with his prices fixed in a competitive market of the world. But few of his productions will have any local price at home. The surplus of all of the great commodities, practically, go abroad. The prices of them are fixed by sale in competition with all the world, and this fixes his price not only as to the farmer's surplus but as to the other part of his production which is consumed at home.

About 10 per cent of his production, on the average, is surplus, and that surplus, under the working of this bill, will go abroad and will be sold in competition with all the world, not in an American home market. The price will be cabled back to the board of trade or to the cotton exchange, as the case may be, and then the price of his other 90 per cent at home will be fixed at the same figure as the foreign market price, not the American home market price, and he will be compelled to take that price of the foreign market.

A home market for agriculture would mean a market in which agriculture could ask and receive a cost-of-production price plus, I will say, a cooperative profit, because I want agriculture to deal on the cooperative principle, but commercial business would say plus a reasonable profit.

There is no such market for the farmers of the United States. They have no voice in the price they are getting at home or abroad. This bill, either as presented by the House or the Senate committee, fails to give the farmers that market which is pledged to them in the Republican platform of the recent campaign.

Again the Republican platform said:

> The Republican Party pledges itself to the development and enactment of measures which will place the agricultural interests of America on a basis of economic equality with other industries to insure its prosperity and its success.

And again I say these bills are a violation of that pledge made by the Republican Party to the farmers of the country in the recent campaign.

There is no pretense that these bills will give economic equality to agriculture. They give to agriculture certain schedules that are on paper equal to certain schedules of industry, although the schedules of agriculture as a whole are below those of industry.

The writing of the schedules on paper, however, does not mean economic equality. Economic equality means that the farmers of the United States can and should receive a profit at least equal to the average of the profits of industry.

I concede that there is also inequality in industry. I concede that under the present tariff law, as well as under the proposals here made, industry is divided, part of it prosperous and part of it on the verge of bankruptcy. I have made an examination of the fact that there are 177,000 corporations which have been operating at a loss since 1925, and the chairman of the Finance Committee states that 43 per cent of the corporations in the United States are in that condition at this time. Therefore there is something wrong with the protective tariff even as it is working among the industries of the United States.

I think the Senator from Georgia pointed out on yesterday an old protective principle that would correct that, and that goes back, as it were, to the beginning of the protective system.

Mr. KING. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Utah?

Mr. BROOKHART. I yield.

Mr. KING. I think the Senator should state, and doubtless would have if he had deemed it pertinent to the observations which he is making, that the larger part of those corporations, about 180,000 to 190,000, which it is alleged have made no profits, were not manufacturing corporations. Many of them were mere promotion corporations. Many were mere corporations for the purpose of engaging in some sort of speculative enterprise, and never functioned, never culminated. Thousands of them never took out the licenses required by the States, and many, many of them, after they had taken out the license, failed to pay the first year's license which was required. So that it may not be said that any considerable portion of that 180,000 were engaged in the manufacturing business.

Mr. BROOKHART. They were all kinds of corporations, but the larger percentage of them were engaged in different kinds of manufacturing enterprises, and those are the ones which sustained this gigantic $2,000,000,000 a year loss. The kind of corporations mentioned by the Senator reported no particular loss, so far as that was concerned. They are not separated, so it is impossible for me to give the exact figures as to manufacturing, but I myself visited in New York and Vermont many manufacturing industries that are either closed down or are operating at a loss, and there are some of those in my own State; so I know it applies equally to manufacturing, perhaps about in the proportion as the remaining percentage of corporations applies to manufacturing.

Why is that unequal result being produced under our protective system in the United States? The principal reason is the discrimination against agriculture. Then there is a discrimination among the industries themselves, and that discrimination can only be corrected under a protective-tariff system in the manner that Alexander Hamilton himself laid down as the founder of the protective idea. When industries are in such condition that they can not exist under tariff rates, and yet they ought to exist, they must be protected by a bounty if we are to have an artificial system of protective tariff, and that is as old as protection; and that bounty at the present time is what we call a debenture. It is all the same thing, and on the same principle, and as I proceed I will point out to some extent why it is necessary in this tariff bill to adopt a debenture or a bounty plan, not only for agriculture but for some of the other industries as well, in order to give something like a fair deal to all of the industries of the country.

I recently received a letter from Mr. C. B. Carberry, managing editor of the Boston Post, and on September 6 I answered that letter, quoting his letter, in which I stated:

SEPTEMBER 6, 1929.

C. B. CARBERRY,

Managing Editor the Boston Post, Boston, Mass.

MY DEAR CARBERRY: Your letter is before me in which you ask, "Would you be good enough to let me know for publication in the Post why you favor a duty of 14 cents a pound on butter?" and also, "I am informed that the dairy industry is prosperous. Figures from Federal sources show that the dairy farmer receives a larger percentage of the customer's dollar than the farmer engaged in any other branch of agriculture."

Then you say, "Our people here in New England have been suffering from the effects of an industrial depression unlike those of other industrial sections of the country.

"Butter is an important item of food with them. They can not understand why they should be forced to pay a very high price for butter due to the heavy duty on that product. Surely no other commodity in the whole tariff bill is protected to the extent of 14 cents a pound. Butter is only one of the items in the agricultural schedule which will cost our people heavily in additional prices for food."

Then you conclude by saying, "Things may look different in the West, but here we are very seriously concerned about what seems to be in the nature of a holdup of eastern consumers."

I shall be glad to let you know why I favor the tariff on butter. In the first place, I want to state that your information as to the prosperity of the dairy farmer is entirely erroneous. It is no argument to say that he gets a bigger percentage of the customer's dollar than the other branches of agriculture are getting, because the other branches of agriculture are getting so much less than they are justly entitled to get that even if the dairy farmer's share is greater it does not make him prosperous. I just investigated his condition in northern New York. I find that he is getting about 5 cents a quart for his milk, and I also find that the consumers in New York City are paying as high as 20 cents a quart for it. As it happens, also, a man from your own city was in my office as I read your letter, and he told me he had just bought a dairy farm in New Hampshire tributary to Boston within the last week for considerably less than the buildings and improvements on the farm had cost.

About one-third of the American people are farmers, but they are getting less than one-tenth of the national income since 1920. The average wage of the American farmer of the whole United States for his work and for the work of his wife and small children is also less than $700 a year since 1920. Bankruptcies have increased more than a thousand per cent, while commercial bankruptcies remain about the same. A million and a half farmers have lost their homes and their life savings as a result of the economic discrimination against them. I saw hundreds of abandoned dairy farms in northern New York in the month of August, and those in operation were in a dilapidated condition, which proves beyond question that dairy farming is not prosperous.

Your conclusion that 14 cents a pound tariff on butter is the highest in the whole tariff bill is likewise erroneous. It amounts only to about 25 per cent ad valorem, and if you will read the bill over you will find that it is filled with industrial rates several times higher.

Now, why should the East be asked to pay this rate to the West and to the eastern farmer as well? Because ever since the tariff was first made a national policy the West as well as the eastern farmer has been paying these rates to the East, and even higher. I do not ask

the East to sell us any industrial products at less than the reasonable cost of production and a reasonable profit. The East has no right to ask us to sell farm products at any less price. Each of us should see the standpoint of the other, but your letter discloses that you have no idea of the western standpoint or western rights, or even rights of eastern farmers.

I am also convinced that you have no real idea of the cause of your present troubles. The real cause is the agricultural depression. Agricultural prices have been beaten down to such a low level that its buying power has been destroyed. The farmers are no longer able to buy your manufactured products at any price, hence your mills are idle and you want to further weaken their ability to buy your stuff by denying them the same tariff equal to the difference in cost of production at home and abroad, which you demand for your own industrial products.

If you will take a fair-minded view of this situation in the East, there is no occasion for controversy between the East and the West; but if you do not take this view, I want to say to you that it means a union of the West and the South which have identical interests in the matter and they will not longer submit to paying your high tariff rates without being compensated by an equal rate of protection on their own products.

On most of the farm products, mere tariff rates are not effective. They are upon butter, but when there is an exportable surplus the tariff wall breaks down and the price is fixed in the competitive markets of the world.

I digress here to say that we are very near to the exportable surplus in dairy products, I believe only 1½ per cent away, and at the present rate of increase, we will soon pass that mark. Even the present low prices of dairy products will be still lower, comparable to those at Montreal and Quebec, rather than at New York and Boston. I continue reading:

For instance, we have 42 cents a bushel tariff on wheat, but at this moment wheat is selling for 20 cents a bushel on an average higher for the farmers of Canada than for the farmers of the United States in spite of all this so-called protection. It is for this reason that we demand the tariff debenture which will make the rates effective on agriculture as they are upon industry. The protected industries are shortsighted in fighting this proposition. Debentures or bounties are part of the original tariff idea from Alexander Hamilton down to date.

The only class in the East so far which is fair toward the farmer is labor. All the leaders of union labor appeared before the Senate committee and urged the adoption of a farm bill for the genuine relief of agriculture, and when asked if they would stand for such a bill, even if it increased food prices, they promptly and emphatically said, "Yes." They know too well that the $700 which the farmer now receives as his price for what he sells and his value of what he uses on the farms is no adequate wage, while the average wage of labor in the factories of the United States is about $1,200—and labor is willing to give the farmers the same fair deal it asks for itself.

The farmers' wage and purchasing power are taken away by the profits of the big combinations of capital. This does not mean ordinary business. In fact, as your letter indicates, ordinary business is being brought toward the level of the farmer, because the big combinations in railroads, in banks, and in industry are able, through transportation laws, credit laws, and protective tariff laws, to take from the American pool of production about all there is in it, leaving nothing for agriculture and not much for little business.

Mr. President, that brief letter expresses my position upon the present tariff situation. I want to say plainly in the beginning that I do not intend to vote for this tariff bill either in the form in which it came from the House or in the form in which it is presented to the Senate by the Finance Committee. The bill must not only make the schedules equal but it must make them equally effective for the industries and for agriculture or it does not get my vote at any stage.

Mr. HOWELL. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Nebraska?

Mr. BROOKHART. I yield.

Mr. HOWELL. The Senator states we are nearing the point where the tariff will be of no benefit to the butter manufacturer. That point will be raised and reached in 1930, will it not?

Mr. BROOKHART. It probably will.

Mr. HOWELL. As a matter of fact, is it not true that only about 6 cents a pound of the present tariff is effective for the producer of butter to-day?

Mr. BROOKHART. I believe the Senator is correct. I think the full tariff is not effective. I have the figures somewhere, but I think the Senator is about right.

Mr. HOWELL. In other words, the increase from 12 to 14 cents in the tariff upon butter is merely a pretense of help to the farmer and is not an actual advantage. Is not that true?

Mr. BROOKHART. That is very true unless at the same time we provide a debenture that will enable him to get his cost of production price the same as industry charges and collects from the farmers of the United States.

Mr. HOWELL. But that will be by another method?

Mr. BROOKHART. That will be by another method, but I hope to see that method attached to the tariff bill now before us. When we attached it to the former bill it was said to us that it belonged on a revenue bill as it was a revenue measure and that the House would not receive it. But they did receive it. Now we are in position to meet them logically and attach it to a revenue measure.

Mr. HOWELL. I felt that it was important at this time to make it clear that whereas there had been an apparent generosity to the farmer by increasing the present tariff on butter from 12 to 14 cents, yet as a matter of fact it meant nothing whatever to the farmer because it will be utterly ineffective.

Mr. BROOKHART. I think that is absolutely true, unless we follow with other provisions that will make it effective. Now can we do that with the debenture? I say that we can do it. I say that it has been done. That problem has been solved and all we have to do is to follow precedents in the problem and it will be solved.

There is only one way to do it and that is to provide a fund that will bid for the surplus the cost of production price. As soon as that bid is made the price level will rise to that bid. Then the 14 cents a pound on butter would become effective. It would shut out foreign competition up to that level. That fund must be provided by a bounty or debenture, call it what we may, out of this tariff system. That is the place in justice where it should be provided.

We have heard it said, and I am going to present some figures a little later to prove it, that the price level in the United States is raised by some $4,000,000,000 by the protective-tariff system. I will present an analysis that I think will show it is raised considerably more than $4,000,000,000. I think there will be no doubt of it after we get the facts. The farmers are paying close to one-third of that $4,000,000,000. The farmers are now paying a debenture of $1,200,000,000 or $1,300,000,000 to the protected industries of the United States under the operation of the tariff system. If that system is to be maintained no one can deny that the farmer should have back out of that system a debenture of about $200,000,000 a year to protect his own products and give to him an American home market price equal to that of the industries of the United States.

The debenture that is proposed according to the estimates of the President would raise about $200,000,000 a year. That would be enough in a short time to finance all of the agricultural surpluses, though not enough in the beginning, and that is only half of the tariff rates as they would have existed under the House bill under the President's estimate, I believe. That debenture ought to start with the full tariff.

How would that debenture operate to give the American farmer his cost of production? I have said already that that question was solved. It was Herbert Hoover who solved the question. He did it in the handling of the Wheat Corporation and the Food Administration both during and after the war. That record is the best record for the farmers of the United States that has ever been made by any man in the history of the Nation. That record of the handling of those products did everything for the farmer that I want to do and have asked to do in any bill that I have introduced in the Senate. It was upon that record that we stood in the campaign. How did it operate?

First, on the 10th day of July—I am giving dates from memory—Mr. Hoover wrote his letter asking for the organization of the Wheat Corporation. The bill passed on the 10th day of August. On the 14th day of August the wheat board was appointed. On the 30th day of August it had completed its deliberations and had fixed a price—remember that now—at $2.20 a bushel at Chicago for No. 1 northern wheat and Mr. Hoover at once bid that price for wheat. The law had given him $150,000,000 to handle wheat and it had given him authority to borrow any more that he needed. He needed more and he borrowed $350,000,000 more, and he bought and held $500,000,000 worth of wheat at that price. The speculators went out of business. There was no bushel of wheat sold in futures on the Chicago Board of Trade after that bid was made.

Then after the war was over again we asked a debenture out of the Treasury of the United States of $1,000,000,000 to handle the 1919 crop. Mr. Wilson had said to the farmers in proclamation, "You shall have the same price for the 1919 crop that we gave you for the 1918 crop." He had also called upon them to sow a greater crop of wheat because bread would win the

war, and the farmers responded. I believe they put in something like 27,000,000 acres more of wheat. A great crop was expected. Mr. Hoover, in order to meet that situation, asked a debenture or subsidy out of the Treasury of $1,000,000,000 and the Congress voted him every dollar of it. He continued his bid. In the meantime the bid had been raised to $2.26 because freight rates had advanced. He bid $2.26 for all the wheat and he, or rather his organization for he retired personally in May, had to buy 138,000,000 bushels in 1919. About $300,000,000 was what they used out of the $1,000,000,000 that had been provided. They held that wheat for disposal as a surplus in the foreign markets of the world. They disposed of it and had good returns on it. They had a profit of $59,000,000 which is tucked away safely in the Treasury of the United States right now.

So the method of handling the surplus has been solved both during and after the war. We know how to do it. Hoover had a harder fight to dispose of that surplus at a profit in the period following the war than we will have in times of peace, because the allied countries had combined against him to break down the price of food products. Italy, France, and England all had one buyer, and in addition to that, although they had agreed in the armistice to raise the German blockade, they refused to do it, and for 4 months and 18 days he made the most determined fight that any man ever made for the farmers of the United States. Then he won the battle and maintained the price. He used $100,000,000 of the $1,000,000,000 of the money to buy pork, something he had no real legal right to do, but he bought the pork product at the price fixed by the Farm Board at a minimum of $17.50 at Chicago. Yes; we know how to handle the surpluses.

Did the Republican Party promise anything in reference to this record of Hoover in the campaign and as to what it would do for the farmer? I hold in my hand the Republican campaign textbook. Beginning at page 215 there are 40 pages of the record of Hoover in the handling of the farmer's surpluses as I have outlined it this afternoon. It is headed:

> Herbert Hoover, friend of American agriculture. A brief review of the outstanding services performed by Herbert Hoover in promotion of the agricultural industry of the United States.

Then the Republican committee added at the end this statement:

> This is the record of Herbert Hoover, friend of American agriculture. It has been in the making for over a decade. Upon it he stands.

That is where I stood in the campaign. That is where I stand to-day. That is why I say the tariff bill as now before us has violated the Republican pledge. It has failed to have incorporated in it provisions that would enable us to give to agriculture the cost of production price which the protected industries are able to take from agriculture under the tariff system.

Now about the debenture. The Congress met in special session and passed a toy farm relief bill. It did not sound like the record of Herbert Hoover to me; it did not sound like what we had promised to the farmers of the United States. The bill provided that there might be $500,000,000 to lend. The extraordinary session of Congress was called to pass a bill for the relief of agriculture. In that call it was specified that we should also revise the tariff for the relief of agriculture; likewise that some other industries would be considered where there was special necessity, but that there should be no general revision. That call is violated by both the farm relief bill, which was passed, and by the pending tariff bill. It is violated in a wholesale manner and not merely in minor details. We passed the farm relief bill; we created a Federal Farm Board, and Congress voted an appropriation of $150,000,000 especially with wheat in view. That was the item we were thinking most about at the time the appropriation of $150,000,000 in cash was made. Why? Because the House would be in session again in time to make an appropriation for cotton, for corn, for livestock, and the other products. Wheat was the big item which it was designed should be protected by that appropriation of $150,000,000 of cash in hand.

But what has happened? The Federal Farm Board finally held a wheat session in Chicago, and they announced, I believe on the 23d of August, that they would buy no wheat; that they would suggest no price for wheat. That does not sound like the record of Herbert Hoover. If they had followed that record, they would have fixed a price and bid it. Instead they said, "Go to the intermediate credit and other banks and get your money; we have none for you," although Congress had handed to them $150,000,000 for that general purpose. That turned the wheat situation over to the wheat gamblers of the country. They knew that they would have no interference from the Federal Farm Board, and they gambled the price down to where it now is.

I check up the wheat price almost every day. The price of No. 1 northern wheat has run from 26 cents to 30 cents higher at Winnipeg all the time, all through this harvest, than it has at Minneapolis, Minn. I called the President's Secretary and told him it would be necessary for us to have a debenture placed in the farm bill. I said "No. 1 northern wheat to-day is 30 cents higher at Winnipeg than it is in Minneapolis." The President's Secretary is a wheat expert, and he replied right back, "But No. 1 northern wheat at Winnipeg is different in grade from No. 1 northern wheat at Minneapolis, and it is necessary to take No. 3 northern at Winnipeg for comparison with the wheat at Minneapolis." I said, "Yes; I have the price of No. 3 northern wheat before me now, and I find it is 21 cents higher than No. 1 northern wheat at Minneapolis."

Now I want to ask the Senators who voted the farm relief bill upon us, and gave us that magnificent Farm Board to stabilize farm prices, how have they stabilized them? They have stabilized wheat 20 cents a bushel downward below the level of the world price because they did not give the farmers the debenture they were entitled to have. The farmers of Kansas, the farmers of Nebraska, the farmers of the Dakotas, the farmers everywhere have been compelled by the enactment of that law to take on an average about 20 cents a bushel less for their wheat than the world market price. Not all of the loss is due to this law; perhaps about half of it is due to the perpetual law of freight rates; but about half of it is directly due to this law itself and the Farm Board.

Mr. President, I have been fighting for quite a long time for farm relief both from the standpoint of the tariff and other forms of farm legislation. It is not in the nature of a sport or a political game with me. The problem is not going to be settled until it is settled right; and it has not been settled right, it has not been settled at all, by the inadequate measures which we have taken. We have bragged about the 28 or 29 laws which have been passed for the farmer, and yet the farmer gets into a worse condition every time we pass a new law.

Mr. President, I want to present some facts in reference to the basic feature of farm relief, which is the debenture plan. The farmers are now paying many times more, through the high price levels of American products, than any debenture we shall give back to them. I have had an analysis made of 29 industries in the United States operating under the protective tariff.

The metal industries are not included, but are comprised in a separate analysis. Perhaps I may as well recite the list of these industries. They include earthenware, stone and chinaware, glassware, toys and games, salt, chocolate and cocoa, confectionery, glucose, corn sugar, starch, paints and varnishes, linseed oil, oilcloth, linoleum, manufactured asbestos, lead, medicinal and pharmaceutical preparations, perfumery, cosmetics and toilet preparations, explosives, photographic goods, sporting goods, musical instruments, cotton manufactures (not including carpets), silk manufactures (not including handkerchiefs and wearing apparel), wool manufactures (including felt goods, except carpets and wearing apparel), hosiery and knit goods, men's shirts, cotton and flax, collars and cuffs, cotton linen, corsets, clothing (not including knit goods), wool carpets and rugs other than rag, leather goods, furs, buttons, umbrellas, parasols and canes, trunks, valises and suitcases, rubber goods, boots and shoes, tires and tubes, belting and hose, all other rubber goods.

I find in the 29 industries that I have enumerated there was a gross production of $16,449,700,222, and in that gross production there was a tariff protection of $3,589,000,000.

In the various metal industries I find that there was a total production of $7,723,316,505, and that there was a tariff protection of $1,551,000,000.

Those two classes of industry which I have mentioned have a value of about $19,000,000,000 and a tariff protection of about $5,130,000,000. Those are the largest industries, but they comprise less than one-third of the industrial production of the United States. Therefore instead of the tariff production about which we are talking raising the price level $4,000,000,000, it probably raises it a great deal more than $4,000,000,000; if there are twice the number of manufactured products under protection as those which I have outlined it would make over $10,000,000,000 of protection. Therefore the American price level may be raised by that vast sum.

However, Mr. President, that is not all the story; it is not half of the story. The figures which I have quoted are based on the manufacturer's prices. The prices which the farmers and the consumers have to pay in the United States are more than double the manufacturer's prices. Therefore, what is the tax we are levying upon the farmers of the United States as a part of this protective system? What is the debenture we are putting on the farmers of Iowa, of Illinois, and of Kansas, and of the Dakotas for the benefit of the Steel Trust in Pennsylvania

and the other big combinations throughout the United States? It is an enormous sum. That is why, perhaps, the Senator from Pennsylvania was out of the picture all the time when we were considering the farm bill. I remember how we tried to get the help of the great industries in the effort to solve the farm problem. We invited them to come in and tell us about it so that we might have the benefit of their wisdom, derived from their success in robbing the farmers, as it were; but they did not come; not one of them came. The only people who appeared were those representing labor. The others remained away; but now when it comes to the consideration of the pending tariff bill, we have heard portrayed to-day how they got together and framed these tariff schedules in order to continue the great inequality that exists at this time against agriculture in the United States.

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

The VICE PRESIDENT. Does the Senator from Iowa yield to the Senator from Pennsylvania?

Mr. BROOKHART. I do.

Mr. REED. When does the Senator mean I was absent?

Mr. BROOKHART. I do not recall the Senator's saying a word or doing a thing in the entire discussion of the farm bill.

Mr. REED. I do not think I missed a day this session.

Mr. BROOKHART. Oh, the Senator got around to vote against the debenture and everything of that kind. I did not mean he was absent, personally.

Mr. REED. The Senator means I did not talk?

Mr. BROOKHART. I mean that the Senator took no interest in the solution of this greatest problem, according to the Republican Party's declaration in its own platform, before the American people. The Senator was not there. He was absent so far as the consideration of that matter was concerned. I do not mean he was absent from the Senate.

Mr. REED. I do not think I missed a day or a vote.

Mr. BROOKHART. No; I think not.

Mr. REED. And I have not yet discovered that any of those votes were wrong.

Mr. BROOKHART. I remember very well that the Senator voted against the debenture.

Mr. President, on yesterday some mention was made of the tariff on hides and on shoes; and I find that there is an error in the RECORD. I think it is not an error of the reporters; I think it is my own error in the statement of the fact.

I said:

> The bill puts a 10 per cent duty on hides. The compensatory duty on shoes is 20 per cent. Of course, that is taking away a good deal more than the benefit of the 10 per cent, but the real compensatory duty would be 3.6 per cent; that is, a 10 per cent duty on hides would add as much to the cost of a pair of shoes as 3.6 per cent on the leather.

The word "leather" should be "shoes" there.

> Let us suppose it was put at 3.6 per cent, as the bill puts it.

If I said that, it is an error, because the bill does not put it there. It is the experts of the Tariff Commission who figured out this 3.6 per cent rate for Congressman RAMSEYER.

> Let us suppose it was put at 3.6 per cent as the experts have put it. Then it would benefit the farmer some and that compensatory rate of 3.6 per cent would not take away all his benefit, because the farmers produce more hides than enough to make the shoes which they buy back and wear.

In that connection I desire to call attention to this compensatory theory as it was worked out in reference to hides. Hides are worth about 15 cents a pound. A 10 per cent duty would be one and a half cents. If hides are going to get any substantial duty, it ought to be 40 or 50 per cent. In fact, I will say to the Senator from Pennsylvania that I think it ought to be as high as the duty on aluminum, anyhow; and I believe that is 77 per cent, if I remember correctly.

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

Mr. BROOKHART. Yes.

Mr. REED. It is about five twenty-fourths, as I recall, of the domestic price. I do not know what the import price is.

Mr. BROOKHART. What is the percentage rate in the bill? In the old law it was 77 per cent. I remember that very well.

Mr. REED. No; there was a specific duty of 5 cents a pound, and it is quoted abroad at about 20 to 22 cents. It is quoted here at about 24 cents.

Mr. BROOKHART. Then it would be over 25 per cent.

Mr. REED. No; 5 is less than 25 per cent of 22 cents.

Mr. BROOKHART. Yes; a little less. There was a rate of 77 per cent, I remember very well, at one time; and I shall have to check it up and see whether that has been reduced.

Here is the way this 10 per cent on hides and this 20 per cent on shoes and some other per cents on various kinds of leather work out—these are the figures of the Tariff Commission for Congressman RAMSEYER:

On sole leather the duty imposed in the bill—this is the House bill, but I believe the Senate bill has not changed it much—is 12.5 per cent. Now, this is the leather duty. A compensatory duty would be 7.07 per cent; so they put 62 per cent more than a compensatory duty on sole leather.

On belting leather a compensatory duty would be 3.25 per cent, and the duty proposed in the bill is 12.5 per cent, or 281 per cent greater than a compensatory duty.

On harness leather a compensatory duty would be 5.25 per cent. The duty proposed in the bill would be 12.5 per cent, or 138 per cent higher than a compensatory duty.

On side and upper leather a compensatory duty would be 10.19 per cent, and the duty proposed is 15 per cent, or 48 per cent higher than compensatory.

On bag, case, and strap leather a duty of 3.72 per cent would compensate, but the duty is 20 per cent, or 437 per cent higher than compensatory.

On calf and whole kip leather a duty of 6.65 per cent would compensate, but the duty is 15 per cent, or 125 per cent higher than compensatory.

On shoes valued at $2.50, made of cattle hides, at 15 cents per pound, 3.6 per cent would compensate—that is the one I was commenting upon—when the duty proposed is 20 per cent, or 455 per cent higher than compensatory, and that is the treatment the farmers have received all the way through.

The tariff on hides would be effective. That is one of the articles of which we import a considerable amount; and if we could get a duty worth while it would be of direct benefit to the farmer, just exactly as the duty on aluminum and steel and these other things is of direct benefit to the metal industries in the United States. But if we are to get a duty of only 10 per cent on hides, and then pay 20 per cent, we are paying six times as much as we are getting, and we are buying a third of all the shoes in the United States. That is a positive detriment to the farmers of the United States as a whole.

Mr. REED. Mr. President, will the Senator permit a question?

The VICE PRESIDENT. Does the Senator from Iowa yield to the Senator from Pennsylvania?

Mr. BROOKHART. Yes.

Mr. REED. I think it is rather misleading to speak of the 20 per cent duty on shoes and the 15 per cent on leather as being intended to be compensatory. They were intended to include a compensatory duty, but there is no manufacturing industry in the country in such dire straits as the tanning industry. Our own experience in driving about the country shows that. Within a half day's ride we can pass a dozen closed-down tanneries here in Virginia and in Maryland and in near-by States. We have meant to compensate, it is true, for the hide duty; but we have also meant to give some protection to the tanning industry. Whether we are right or wrong in doing that, of course, is another matter.

Mr. BROOKHART. I am following the report of the House committee on this matter, and following very accurately what Congressman RAMSEYER—who served on the committee—said about it, as it appears in the CONGRESSIONAL RECORD. So far as the House committee is concerned, compensation for the tariff is what they were talking about over there. The product was on the free list before that.

In regard to the tanneries, does that mean that the shoe manufacturers are not paying them enough for their leather? Somebody is making some money along the line on this thing.

Mr. REED. Surely, the foreign tanneries are making it.

Mr. BROOKHART. How about the domestic shoe manufacturers?

Mr. REED. The domestic manufacturers of men's shoes are prosperous, or reasonably prosperous.

Mr. BROOKHART. Then they are not paying the tanneries enough for their leather, if they are letting the tanneries close down.

Mr. REED. They are paying the market price. The Senator would not expect them to commit business suicide by paying more; but the manufacturers of women's shoes are in equally dire straits with the tanneries, because the Czechoslovakian production of women's shoes has run into millions and millions of pairs, and it seems to be doubling every year.

Mr. BROOKHART. The farmers have no objection to protecting every legitimate industry up to the difference in the cost of production at home and abroad, and where there is an inequality in industries they have no objection to the Hamiltonian theory of bounty; but they demand that they be treated in the same way, so that their tariff rates will be made effective.

Hamilton's theory of the bounty was not for agriculture particularly, but it was for industries as well where they could not live under the established tariff rates. If you protected somebody else so that he could be prosperous, you owed it to this other industry to give them a bounty; and you owe it to the farmers to give them a bounty. But these modern Alexander Hamiltons in these times have forgotten all about the bounty and debenture business, and vote against it every time it comes up, and they no longer are in favor of it. It is "economically unsound," because the big fellows want to eat up the little fellows and crowd them out of existence as a part of this scheme of centralization that is going on over the whole country.

Mr. REED. Perhaps since Alexander Hamilton died the experience of Great Britain with bounties under the corn laws has proved that to that extent his theory was fallacious.

Mr. BROOKHART. Great Britain never had a protective system; so that would be a magnificent comparison!

Mr. HOWELL. Mr. President——

The VICE PRESIDENT. Does the Senator from Iowa yield to the Senator from Nebraska?

Mr. BROOKHART. I yield.

Mr. HOWELL. I rise for the purpose of asking the Senator from Pennsylvania a question. If the manufacturers of men's shoes are so prosperous, why, instead of putting a duty of 20 per cent upon all shoes, was not the 20 per cent duty limited to women's shoes?

Mr. REED. Understand me; I do not say that they are so extremely prosperous. They are not; but they are managing to break even, and that is more than the manufacturers of women's shoes are doing. The tariff we have put on does not in any case compensate for the difference in the cost of production here and abroad, saving only in the agricultural schedule. In every other respect, so far as I know, the bill as it came from the Finance Committee falls short of the test of the difference in the cost of production. On the agricultural items we tried to give the American farmer the benefit of the doubt in every case, and I think that in many cases we have given more of the tariff than the difference in the cost of production.

Butter is a good example. The best evidence we can get is that there is about 8 cents difference—I am speaking from recollection now—between the Danish costs and the American costs of production, and perhaps 9 or 10 cents between the New Zealand costs and the American costs. We have given a tariff of 14 cents because we wanted to err on the right side.

Now, contrast that, if you please, with what we did to pig iron. We all know that north of here, along the coast, are stack after stack where blast-furnace plants are shut down cold, villages deserted, because of the importation of pig iron from India and from Belgium. The Tariff Commission established a proven difference in the cost of production of $7.70 a ton, and we gave them only $1.50. That is the contrast.

Mr. HOWELL. Mr. President——

The VICE PRESIDENT. Does the Senator from Iowa yield to the Senator from Nebraska?

Mr. BROOKHART. I yield.

Mr. HOWELL. Not desiring to discuss the metal schedule at this time, I wish to refer back to the matter of shoes.

Mr. REED. All right.

Mr. HOWELL. In 1928 less than 1 per cent of the shoes used in this country were imported. As the Senator has stated, the men's shoe industry is enjoying prosperity in this country. Nevertheless, a 20 per cent duty is placed on men's shoes. Why not have limited that duty to women's shoes? There are 344,000,000 pairs of shoes made in this country, and about 124,000,000 pairs are women's shoes. Why put this 20 per cent on all shoes, when it is the manufacturers of women's shoes who are here asking relief, and manufacturers of other shoes are filing briefs urging that there be no tariff whatever on shoes unless there is a tariff placed upon hides?

Mr. REED. The statistics show an amazing increase in the imports of women's shoes, misses' shoes, and a substantial increase, but not to the same extent, in men's and in children's shoes.

Mr. HOWELL. The Senator has the figures before him. What was the number of pairs of shoes imported into this country in 1928?

Mr. REED. The number was 3,249,000.

Mr. HOWELL. Three million two hundred and forty-nine thousand pairs of shoes, and there were made in this country and disposed of in 1928, 344,400,000 pairs.

Mr. REED. That is right.

Mr. HOWELL. Less than 1 per cent of the production of shoes in this country was imported. Yet a duty of 20 per cent was fixed on every pair of shoes, upon every pair of slippers, even upon every pair of infants' shoes, and yet the importations of shoes into this country are largely limited to women's shoes. It has been urged that there is one institution up in Massachusetts—in Haverhill, I think it is—which they say has been affected by Czechoslovakian shoes. But why impose a duty of 20 per cent on shoes for all of the people of this country because one out of 1,300 shoe factories—one manufacturing establishment making women's shoes—is suffering, and when about half of the manufacturers of shoes in this country are sending Senators letters urging that no tariff be placed upon their product?

Mr. REED. Does the Senator honestly think that the price of all the men's shoes in this country will be increased 20 per cent because we put a duty on that small fraction of 1 per cent that comes in?

Mr. HOWELL. Mr. President, if it is useless, why put it upon men's shoes? They came here and asked 25 per cent, and the committee gave them 20 per cent. The Senator says now that this will not be effective. Then why put it on men's, children's, and infants' shoes?

Mr. REED. No, Mr. President; I did not say anything. I asked a question.

Mr. HOWELL. The Senator suggested in his question that the tariff would not be effective.

Mr. REED. That was one of the answers that it might have led to; but what I was leading up to was our own belief that this 20 per cent tariff will be effective on that part of the industry which has been beaten down by foreign imports made by starvation-paid labor in Czechoslovakia. The price of men's shoes is not affected by Czechoslovakia.

Mr. HOWELL. Very well. The prices of men's shoes are not affected by these imports, yet you put a 20 per cent duty on them. How does the Senator justify it?

Mr. BROOKHART. Mr. President, it seems to me it can be best justified by the scriptural injunction that to them that have shall be given, and from them that have not shall be taken away even that which they do have.

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

Mr. BROOKHART. I yield.

Mr. SIMMONS. Does the Senator from Iowa see any difficulty in differentiating the men's shoes that are produced in surplus quantities here in this country from women's shoes, the manufacturers of which are suffering, according to the Senator from Pennsylvania, from overcompetition?

Mr. BROOKHART. I do not see any trouble, but the Senator from Pennsylvania is in deep trouble over that.

Mr. REED. Not so deep trouble. Perhaps my difficulty is not so great as would be that of the Senator from Iowa if he tried to write a tariff bill distinguishing between men's shoes and women's shoes, or if, as an appraiser or examiner, he tried to decide whether a shoe was a small man's shoe or a large woman's shoe. I venture to say it can not be done.

Mr. BROOKHART. I thought the Senator from Pennsylvania was worrying over some mysterious theory.

Mr. SIMMONS. Mr. President, I want to ask the Senator from Pennsylvania if this bill is not full of instances in which the framers put a different rate upon articles of the same general character, but differentiate as to quality, putting one rate upon an article of a certain kind and another rate upon the same article of a different kind? Is not that frequently done in this bill?

Mr. REED. I do not think of any case in which the rate on an article is regulated by the sex of the person who ultimately buys it, and that is what we would have to regulate it by if we tried to distinguish between men's shoes and women's shoes.

Mr. SIMMONS. Is there any economic difficulty at all, or any other difficulty, in differentiating the character of shoes that women wear from the character of shoes that men wear?

Mr. REED. Of course, if you take a ballroom slipper that a woman wears, it does not resemble anything that a man ever puts on his foot, but I venture to say that the servants in the Senator's house wear to work during the day shoes that are absolutely indistinguishable according to the sex of the person who wears them.

Mr. SIMMONS. Why could not the Senator say shoes made of leather, or shoes made of some other material?

Mr. REED. That would be easy, we could; but that would not distinguish between men's shoes and women's shoes.

Mr. SIMMONS. The distinction between men's shoes and women's shoes is well understood in trade.

Mr. BROOKHART. Mr. President, on that subject, if a woman wants to wear a man's shoe, I would not change the tariff rate on that account.

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

Mr. BROOKHART. I yield.

Mr. BARKLEY. With reference to the relation of the tariff to the price of shoes, I received recently several letters from

concerns interested in the manufacture of shoes, in which they state that if this 20 per cent tariff is carried in the bill, it will mean an increase of from $1.10 to $2.40 a pair; not only that, but that it will involve a readjustment of their business, in such a way as to make it very disastrous to many of them, and of no benefit to the people.

Mr. BROOKHART. I think they will be very efficient in getting high prices for the shoes under the tariff, as far as that is concerned.

Mr. HOWELL. Mr. President, will the Senator from Iowa yield again?

Mr. BROOKHART. I yield.

Mr. HOWELL. If Senators will examine the Summary of Tariff Information for 1929, which they have upon their desks, they will find that the Tariff Commission has no difficulty in differentiating between these shoes, because the Department of Commerce will supply a statement of how many men's shoes are manufactured in this country and how many are imported into this country. They will supply a statement of the number of youths' and boys' shoes, which is another classification. They will afford information as to the number of women's shoes, and then they will afford information as to the number of misses' and children's shoes. There is no difficulty about this matter. They will also afford information as to the number of infants' shoes. These classifications are understood. They are clear. There would be no difficulty in applying the tariff. Last year there were imported into this country but three-tenths of 1 per cent of the number of pairs of shoes required for men in this country, only three-tenths of 1 per cent, and yet a 20 per cent duty on men's shoes is proposed. Last year there were imported but 1.4 per cent of the number of women's shoes produced in this country. Yet a duty of 20 per cent is proposed upon that classification.

Mr. President, it seems to me that if this duty will be ineffective on any class of shoes, the Finance Committee has done itself a great injustice in proposing any such duty, of transferring such shoes from the free list and putting a 20 per cent duty thereon.

Mr. REED. Mr. President, will the Senator from Iowa yield to me?

Mr. BROOKHART. I yield.

Mr. REED. This dialogue might lead to great improvement in the bill.

Mr. BROOKHART. I hope it will.

Mr. REED. If the Senator would supply us with such a definition as he has in mind, he would be doing a great service to the Finance Committee, as well as to the country.

Mr. HOWELL. I am simply enumerating the classifications that are supplied by the Tariff Commission, and if you will ask the Department of Commerce for a statement of the number of shoes made, for instance, in 1927—I have not the report for 1928—they will classify them as I have indicated, and they will indicate the number, and they will not only give information as to numbers but they will supply information as to the value of the shoes also.

Mr. BROOKHART. On that proposition I will have to say that I think the Senator has very definite and very fine information, but I doubt very much whether it would work on the Finance Committee.

Mr. REED. We tried to get such a definition from the tariff experts and were not able to get it.

With the indulgence of the Senator from Iowa, may I point out an error in the statement made by the Senator from Kentucky when he said this duty would add from $1.40 to $2 and something to the price of a pair of shoes?

Mr. BARKLEY. I said that I had letters from manufacturers stating that it would involve an increase of from $1.10 to $2.40. I do not know whether that is correct or not.

Mr. REED. I think the Senator's correspondents must be wrong. The average invoice unit value of a pair of women's shoes was $2.89 last year, and 20 per cent of that, as the Senator readily sees, would be 57 cents, so I think the figures of his correspondents are incorrect.

Mr. BARKLEY. Of course, the correspondents did not attempt to say what the tariff would add to the price of the shoes. They stated what the price of the shoes to the consumers in the United States would be.

Mr. BROOKHART. The stores generally will take advantage of the tariff to raise prices excessively.

Mr. REED. Some of the drygoods shops do. They use the tariff as an excuse for most inordinate increases; but a 57-cent tariff could not possibly justify a $2 increase.

Mr. BROOKHART. They shall have no excuse in the future, so far as I am concerned. I will do what I can to remove that excuse.

Now I want to state again some facts which I stated partially before in reference to what this bill promises. This statement is based on the bill as it passed the House. Of course, the Senate committee bill is a little different. Some one asked me if the Senate committee bill was not better than the bill as it passed the House. I said I could not say it was any better, but I said I might say it was "less worse," and that is the way I feel about it.

This table I hold in my hand shows that in 1928 we produced 903,000,000 bushels of wheat, worth to the farmer $600,000,000. The Fordney tariff would have given them $379,300,000, but in fact they got only $17,600,000 of benefit out of the tariff. So it can be seen that the tariff was really and truly, as the Senator from Mississippi said, a fraud so far as the wheat farmers are concerned. It was not effective, anyway, and that is what I am complaining about.

The Senator from Pennsylvania [Mr. REED] now talks as though, because they have put a tariff rate on farm products, that will give a benefit to the farmer as to exportable surpluses. It does not do so and it can not do so.

Mr. REED. Mr. President, I have not said anything of that sort.

Mr. BROOKHART. The Senator did not say it in those terms, but that is what it all meant the way he gave expression to it. He said there was a tariff put on for agriculture of the difference in the cost of production. They did not put on any tariff where there is an exportable surplus. The way they have done it, it is just so much waste of paper. When I speak of a tariff I mean one that will protect, and it was in that sense I made the statement about the Senator's action.

The actual benefit on a few grades of extra hard spring wheat in some of the northwestern States raised the price $17,600,000. That relates to just a few little grades of wheat mixed with others.

In the case of corn we produced 2,840,000,000 bushels. The old tariff promised the farmer $426,000,000, and gave him nothing. The new tariff promises him $710,000,000, and will give him nothing.

There is a group of articles, including eggs, rice, flaxseed, tobacco, peanuts, potatoes, onions, and a lot of such things. The old law promised the farmers a benefit of $2,449,000,000, and gave them the benefit of only $74,300,000. The Hawley bill promises them $3,108,000,000, and will give them only $87,000,000.

Mr. President, the main interest I have in the tariff bill is to have the promise of this benefit on these schedules made good to the farmers of the United States. I want them to have a home market. They do not have it now. They are forced to take the price of the competitive market of the world where everybody else in our country enjoys the higher level of the home market. We talk about advantage to the farmer of having factories close to us and workmen and all that. The workmen who are fixing our prices are low-paid workmen of Europe.

The farmers have been as consistent and reliable protectionists as anybody in the country. They have helped in the development of the country and to promote the development of industry. They have paid their share of this great tax, this great debenture, this great bonus, this great subsidy, this bounty, whatever it may be called, because all of those terms would describe what the farmers have paid to the protected industries of the country through all our history. In return they have had their home market taken away from them, transferred to the market of the world, and their prosperity destroyed. There is no prosperity in agriculture now. The man who is prosperous in agriculture is the exceptional and unusual man and under exceptional and unusual circumstances. The general run of the average efficient farmer is not prosperous and can not be prosperous until by some method we give him his cost of production plus, I will say, the cooperative profit upon his capital investment.

As I see it, the principal item in the bill for agriculture, which is the principal purpose of this session of Congress, would be an enactment of the debenture plan. I want to see it modified slightly from what it was as it passed the Senate previously. I want to see the debenture issued to the Farm Board only. I want the Farm Board to have authority to allot it to the stabilization corporation and the stabilization corporation required to use it to stabilize prices upward and not downward, as on wheat. They can raise the price at once the amount of the debenture. But if paid to the Farm Board and then allotted to the stabilization corporation with authority to use it to raise the price by the amount of the debenture, it will also serve as a fund to buy the surplus as Hoover did in handling the wheat corporation. Serving all these purposes it will do more than raise the price by the amount of the debenture. I do not believe

we will lose the whole debenture when we come to dispose of these articles in the world market.

I have frequently pointed out that because of the great percentage of American production we could even take a profit on many things. I believe that is absolutely true of cotton. When we are sending abroad 60 or 65 per cent of all the exportable cotton of the whole world it is apparent to anyone that if we buy that cotton and pay for it so the banks will not call our notes and the sheriff will not sell us out, we can hold that cotton and get our money back in the world market. In that case we will soon accumulate a surplus and not need again to use the debenture to raise the price of cotton. The world market itself will rise and give the farmers the cost of production plus their cooperative profits.

I think the same is true with reference to wheat especially if we join and cooperate with Canada. They have their great pool, the greatest single business institution in all the Dominion of Canada. That pool is doing exactly what I want to do on this side of the line. If we join them we can do it, but we will have to have some money to do it. We gave the board the money to do it. We did not give the board authority to buy this wheat themselves, but we did give them authority to loan it to the stabilization corporation and they should have bought that wheat. The stabilization corporation could have bid the cost of production price if the money had been allotted to them and that price would be the world price to-day under present conditions. There would be no occasion for loss on the surplus of wheat in the United States. A similar situation exists as to pork products. But the board has not done that. It has not carried out the mandate of Congress. The tariff of 42 cents a bushel is not only ineffective, but because of these other results the price of wheat reduced 20 cents below the world market price itself.

The farm problem is no harder to solve than the aluminum problem. It is no harder to solve than the steel problem. It is no harder to solve than the oil problem. It is going to be solved by enough finance to control and to handle the surplus, and there is no short cut to that end. The President of the United States himself taught us that when he solved the problem.

The VICE PRESIDENT. The question is on agreeing to the amendment on page 288, which will be stated.

The LEGISLATIVE CLERK. On page 288, line 8, after the word "swine," in the section title strike out the words "and meats" and insert the words "meats, and plants," so as to make the title read:

SEC. 306. Cattle, sheep, swine, meats, and plants—importation prohibited in certain cases.

The amendment was agreed to.

The next amendment of the Committee on Finance was, on page 289, line 17, before the word "of," to strike out "purposes" and insert "foregoing provisions," so as to read:

(c) Regulations: The Secretary of Agriculture is authorized to make rules and regulations to carry out the foregoing provisions of this section, and in such rules and regulations the Secretary of Agriculture may prescribe the terms and conditions for the destruction of all cattle, sheep, and other domestic ruminants, and swine, and of all meats, offered for entry and refused admission into the United States, unless such cattle, sheep, domestic ruminants, swine, or meats be exported by the consignee within the time fixed therefor in such rules and regulations.

Mr. GEORGE. Mr. President, may I ask the Senator from Utah if the amendment is merely a verbal correction?

Mr. SMOOT. It is.

The amendment was agreed to.

Mr. McMASTER. Mr. President, I would like to inquire of the Senator from Utah if he has received a report from the Treasury Department?

Mr. SMOOT. I have.

Mr. McMASTER. When can the matter be taken up?

Mr. SMOOT. I wanted to continue the consideration of the bill until 5 o'clock. If the Senator desires, we will take it up the first thing in the morning, or we can do it now if that is his wish.

Mr. McMASTER. It will serve the purpose to take it up in the morning.

The VICE PRESIDENT. The next amendment will be stated.

The next amendment of the Committee on Finance was, at the top of page 290, to insert:

(d) Plant quarantine: The plant quarantine act, approved August 20, 1912, as amended, shall not be construed to authorize the Secretary of Agriculture to forbid the importation of any nursery stock or other plants, or fruits, vegetables, roots, bulbs, seeds, or other plant products unless such plants or plant products are infected with disease or infested with injurious insects, new to or not theretofore widely prevalent or distributed within and throughout the United States, or unless the Secretary of Agriculture has reason to believe that such plants or plant products are so infected or infested.

Mr. SIMMONS. Mr. President, if the Senator from Utah is going to take up amendments to the administrative provisions at this time, I ask for 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	George	Metcalf	Steck
Barkley	Greene	Moses	Steiwer
Black	Harris	Norris	Thomas, Idaho
Blaine	Harrison	Oddie	Thomas, Okla.
Borah	Hastings	Overman	Trammell
Brock	Hatfield	Pine	Tydings
Brookhart	Hayden	Pittman	Vandenberg
Broussard	Heflin	Reed	Walcott
Capper	Howell	Robinson, Ark.	Walsh, Mass.
Connally	Jones	Sackett	Walsh, Mont.
Couzens	Kean	Schall	Warren
Deneen	Keyes	Sheppard	Watson
Fess	McKellar	Shortridge	
Fletcher	McMaster	Simmons	
Frazier	McNary	Smoot	

The VICE PRESIDENT. Fifty-seven Senators having answered to their names, a quorum is present. The Secretary will state the next amendment.

The LEGISLATIVE CLERK. The next committee amendment is at the top of page 290.

Mr. SMOOT. Mr. President, I understand that the senior Senator from Florida [Mr. FLETCHER] desires that that amendment go over. It has relation to the construction of the plant quarantine act of 1912 relative to the importation of nursery stock or other plants, seeds, and so forth.

Mr. McKELLAR. I think the colleague of the Senator, the junior Senator from Utah [Mr. KING], also desired that the amendment go over.

Mr. FLETCHER. It is quite an important amendment, and I desire that it shall go over.

The VICE PRESIDENT. Without objection, the amendment will go over.

Mr. WALSH of Montana. Mr. President, on yesterday reference was made by the Senator from Georgia [Mr. GEORGE] to the studies of the group of economists connected with the University of the State of Wisconsin, and he put into the RECORD a summary of their work. Before, however, they entered upon the specific studies they issued a press release, general in its character, and intended to indicate the character of the work in which they were about to engage. That is not included in the summary put into the RECORD by the Senator from Georgia, and I now offer it for the RECORD. I desire, however, first to read a paragraph from it, as follows:

Tariffs are always made up by logrolling. If one industry gets a high tariff, it does so by consenting that other industries may have a high tariff. Under the new arrangement everybody will join in the logrolling, and nobody will be in opposition. Farmers have closed their mouths against high protection for manufacturers because the manufacturers have consented to high tariffs for the farmers.

In this game of logrolling the farmers will get what their representatives ask for. So will the manufacturers. If the farmers ask for a tariff that will do them no good whatever, then they are giving something for nothing in this game of logrolling. This is evidently what they are doing on several of the farmers' crops. In the case of other crops a small number of farmers will gain, but the great majority of farmers will lose as consumers, along with other consumers.

I call especial attention to the sentence in the paragraph, which reads, "In this game of logrolling the farmers will get what their representatives ask for," because on yesterday the Senator from Kentucky [Mr. SACKETT] told us that the farmers got just exactly what they asked for.

I also have here, Mr. President, a copy of Wallace's Farmer of Friday, June 14, 1929. Doubtless every Member of the Senate knows that this newspaper was established by Henry Wallace, late Secretary of Agriculture, who departed this life, as I recall, while he was still occupying that position. The newspaper is now run by his son, and is everywhere regarded as speaking the views of the farmers of the Central West. The leading article in this number of the publication is headed "The New Tariff and Agriculture—Farmers Should Demand that Present Tariff Remain Unchanged."

I also offer this article for the RECORD, but I desire first to read a few paragraphs from it, as follows:

The new tariff bill as it passed the House will do the farmers of the United States tens of millions of dollars of damage every year. As to why the farmers of the Middle West should allow their own Congress-

men to vote against their economic interests is a great mystery which can only be explained by going back to the emotions growing out of the Civil War. But we are now coming out from under the shadow of that conflict. Another war has been fought, and it is time for our farmers to begin to think clearly.

Nearly all our tariffs have been bad from a farm standpoint, and nearly every revision has made the situation worse.

* * * * * * *

During the past eight years it has become more apparent than ever before that the tariff is a strictly selfish, logrolling proposition. Very little effort is made by anyone to look at the tariff as a whole from the standpoint of a national patriotism. Each Congressman is out to serve the industries in his own district, and inasmuch as most of the Congressmen in the Middle West and South have no industries which can be greatly helped by the tariff, the result is that these Congressmen always get the worst of it. Of course, they don't like to admit this, and so, when they go home to their constituents, they talk grandly about raising the tariffs on corn, hogs, and beef. They conveniently forget that most of the tariffs on agricultural products are not worth the paper they are written on unless combined with something in the nature of an equalization fee or a debenture plan.

I recall the statements to that effect which were made by the Senator from Georgia [Mr. GEORGE] on yesterday.

They do not mention that for each dollar agricultural products are raised in price, industrial products are advanced by $50.

The tariff siren has sung its song, to the destruction of many of our people. It is time to strip her of her finery and look at her with the cold, calculating eye of reason.

The tariff song is, "The United States owes her wonderful prosperity to the tariff. Look at our automobiles and our radios. We own more of such things than all of the other people in the world combined. We have the world's highest standard of living, and it is all because of our wonderful protective tariff."

This song actually seduces the intellect of men who should know better. Every economist knows that the prosperity of the United States depends fundamentally on our enormous natural resources, which are being developed by a rather small number of highly educated people who have been trained in the art of mass production. An hour of man labor in the United States will create several times as much in the way of manufactured goods as an hour of labor elsewhere.

Which recalls the argument made by the Senator from Mississippi this morning and the exceedingly persuasive and illuminating figures offered by him for the RECORD.

We have enormous quantities of readily available iron ore which can easily be transported to good quality coal. We have enormous deposits of petroleum, and in the center of our country we have the world's greatest expanse of fertile soil, which is fairly level and free from trees and stone, soil which benefits from an equable climate and which is being tilled by farmers trained in the use of modern machinery. It is true that our people, whether in the factory or on the farm, are the wonders of the modern world. But the tariff has had nothing to do with this, or at any rate it has had very little to do with it at any time for the past 50 years. The tariff did not give the United States its enormous natural resources. Neither did the tariff give our people their inventive genius, their ability in mass production.

True it is that in the time of Alexander Hamilton and Henry Clay, tariffs may have been temporarily justified for the building up of infant industries. But now that efficient industries have been organized commensurate to our enormous natural resources, the chief use of a high tariff is not legitimate protection but the conferring of price-fixing power. This price-fixing power does not increase the standard of living of ninety-nine out of every one hundred Americans. In fact, it makes the standard of living of the majority of Americans lower than it otherwise would be. Our high American wages are due to the fact that American laboring men working with up-to-date machinery and an abundance of power can turn out several times as much in an hour as European laboring men. Analysis of our different industries proves that in the vast majority of them, less than 25 per cent of the selling price is represented by the wages of labor.

* * * * * * *

However, any tariff adjustment always makes people uneasy, and is likely to hurt farmers more than anyone else. I would therefore urge that farmers do not at any time try to change the tariffs, but stand by the tariff which is already in force no matter how iniquitous it may be. If changes are to be made, it must be remembered that the selfish logrolling interests are almost sure to get the best of the farmer.

I might add what perhaps is generally known—that this paper is published at Des Moines, Iowa.

The VICE PRESIDENT. Does the Senator ask to have those articles printed in the RECORD?

Mr. WALSH of Montana. I did; yes.

The VICE PRESIDENT. Without objection, it is so ordered. The matter referred to is as follows:

The farmers' representatives before the Committee on Ways and Means have agreed on advances in the tariff on various farm products. Manufacturers of products used by farmers are also asking advances, while others are content with the present high tariffs.

Formerly the Democratic Party opposed high tariffs, and this opposition had some effect in preventing the Republican Party from raising the tariff rates too high. Now the Democratic Party is not in opposition, but is also asking for high tariffs on farm products.

Tariffs are always made up by logrolling. If one industry gets a high tariff, it does so by consenting that other industries may have a high tariff. Under the new arrangement everybody will join in the logrolling and nobody will be in opposition. Farmers have closed their mouths against high protection for manufactures because the manufacturers have consented to high tariffs for farmers.

In this game of logrolling the farmers will get what their representatives ask for. So will the manufacturers. If the farmers ask for a tariff that will do them no good whatever, then they are giving something for nothing in this game of logrolling. This is evidently what they are doing on several of the farmers' crops. In the case of other crops a small number of farmers will gain, but the great majority of farmers will lose as consumers along with other consumers.

The only way to find out whether the farmers will gain or lose in this logrolling is to make a careful investigation of each commodity by itself, on the basis of all available statistics, and then to sum up the total gain and loss for all commodities. This statistical examination is being made, with conclusive results on a number of commodities, by a force of experts in agricultural economics at the University of Wisconsin under the direction of B. H. Hibbard, John R. Commons, and Selig Perlman, of the economics department. In some cases the results are significant and even startling.

The funds for the investigation have been furnished by Mr. W. T. Rawleigh, Freeport, Ill., a prominent manufacturer. His instructions are simply to find the facts.

These investigations show, as exactly as is possible, where the farmers will gain and where they will lose on each particular commodity. As fast as the investigation of each commodity is finished the results will be published. Not every commodity will be included, but only the most important. The investigation shows the results of existing tariffs and the estimated results of the tariff increases asked for by the farmers' representatives and by the manufacturers' representatives.

Among the more important commodities that will be reported on are sugar, cotton, meat products, dairy products, corn, wheat, barley, flaxseed, and lumber, besides several manufactured articles.

[From Wallace's Farmer of Friday, June 14, 1929]

THE NEW TARIFF AND AGRICULTURE—FARMERS SHOULD DEMAND THAT PRESENT TARIFF REMAIN UNCHANGED

By H. A. Wallace

(The Fordney bill was bad enough, but the Hawley bill will increase the farmer's disadvantage.

The farmers of the United States should petition their Congressmen to let the Fordney bill stand. The Hawley bill is an iniquitous affair which should resolutely be turned down by all Congressmen who have the interests of agriculture at heart.)

The new tariff bill as it passed the House will do the farmers of the United States tens of millions of dollars of damage every year. As to why the farmers of the Middle West should allow their own Congressmen to vote against their economic interests is a great mystery which can only be explained by going back to the emotions growing out of the Civil War. But we are now coming out from under the shadow of that conflict. Another war has been fought, and it is time for our farmers to begin to think clearly.

Nearly all our tariffs have been bad from a farm standpoint, and nearly every revision has made the situation worse. The Republican Payne-Aldrich bill of 20 years ago was bad and provoked a temporary great revolt. The Democratic Underwood bill of 1912 was even worse from a farm standpoint. The Fordney-McCumber Republican revision in 1922 was far worse than the Underwood bill, however. Last summer at Kansas City the Republicans promised that tariff revision would be made with the object in mind of bringing farm purchasing power up to parity. And now we have offered the Hawley-Smoot bill of 1929, which definitely discriminates against the farmers of the Middle West and the South more than ever before. Apparently both the Democrats and the Republicans believe that the farmer has always been a "sucker" in tariff matters and always will be. History proves they are right, but, looking into the future, I am convinced that the time is coming when the tariff situation will explode with a violence that will make the tariff upheaval of the Taft days seem a mild-mannered tea party.

STRICTLY SELFISH LOGROLLING PROPOSITION

During the past eight years it has become more apparent than ever before that the tariff is a strictly selfish logrolling proposition. Very little effort is made by anyone to look at the tariff as a whole from the standpoint of national patriotism. Each Congressman is out to serve

the industries in his own district, and inasmuch as most of the Congressmen in the Middle West and South have no industries which can be greatly helped by the tariff, the result is that these Congressmen always get the worst of it. Of course, they don't like to admit this, and so when they go home to their constituents they talk grandly about raising the tariffs on corn, hogs, and beef. They conveniently forget that most of the tariffs on agricultural products are not worth the paper they are written on unless combined with something in the nature of an equalization fee or a debenture plan. They do not mention that for each dollar agricultural products are raised in price industrial products are advanced by $50.

The tariff siren has sung its song to the destruction of many of our people. It is time to strip her of her finery and look at her with the cold, calculating eye of reason.

The tariff song is, "The United States owes her wonderful prosperity to the tariff. Look at our automobiles and our radios. We own more of such things than all of the other people in the world combined. We have the world's highest standard of living, and it is all because of our wonderful protective tariff."

This song actually seduces the intellect of men who should know better. Every economist knows that the prosperity of the United States depends fundamentally on our enormous natural resources, which are being developed by a rather small number of highly educated people who have been trained in the art of mass production. An hour of man labor in the United States will create several times as much in the way of manufactured goods as an hour of labor elsewhere. We have enormous quantities of readily available iron ore which can easily be transported to good quality coal. We have enormous deposits of petroleum, and in the center of our country we have the world's greatest expanse of fertile soil, which is fairly level and free from trees and stone, soil which benefits from an equable climate and which is being tilled by farmers trained in the use of modern machinery. It is true that our people, whether in the factory or on the farm, are the wonders of the modern world. But the tariff has had nothing to do with this, or at any rate it has had very little to do with it at any time for the past 50 years. The tariff did not give the United States its enormous natural resources. Neither did the tariff give our people their inventive genius, their ability in mass production.

True it is that in the time of Alexander Hamilton and Henry Clay, tariffs may have been temporarily justified for the building up of infant industries. But now that efficient industries have been organized commensurate to our enormous natural resources, the chief use of a high tariff is not legitimate protection but the conferring of price-fixing power. This price-fixing power does not increase the standard of living of ninety-nine out of every one hundred Americans. In fact, it makes the standard of living of the majority of Americans lower than it otherwise would be. Our high American wages are due to the fact that American laboring men working with up-to-date machinery and an abundance of power, can turn out several times as much in an hour as European laboring men. Analysis of our different industries proves that in the vast majority of them, less than 25 per cent of the selling price is represented by the wages of labor.

AN EVEN HIGHER STANDARD OF LIVING

It is important to realize that our standard of living depends on the quantity of goods which we consume. It is altogether probable that if there were a gradual lowering in the tariff over a long period of years, we would have considerable more goods to consume than with the high tariff. We have the natural resources, the inventive ability, and the mass production methods to maintain a very high standard of living, even without goods from foreign countries. But we can have an even higher standard of living and more human satisfaction all the way around if we engaged in more trade with foreign countries than is possible under our present restrictive system. However, any tariff adjustment always makes people uneasy, and is likely to hurt farmers more than anyone else. I would therefore urge that farmers do not at any time try to change the tariffs, but stand by the tariff which is already in force no matter how iniquitous it may be. If changes are to be made, it must be remembered that the selfish logrolling interests are almost sure to get the best of the farmer.

I now wish to examine in some detail the benefits which the farmer receives as a producer from the proposed Hawley tariff, and contrast this with the damage which he will receive as a consumer.

The outstanding farm products which are receiving effective tariff protection under the Hawley bill are sugar, wool, flaxseed, and hides. These products can be helped, because we produce of them one-half or less of our domestic consumption inside the United States. I shall examine these products in turn.

Sugar: Half of our sugar comes from Cuba, and has been paying a duty of 1.76 cents a pound. Under the Hawley bill the Cuban sugar is supposed to pay a duty of 2.4 cents a pound. Less than 20 per cent of the sugar consumed in the United States is produced in continental United States. About a third of our sugar comes from Hawaii, Porto Rico, and the Philippines. This sugar pays no duty, and the sugar farmers of these countries will benefit far more from the tariff increase than the sugar-beet farmers inside of the United States. Only about one farmer in a hundred grows sugar beets in the United States. In Utah, however, 1 farmer in 4 grows sugar beets; in Colorado, 1 farmer in 7; in Idaho, 1 farmer in 10; and in Ohio, 1 farmer in 60.

OF NO BENEFIT TO BULK OF FARMERS

In the Corn Belt, the Wheat Belt, and the cotton South not 1 farmer in 300 has any interest whatever in the sugar tariff as a producer. Theoretically, the average sugar-beet grower with 15 acres of beets benefits to the extent of about $400. This $400, however, is not all net profit to the beet farmer, because ordinarily he needs at least $200 to enable beets to compete successfully with other crops for the use of the land. Without a sugar tariff it is probable that the 760,000 acres which are now devoted to sugar beets would either go out of cultivation or be devoted to some other crop. However, if all of the sugar-beet land were to be put into corn, wheat, or oats, the increase in grain production would be less than one-half of 1 per cent.

The new sugar tariff of 2.4 cents a pound on Cuban sugar will benefit the beet-sugar industry of the United States by about $52,000,000 annually. About half of this, or $26,000,000, will be passed on to the sugar-beet grower. The greatest beneficiaries are not the sugar-beet men in continental United States but the sugar planters in the tropical islands of the United States.

Under the Fordney bill the farmers of the United States have paid every year at least $60,000,000 more for their sugar than they would without a tariff, and the city people of the United States have paid at least $140,000,000 more. Under the Hawley bill the consuming farmers will be taxed an additional $20,000,000 every year and the city consumers an additional $45,000,000.

As long as we have built up a great sugar-beet industry in the United States, I believe it would be a mistake to destroy it by rapidly lowering the tariff. However, I believe that it is also a mistake to encourage the sugar-beet industry to expand much beyond its present point by a tariff of 2.4 cents on Cuban sugar. It must be remembered that Cuba furnishes a better market for Corn Belt pork products than do the sugar-beet farmers of Utah and Colorado. Next after England and Germany, Cuba is one of our best foreign outlets for pork products.

Flax: The Fordney rate on flax has been 40 cents a bushel, and the new Hawley rate, in the bill as passed by the House, is 63 cents a bushel. This is an effective tariff which is reflected for the most part in higher prices for flax. The farmers of western Minnesota, the Dakotas, and Montana, who produce nearly all the flaxseed in the United States, are benefited by at least $10,000,000 annually as producers. The flaxseed tariff is of much more benefit to farmers than the sugar tariff, because of the fact that flax is grown on a much larger acreage than sugar beets, and if there were no tariff on flaxseed, at least 1,000,000 acres, and probably 2,000,000 acres, of flax land would be put into competing spring wheat. Because of the flaxseed tariff, farmers who buy paint containing linseed oil undoubtedly will have to pay a higher price. This damage to farmers as paint users, under the Hawley bill, will probably amount to close to $10,000,000 a year. The farmers of the flax-growing Northwest will not be much harmed, however, because they never did use much paint anyway.

Wool: We produce only about one-half the wool which we consume in the United States, and it is, therefore, inferred that the wool tariff is fully effective. This does not seem to be altogether true, because of the fact that wool of the grades which we produce in the United States is almost equal in quantity to what we consume of those grades. At any rate, there is some doubt as to whether the increase in the tariff from 31 cents a pound in the grease to 34 cents a pound, will help the sheep farmer so very much. If there is any help, the benefit will chiefly go to the big western sheepmen in the Mountain States and Texas These big western sheepmen, under the Hawley tariff bill, will get about $23,000,000 annually, and the dirt farmer sheepmen will get about $15,000,000 a year.

HARMED BY WOOL TARIFFS

About 1 farmer in 15 handles sheep. The other 14 farmers are, of course, much more harmed by wool tariffs than they are benefited. Because of the wool tariffs, farmers must pay about $80,000,000 more a year for their clothing, and city consumers must pay about $225,000,000 a year more. I believe that it will be a serious mistake to bring about any sudden lowering in the wool tariff, but that it is also a mistake to increase the wool tariff beyond the present point. Sheep production has been rapidly increasing in the United States in recent years, and apparently it is only a question of time until we will be supplying in full the domestic market for those grades of wool which we produce. In fact, both wool and lamb prices are beginning to show a rather weak undertone, due to the materially increased production. It is becoming more and more doubtful if any further benefits can be accomplished for the sheep business by a higher tariff. It is undoubtedly true that 14 out of 15 farmers will be harmed by a higher wool tariff.

Hides: Hides have been on the free list since the Payne bill of 1909. It is now proposed that they shall be protected by a tariff of 10 per cent. This will probably be effective because of the fact that we produce only about one-half of the hides which we consume in the United States. However, with hides as with wool, the question of grade enters in, and it appears that of the grades which we produce in the United

States, we have a supply which is almost equal to the consumption. We import every year about $50,000,000 worth of hides from such countries as Argentina, Canada, Colombia, Venezuela, etc. The 10 per cent tariff on hides will not keep the heavy hides from these countries out of the American market, but will keep out some of the lighter hides and probably there will be a slight increase in American hide prices. Most of the farmers in the northern half of the United States keep cattle, and this benefit will be widely distributed.

The unfortunate thing about the 10 per cent hide tariff in the Hawley bill is that it has given an excuse for a 15 per cent tariff on leather and a 20 per cent tariff on shoes. Both leather and shoes have hitherto been on the free list, and it is evident that with such a tariff the majority of farmers will have their shoe and harness bills increased by more than enough to compensate for their gain on increased hide prices. Some of the big cattlemen of the West will have a net gain out of the hide and shoe tariff, and the big steer feeders of Iowa may have some gain. The great majority of farmers, however, will lose.

TARIFFS ON GENERAL FARM PRODUCTS

There is much difference of opinion as to the effect of the tariff on such products as butter and eggs, of which we produce almost exactly our domestic requirements with very little in the way of either exports or imports. However, in the case of such products as hogs, wheat, cotton, and corn, of which we export much more than we import, there can be no question but that the tariffs have practically no value. I shall examine these different products individually.

Butter: We export about the same value of dairy products as we import. We import a little more butter than we export; but, on the whole, our dairy industry at the present time is about ready to overflow into the export market. The butter tariff under the Fordney bill was 8 cents a pound, and was increased to 12 cents by the Executive proclamation of President Coolidge. The new Hawley bill proposes 14 cents a pound. There is no reason for expecting a tariff of 14 cents a pound to make butter prices in the United States any higher than a tariff of 12 cents a pound. In fact, with the situation as it is likely to exist during the next 10 years there is grave reason for doubting the efficacy of any tariff on butter. As soon as dairy products get definitely on an export basis dairy farmers will find themselves confronting the same problem as the hog farmers, the wheat farmers, and the cotton farmers. In other words, they will find that the American protective system does them more harm than good.

The dairy farmers of New York and New England will temporarily benefit from the Hawley bill, because of the fact that the whole milk tariff is increased from 2.5 cents a gallon to 5 cents a gallon, and the cream tariff is increased from 20 cents a gallon to 48 cents a gallon. These increases will remove Canadian competition and temporarily give them a stronger retail market in the big eastern cities. However, the beneficial effect of this will wear off within three or four years, or, in other words, as soon as our dairy production in the United States has incrased to the point where there is an exportable surplus.

Eggs: We normally export more eggs than we import. In fact, we export more eggs in the shell to Cuba than we import of dried eggs from China. The Fordney tariff of 8 cents a dozen on eggs is more than we can use, but the Hawley bill nevertheless gives us 10 cents a dozen.

Cattle and beef: For many years we produced more beef in the United States than we consumed, but about 20 years ago our large exports suddenly stopped. We now import more edible beef than we export. However, if we count beef fats, such as oleo oil, stearin, etc., our exports of beef are still about equal to our imports. Our beef imports in 1928 were less than 1 per cent of our consumption. However, it is probable that at the present time our beef tariff is having some effect on cattle prices. The Fordney tariff was 3 cents a pound, and the Hawley tariff raises this to 6 cents. This tariff of 3 cents a pound will perhaps have some strengthening effect on cattle prices during the next two or three years. Within six or seven years, however, we shall probably be on the export market again with our beef. When that time comes the beef tariff will not do any good. For the time being, however, the big cattle feeders of Iowa and the ranchmen of the far West are benefiting considerably from the beef tariff.

The Fordney Act has a tariff of 1.5 cents a pound on feeder cattle, and the Hawley Act raises this to 2 cents a pound. This tariff is quite effective in keeping out Canadian feeder cattle and may perhaps do the Corn Belt steer feeders more harm than good. However, the net result of an increased supply of feeder cattle would be more finished cattle on the market, and this would probably break the price, to the disadvantage of all the people in the industry. The net effect of the beef and cattle tariff is to help the big cattlemen of the West and Southwest more than anyone else. The big cattle feeders of the Corn Belt are helped very slightly and the rest of the farmers are damaged.

Corn: Increasing the corn tariff from 15 cents a bushel, as under the Fordney Act, to 25 cents a bushel under the Hawley Act, is a big joke. We ordinarily export ten times as much corn from the United States as we import. It is only occasionally in the summer, following a short-crop year, that it is possible for the Corn Products Co. to import a little corn from Argentina to use in its plant at Edgewater, N. J. Under such conditions the California poultrymen also import a little corn from Argentina. There is no prospect of any tariff on corn, no matter how high, benefiting the Iowa farmer over a period of years by an average of more than one-tenth of a cent a bushel.

Wheat: The 42-cent tariff on wheat means little, because we normally export from 150,000,000 to 250,000,000 bushels, or about one-fourth of the crop. Sometimes, when there is a short spring-wheat crop, the farmers of the Northwest are slightly benefited by the wheat tariff. As a rule, however, the wheat farmers of the United States are harmed one hundred times as much by the high tariff on industrial products as they are helped by the tariff on wheat.

Pork products: The United States ordinarily exports about 1,500,000,000 pounds of pork and lard annually. At least one-third of our lard is usually exported. The Fordney bill had a tariff of 1 cent a pound on lard, but the Hawley bill raises this to 3 cents. The raise, of course, can do no good whatever unless it is accompanied by something in the nature of an equalization fee or a debenture plan. The Hawley bill raises the tariff on bacon, hams, and shoulders from 2 cents a pound to 3.25 cents a pound.

Molasses: There has been much talk during the last two or three years about putting a tariff of 8 cents a gallon on molasses used for making alcohol. It was claimed that such a tariff would increase the corn market by at least 30,000,000 bushels a year. I told at least a dozen different farm audiences last summer that the alcohol and sugar people had more influence with Congress than farmers, and that the farmers would never be able to get a sufficient tariff through the House of Representatives to make it possible to manufacture alcohol again out of corn instead of molasses. Credit must be given to some of the farm-minded Congressmen putting up a little fight for the 8-cent molasses tariff, but the outcome proves that I was right in my prediction. The tariff on molasses has not been increased and there will be no increase in the use of corn for distilling purposes.

Oils and fats: The farmers in continental United States produce from 7,000,000,000 to 8,000,000,000 pounds of oils and fats annually, which are worth almost $1,000,000,000. This is an enormous industry, which has been growing rapidly. There are a great many different kinds of oils and fats, but modern chemical processes are making them all more or less interchangeable. Many of the agricultural leaders have thought that by putting a strong tariff on each of the different oils and fats it would be possible to help butter prices, lard prices, etc. Others have thought, as long as we export one-third of our lard and a considerable percentage of our cottonseed oil, that it would be impossible to help prices very much by any kind of a tariff. Especially is this true when it is remembered that a large percentage of our imports of coconut oil and copra come from the Philippines. If Congress would levy a tariff against Philippine products, it would be possible to have some effect on vegetable-oil prices in the United States. Without a tariff on coconut oil and copra from the Philippines, most of the vegetable-oil tariffs are meaningless. The two outstanding exceptions are the tariffs on soy beans and flaxseed. Both of these oils are extensively used in paint, and the tariff will be effective. The Fordney rate on soy-bean oil was 2.5 cents and under the Hawley bill this rate has been doubled. The rate on soy beans has been increased from one-half cent a pound to 2 cents a pound. With this much protection, there should be encouragement for the establishment of a considerable soy-bean industry in the southern half of the Corn Belt. It would not be at all astonishing to see a number of soy-bean oil mills started during the next two or three years. The flaxseed tariff has been discussed previously.

It is not to be expected that there will be any effective tariff levied against vegetable oils used in soap making, because of the fact that this industry has had for some time an unusual amount of political influence.

EFFECT OF INDUSTRIAL TARIFFS ON FARMER

Farmers have never studied sufficiently the damage which they receive from the tariff as consumers of industrial products. Tariff experts for the American Farm Bureau Federation estimate that industrial tariffs under the Fordney Act average 42 per cent and under the Hawley Act 47 per cent. The most important section among the industrial tariffs is that dealing with steel products. Competent experts estimate that the tariff on steel products costs the farmers over $500,000,000 every year. It is estimated that nine out of every ten farmers lose more by the steel-products tariff than they gain by the entire agricultural schedule.

Many things might be said about the tariffs on aluminum, glass, chemicals, textiles, etc. Nearly all of these industries have become industrial giants, which turn out products more efficiently than any place else in the world.

Lumber and shingles have been on the free list, but the Hawley bill proposes to give shingles a tariff of 25 per cent, and also certain grades of lumber. Cement has been on the free list, but the Hawley bill proposes to give cement a tariff of 25 per cent. Shoes have been on the free list, but the Hawley bill proposes to give shoes a protection of 20 per cent.

The Fordney bill was bad enough, but the Hawley bill will increase the farmer's disadvantage. The sugar-beet and flax farmers will make a notable gain under the Hawley bill, and the sheep and cattle farmers will make a minor gain. Practically all of the other agricultural schedules are without effective significance. The number of increases in industrial schedules is far greater than the increase in the agricultural schedules, and most of the industrial schedules really mean something in terms of higher prices.

The farmers of the United States should petition their Congressmen to let the Fordney bill stand. The Hawley bill is an iniquitous affair, which should resolutely be turned down by all Congressmen who have the interests of agriculture at heart.

Mr. SACKETT. Mr. President, before the Senator takes his seat I desire to say that he quoted me as saying yesterday that the farmer received all that he had asked for. I do not think that is a fair interpretation of my remarks.

Mr. WALSH of Montana. I shall be glad to have it corrected.

Mr. SACKETT. What I was asking was whether the increases that were granted in the committee report had not been asked for by the farming groups that came before the committee. The reply was, I think, that in every case they had been. Then the question was asked by the Senator from South Dakota as to whether all the increases had been granted; and I said no, I thought not, but that a large percentage of them were. I think that is the correct quotation.

Mr. WALSH of Montana. Yes; I think the Senator has quite accurately stated it, but I do not see that there is any substantial difference. The increases in the agricultural schedule were granted at the request of representatives of the farmers, according to the statement of the Senator.

Mr. SACKETT. Very largely—not in every case, but very largely.

Mr. SMOOT. Mr. President, I simply want it known that the professors from Wisconsin University were not appointed by the president of the university to do this work, nor is Wisconsin University responsible in any way for the statements made. I have a letter from the president of the university to that effect.

Mr. WALSH of Montana. Mr. President, there is no controversy at all about that. Nobody contends that the University of Wisconsin is engaged in any enterprise of this character.

Mr. SMOOT. The Senator may not make that contention, and I do not claim that he has; but it appeared here when the report first came out as if the university had appointed them and the report was made at their request.

Mr. WALSH of Montana. However, the fact about the matter is that the University of Wisconsin has been the leader in the movement which has advanced agriculture to the position it occupies through the West.

Mr. SMOOT. I am only stating just exactly what the president of the university wrote me when I inquired as to whether these were the views of the university.

Mr. WALSH of Montana. Nobody is contending that. Moreover, Mr. President, the University of Wisconsin has been the leader in the movement to apply science to the business of agriculture; and that is what these eminent professors of the university are now doing.

The VICE PRESIDENT. The clerk will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was, on page 290, line 14, after the word "merchandise," to insert "mined, produced, or," so as to read:

SEC. 307. Convict-made goods—Importation prohibited: All goods, wares, articles, and merchandise mined, produced, or manufactured, wholly or in part, in any foreign country by convict labor shall not be entitled to entry at any of the ports of the United States, and the importation thereof is hereby prohibited, and the Secretary of the Treasury is authorized and directed to prescribe such regulations as may be necessary for the enforcement of this provision.

Mr. SMOOT. Mr. President, the junior Senator from Wisconsin [Mr. BLAINE] was compelled to leave the city this afternoon. He informed me that he would be back, I think, Wednesday, and asked me as a personal favor if I would not request that section 307 go over until his return; and I make that request.

The VICE PRESIDENT. Without objection, the section will be passed over.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was, on page 292, line 6, after the name "United States," to strike out "and," so as to read:

(6) Locomotives, cars, and coaches, and repair equipment belonging to railroads brought temporarily into the United States for the purpose of clearing obstructions, fighting fires, or making emergency repairs on lines the property of railroads within the United States.

The amendment was agreed to.

The next amendment was, on page 292, at the end of line 9, after the name "United States," to strike out the period and insert a semicolon, so as to read:

(7) Containers for compressed gases which comply with the laws and regulations for the transportation of such containers in the United States.

The amendment was agreed to.

The next amendment was, on page 292, after line 9, to insert:

(8) Articles imported by illustrators and photographers for use solely as models in their own establishments, in the illustrating of catalogues, pamphlets, or advertising matter.

The amendment was agreed to.

The next amendment was, on page 294, after line 22, to strike out:

No flour, manufactured in a bonded manufacturing warehouse from wheat imported after 90 days after the date of the enactment of this act, shall be withdrawn from such warehouse for exportation without payment of a duty on such imported wheat equal to any reduction in duty which by treaty will apply in respect of such flour in the country to which it is to be exported.

Mr. THOMAS of Idaho. Mr. President, possibly an amendment will be offered to that. I wonder if it can go over.

Mr. SMOOT. If the Senator desires, I will let it go over to-night.

The VICE PRESIDENT. Without objection, the amendment will be passed over.

Mr. WALSH of Montana. Mr. President, I should like to inquire of the Senator from Utah whether that provision is not intimately connected with the amendment proposed on page 300, relating to the general subject of drawbacks and refunds.

Mr. SMOOT. It is, I will say to the Senator.

Mr. WALSH of Montana. Then it ought to go over, also.

Mr. SMOOT. If one goes over, both of them should. I will ask, then, that the amendment on page 300, lines 6 to 9, go over.

The VICE PRESIDENT. Without objection, the amendment will be passed over.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was, on page 301, line 13, after the word "within," to strike out "10" and insert "30," so as to make the paragraph read:

(c) Merchandise not conforming to sample or specifications: Upon the exportation of merchandise not conforming to sample or specifications upon which the duties have been paid and which have been entered or withdrawn for consumption and, within 30 days after release from customs custody, returned to customs custody for exportation, the full amount of the duties paid upon such merchandise shall be refunded as drawback, less 1 per cent of such duties.

Mr. McKELLAR. Mr. President, why was that change made?

Mr. SMOOT. Because 10 days is not long enough. The merchandise at present has to be returned to customs custody for exportation within 10 days after release. The importers contended that in some cases it was absolutely impossible to do it within the 10 days' period; so we gave them that privilege.

Mr. McKELLAR. Very well.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was, on page 303, line 4, before the word "years," to strike out "five" and insert "three," so as to read:

(h) Time limitation on exportation: No drawback shall be allowed under the provisions of this section or of section 6 of the act entitled "An act temporarily to provide revenue for the Philippine Islands, and for other purposes," approved March 8, 1902 (relating to drawback on shipments to the Philippine Islands), unless the completed article is exported or shipped to the Philippine Islands within three years after importation of the imported merchandise.

Mr. WALSH of Massachusetts. Mr. President, what was the reason for that?

Mr. SMOOT. Three years is ample, Mr. President, to take advantage of the drawback. There is no objection at all to it. It is five years now. If there is a drawback to be claimed, it ought to be claimed and settled within three years; that is all.

Mr. WALSH of Massachusetts. As I recall, there was no objection.

Mr. SMOOT. No; there was no objection.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was, on page 306, after line 21, to insert:

SEC. 319. Duty on coffee imported into Porto Rico: The Legislature of Porto Rico is hereby empowered to impose tariff duties upon coffee imported into Porto Rico, including coffee coming into Porto Rico from the United States. Such duties, less the cost of collecting the same, shall be paid into the treasury of Porto Rico, to be expended as required by law for the government and benefit thereof. The officials of the Customs and Postal Services of the United States are hereby directed to assist the appropriate officials of the Porto Rican government in the collection of such duties.

Mr. McKELLAR. Mr. President, is there much coffee imported into Porto Rico? I thought Porto Rico raised a great deal of coffee.

Mr. SMOOT. They do; but most of the coffee that they raise in Porto Rico is exported to the United States, and some to foreign countries. A certain class of coffee is, however, imported into Porto Rico; and the request was that we place a duty upon that coffee. All that the committee thought we ought to do was to give the Porto Rican government authority to impose a duty if they saw fit.

Mr. WALSH of Montana. Mr. President, I am wondering how coffee could be imported into Porto Rico from the United States. I wonder if it really is intended to authorize the imposition of a duty on an article transported from one portion of the United States to another portion of the United States.

Mr. REED. Mr. President, the reason that was put in was to avoid the evasion of the duty by shipments from Brazil to New York and then immediately to Porto Rico. Of course, we do not produce any coffee here. It would mean, necessarily, a transshipment; and in order to make sure that that should be met it was expressed in these words.

Mr. WALSH of Montana. Would it not be rather better to express it in this way?—

Whether the same is imported directly or through a port of the United States.

Mr. REED. That would have the desired effect.

Mr. WALSH of Montana. I do not like the idea of authorizing the imposition of duties on importations into Porto Rico from the United States any more than I do duties on importations into the United States from Porto Rico.

Mr. REED. It was not intended, of course, that we should.

Mr. WALSH of Montana. Of course, there is no such thing as importations of coffee grown in the United States to Porto Rico, and I can understand that it must come from elsewhere; but it would serve the purpose to express it in some such way as I have indicated.

Mr. REED. I think that would be entirely satisfactory.

Mr. WALSH of Montana. It would not be an avoidance of the principle.

Mr. SMOOT. Does the Senator desire to offer the amendment?

Mr. WALSH of Montana. I will prepare it and offer it.

Mr. GEORGE. Mr. President, I merely wish to inquire if coffee is not raised in the Hawaiian Islands.

Mr. SMOOT. Yes; coffee is produced in the Hawaiian Islands.

Mr. GEORGE. I had that impression.

Mr. SMOOT. Some of the very best coffee that is raised in the world is raised in the Hawaiian Islands, on the island of Kauai.

Mr. McKELLAR. Mr. President, would not this have the effect of putting a tariff on Hawaiian coffee going to Porto Rico if any should happen to go there?

Mr. SMOOT. I do not think an ounce has ever gone there.

Mr. McKELLAR. But, if it did, it would have that effect?

Mr. SMOOT. Brazilian coffee is the only coffee that is shipped into Porto Rico.

Mr. SACKETT. Mr. President——

Mr. WALSH of Montana. Mr. President, the idea would be accomplished by striking out the word "from" and inserting the language "either directly from a foreign country or through a port of."

Mr. SACKETT. Mr. President, what I wanted to inquire from the Senator from Montana was whether that change of language would be effective if there should be a change of ownership in the United States port. If it were a through import to Porto Rico through a port of the United States, it would cover it; but if it were sold into the United States and then imported into Porto Rico, it might not.

Mr. WALSH of Montana. I should think it would make no difference if it actually came from a foreign country and passed through a port of the United States; it would be subject to duty in Porto Rico no matter how many changes it underwent.

Mr. SACKETT. Even with a change in ownership, a bill of sale, and all that?

Mr. WALSH of Montana. I should think so.

Mr. SMOOT. How could we follow it, Mr. President?

Mr. WALSH of Montana. How can we follow it now?

Mr. SMOOT. Because it will have to go directly to Porto Rico now.

Mr. WALSH of Montana. No; the amendment contemplates coffee imported from the United States.

Mr. REED. Mr. President, I suggest that the difficulty can be cured by inserting, on the last line of the page, after the word "coffee," the words "produced in a foreign country, coming into Porto Rico from the United States."

Mr. SACKETT. I think that would cover it.

Mr. BARKLEY. Mr. President, it seems to be well known that there is no coffee produced in the United States. If coffee is shipped from this country to Porto Rico, is it not prima facie evidence that it has been produced in some other country?

Mr. REED. No; there is from 2,000,000 to 5,000,000 pounds produced in Hawaii every year, and some produced in the Philippines—I do not know how much—but if we put in the words "produced in a foreign country" it would meet the suggestion offered by the Senator from Montana.

Mr. SACKETT. That would answer it.

Mr. WALSH of Montana. That seems to be quite satisfactory.

The VICE PRESIDENT. Let the amendment, as modified, be stated.

The legislative clerk read as follows:

The Legislature of Porto Rico is hereby empowered to impose tariff duties upon coffee imported into Porto Rico, including coffee produced in a foreign country, coming into Porto Rico from the United States—

And so forth.

The VICE PRESIDENT. The question is on agreeing to the amendment, as modified.

The amendment, as modified, was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was, on page 307, after line 7, to insert:

SEC. 320. Reciprocal agreements relating to advertising matter: With the advice and consent of the President, the Secretary of the Treasury and the Postmaster General, jointly, may, on behalf of the United States, enter into a reciprocal agreement with any foreign country to provide for the entry free of duty in the respective countries of dispatches or shipments through the mails of circulars, folders, pamphlets, books, and cards, in the nature of advertising matter (except such matter as may be printed, manufactured, or produced in a foreign country, advertising the sale of articles by persons carrying on business in the United States or containing announcements relating to the merchandise or business of such persons) to individual addressees, and may, in the event any such agreement is entered into, prescribe such rules and regulations as they may deem necessary relating to the customs and postal treatment of such matter in the United States.

Mr. McKELLAR. Mr. President, will the Senator explain what that is?

Mr. SMOOT. The committee amendment authorizes the Secretary of the Treasury and the Postmaster General to enter into reciprocal agreements with foreign countries providing for the free entry of advertising matter addressed to individual addresses. The postal and customs regulations now provide that mail importations of less than $1 in value shall be passed free of duty. This is done because the expenses of the collection would be out of proportion to the amount of duties collected. One of the consequences has, of course, been the free admission of circulars, cards, and other advertising matter under $1 in value sent from foreign countries to separate addresses in the United States; and they have come in by the million.

In other words, institutions in the United States have had their advertising matter printed abroad, sent a list of names of American persons living in America, and had those advertisements sent directly to their addresses from the foreign country with a 1-cent stamp. We had samples before the committee which really were beautiful advertising matter, but there was only the single copy, and it did not cost a dollar. Under this provision we take care of that situation.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, on page 308, line 5, after the word "of," to strike out "seven" and insert "six," so as to read:

PART II—UNITED STATES TARIFF COMMISSION

SEC. 330. Organization of the commission: (a) Membership: The United States Tariff Commission (referred to in this title as the "commission") shall be composed of six commissioners to be hereafter appointed by the President by and with the advice and consent of the Senate, but each member now in office shall continue to serve until his successor (as designated by the President at the time of nomination) takes office.

Mr. SMOOT. I ask that that go over.

Mr. ROBINSON of Arkansas. I was just going to suggest to the Senator from Utah that all provisions relating to the Tariff Commission and to the flexible provision go over.

Mr. SMOOT. I ask that now.

The VICE PRESIDENT. The amendment will be passed over.

The next amendment was, on page 308, line 9, after the word "office," to strike out "No person shall be eligible for appointment as a commissioner unless he is a citizen of the United States, and, in the judgment of the President, is possessed of qualifications requisite for developing expert knowledge of tariff problems and efficiency in administering the provisions of Part II of this title," and in lieu thereof to insert "Not more than three of the commissioners shall be members of the same political party, and in making appointments members of different political parties shall be appointed alternately as nearly as may be practicable."

Mr. SMOOT. I ask that this amendment may go over.

Mr. McKELLAR. To what page was the Senator referring?

Mr. SMOOT. Page 308.

Mr. McKELLAR. I know that, but how far does the part to be passed over go?

Mr. REED. To page 326, line 13.

Mr. SIMMONS. Everything relating to the Tariff Commission.

Mr. SMOOT. Page 326, line 13, "Unfair practices in import trade."

Mr. ROBINSON of Arkansas. There is no amendment to that.

Mr. SMOOT. No.

The VICE PRESIDENT. The amendment will be passed over, and the clerk will state the next amendment.

The next amendment was, on page 328, line 16, after the word "final," to strike out the comma and "except that the same shall be subject to review by the United States Supreme Court upon certiorari applied for within three months after such judgment of the United States Court of Customs and Patent Appeals," so as to read:

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

Mr. ROBINSON of Arkansas. What is the legal effect of that amendment?

Mr. SIMMONS. That ought to go over, too, Mr. President.

Mr. REED. Mr. President, granting a certiorari has been held to be discretionary in all other cases, as I understand, but in this case some question has arisen as to whether it was not mandatory upon the Supreme Court, and upon consideration of the whole matter, the committee could not see any reason why that further appeal should be allowed. In most cases it would prolong the delay in putting into effect this provision against the importer.

Mr. SMOOT. There was also a question as to its constitutionality.

Mr. REED. Yes; it is probably unconstitutional as it stood in the old law.

Mr. WALSH of Montana. Mr. President, I desire to inquire whether under the present law the judgments of the Court of Customs Appeals are not reviewable in the Supreme Court.

Mr. REED. I have the impression that they are not under the present law.

Mr. McKELLAR. This provides especially for review, and, as I understand, before it was stricken out, that was the language of the present law, was it not?

Mr. SIMMONS. Mr. President, I ask that the amendment may go over. I want to look into it.

The VICE PRESIDENT. The amendment will be passed over.

The next amendment was, on page 329, line 14, after the words "shall be," to strike out "completed: *Provided*, That the Secretary of the Treasury may permit entry under bond upon such conditions and penalties as he may deem adequate" and insert "completed; except that such article shall be entitled to entry under bond prescribed by the Secretary of the Treasury," so as to read:

(f) Entry under bond: Whenever the President has reason to believe that any article is offered or sought to be offered for entry into the United States in violation of this section but has not information sufficient to satisfy him thereof, the Secretary of the Treasury shall, upon his request in writing, forbid entry thereof until such investigation as the President may deem necessary shall be completed; except that such article shall be entitled to entry under bond prescribed by the Secretary of the Treasury.

Mr. SMOOT. That is just a rewording.

Mr. ROBINSON of Arkansas. It makes the entry mandatory; that is, it divests the Secretary of discretion, apparently, except that he has the power to prescribe the amount of the bond. Under the House provision it is entirely discretionary with the Secretary whether the entry may be made.

Mr. SMOOT. It would be permissive under the House provision, but not under the amendment.

Mr. ROBINSON of Arkansas. I think the Senate committee amendment improves the language of the House.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, at the top of page 330, to insert:

(h) Definition: When used in this section and in sections 338 and 340, the term "United States" includes the several States and Territories, the District of Columbia, and all possessions of the United States except the Philippine Islands, the Virgin Islands, American Samoa, and the island of Guam.

Mr. SMOOT. That makes plain the definition as provided in another section of the law.

Mr. ROBINSON of Arkansas. Is there a definition in the existing tariff law of "the United States"?

Mr. REED. The Senator will notice on page 1, beginning with the parenthesis, the scope of the bill is limited to all of the United States and its possessions, excepting the Philippine Islands, the Virgin Islands, American Samoa, and the island of Guam, and this definition is consistent with that.

Mr. SMOOT. And there are, perhaps, two other provisions in the bill in conformity with this language.

Mr. WALSH of Montana. Mr. President, I should like to understand what the significance of this definition is. In other words, in what respect are the Philippine Islands, the Virgin Islands, American Samoa, and the island of Guam treated differently, so far as this bill is concerned, from other Territories or possessions of the United States?

Mr. SMOOT. They are not treated differently as to the rates in the bill, but they are not actual possessions of the United States. The Philippines are not. Samoa and the Hawaiian Islands are the same as the United States itself. The Philippine Islands are not. Porto Rico is not.

Mr. WALSH of Montana. I do not care to get into any controversy concerning the degree of sovereignty we exercise over the islands; that is not what I want to know. I wish to know what difference there is in the treatment these various units get; in other words, what this definition means, so far as this bill is concerned.

Mr. REED. Mr. President, at the present time the Philippine Islands have their own tariff law, their own schedules of

customs duties, established, as I understand it, by the legislature of that possession. American Samoa and the Virgin Islands and the island of Guam similarly have schedules of duties, prescribed by the governors of those possessions. In a part of this bill a certain privilege is given to the Philippine Islands about free importations into the United States of its products and a corresponding privilege given us about exporting to the Philippine Islands. But all through the bill runs the idea that it shall not control importations from the Philippines or these other islands. The bill does not apply to them at all. It does not establish a tariff for them.

Mr. WALSH of Montana. That is, it leaves them to establish their own tariff rates?

Mr. REED. Yes, Mr. President.

Mr. SMOOT. But we establish the tariff rates for Porto Rico.

Mr. REED. For Porto Rico, and for the Hawaiian Islands.

Mr. SMOOT. Yes. That is why they are not included in this language.

Mr. HOWELL. Mr. President, I would like to ask if that explanation applies also to the Virgin Islands?

Mr. REED. Yes, Mr. President.

Mr. HOWELL. And American Samoa?

Mr. REED. Yes; and Guam.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, on page 334, line 24, after the words "foreign country," to strike out "shall mean any territory foreign to the United States" and insert "means any empire, country, dominion, colony, or protectorate, or any subdivision or subdivisions thereof (other than the United States and its possessions)," so as to read:

(i) Definition: When used in this section the term "foreign country" means any empire, country, dominion, colony or protectorate, or any subdivision or subdivisions thereof (other than the United States and its possessions), within which separate tariff rates or separate regulations of commerce are enforced.

Mr. ROBINSON of Arkansas. What is the necessity for defining foreign countries? Are not the words themselves as descriptive as any that can be employed?

Mr. REED. I should think so, but we have questions of mandated countries, and different varieties of political sovereignties.

Mr. ROBINSON of Arkansas. But they are all foreign countries.

Mr. REED. This is just put in out of an excess of caution.

Mr. SMOOT. It was suggested by the Tariff Commission, which thought it cleared some questions which have been in doubt in the past.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, on page 335, after line 10, to insert a new section, to be known as "Sec. 340. Domestic value—Conversion of rates."

Mr. SIMMONS. Let that go over.

The VICE PRESIDENT. The amendment will be passed over.

Mr. McKELLAR. Mr. President, it seems to be about time to take the recess, and I hope the Senator from Utah will not insist on going on further this afternoon.

RECESS

Mr. SMOOT. I move that the Senate take a recess until 12 o'clock to-morrow, in accordance with the unanimous-consent agreement already entered into.

The motion was agreed to; and the Senate (at 4.55 o'clock p. m.), under the order previously entered, took a recess until to-morrow, Saturday, September 14, 1929, at 12 o'clock meridian.

SENATE

SATURDAY, *September 14, 1929*

(*Legislative day of Monday, September 9, 1929*)

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

THE EIGHTEENTH AMENDMENT

Mr. SHEPPARD. Mr. President, there are some statements in an article in Collier's for September 21 regarding the adoption of the eighteenth amendment which need correction and comment.

Some of the headlines are misleading, notably the following:

Not an outburst of idealism, but the pressure of more important war measures and the cunning humor of a political boss, Boies Penrose, gave the drys their chance. They had tried for 40 years to break into the Constitution. Wayne B. Wheeler framed the 105-word, hole-proof amendment that Senator MORRIS SHEPPARD got passed because the Senate was in a hurry and most Senators didn't think it would ever become a law anyway.

The statement that "pressure of more important war measures" had anything substantially to do with the passage of the eighteenth amendment is the conclusion of the writer of the headlines. In my judgment its adoption was not influenced to any serious extent by the fact that war was on and war measures were in the making.

To assert that Wayne B. Wheeler—all honor to his memory—was solely responsible for the amendment which passed Congress and was then submitted to the States is to fall into distinct error.

Turning at this point to the body of the article we find the following expressions:

But it was the Anti-Saloon League and not the legislators themselves that actually made the Sheppard amendment as SHEPPARD presented it to OVERMAN'S committee.

Four years before the portentous conversation on the Senate floor between Penrose and SHEPPARD the Anti-Saloon League had the amendment ready for whatever lawmaker they could persuade to present it.

For instance, here in almost the exact wording of the amendment is a portion of a resolution which was adopted at the annual convention of the Anti-Saloon League in 1913 to forever "prohibit the manufacture and sale and the importation, exportation, and transportation of intoxicating liquors."

The actual words of the eighteenth amendment prohibit the "manufacture, sale, or transportation of intoxicating liquors within, the importation thereof into, or the exportation thereof from the United States."

It is true that the Anti-Saloon League at its convention in 1913 passed the resolution above described. In that convention were such leaders as Russell, Baker, Cannon, Barton, Cherrington, Wheeler, McBride, Dinwiddie, Hanly, and the various State superintendents of the league, all of whom took part in its deliberations and in the adoption of this resolution.

The writer of the article does not explain, however, that when the matter of presenting the amendment to Congress was taken up by the Anti-Saloon League and its leaders above mentioned; the Woman's Christian Temperance Union, headed by such distinguished and consecrated women as Mrs. Stevens, Miss Gordon, Mrs. Ellis, Mrs. Boole, Mrs. Yost, and others; the church boards and committees of temperance and morals, in which men like Dr. Clarence True Wilson were active; the International Reform Bureau, led by Rev. Wilbur F. Crafts; prohibitionists in Congress and in other legislative and secular bodies the opinion was reached that public sentiment at that time had not developed to such a degree as to justify more than an attempt to prohibit sale, and manufacture, transportation, importation, and exportation for sale. Nor does he point out that it took almost four years of unremitting effort and study by all the prohibition forces to crystallize public opinion behind the measure in its various stages toward final development. He does not allude to the fact that shortly after the national convention of the Anti-Saloon League, above referred to, the league and the Woman's Christian Temperance Union each formed a committee of one thousand taken from virtually all the prohibition bodies of the land, and that these committees, composing one of the most inspiring spectacles in our history, marched to the east front of the Capitol, singing and shouting, on a cold and raw December morning, the morning of December 10, 1913, and presented to Representative Hobson and myself for introduction in the House and Senate the amendment they had agreed upon, an amendment reading as follows:

[S. J. Res. 88, 63d Cong., 2d sess.]

IN THE SENATE OF THE UNITED STATES,
December 10, 1913.

Mr. SHEPPARD introduced the following joint resolution, which was read twice and referred to the Committee on the Judiciary

Joint resolution proposing an amendment to the Constitution of the United States

Whereas exact scientific research has demonstrated that alcohol is a narcotic poison, destructive and degenerating to the human organism, and that its distribution as a beverage or contained in food lays a staggering economic burden upon the shoulders of the people, lowers to an appalling degree the average standard of character of our citizenship, thereby undermining the public morals and the foundation of free