7844. By Mr. STRONG of Pennsylvania: Petition of Charles B. Gillespie Post, No. 110, the American Legion, Freeport, Pa., in favor of the immediate payment of adjusted-service certificates; to the Committee on Ways and Means.

SENATE

TUESDAY, DECEMBER 9, 1930

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

Eternal Father, who requirest of Thy children that they do justly, love mercy, and walk humbly before Thee, hearken to our prayer in behalf of all mankind. Quicken the life of dreaming, hope-flushed youth with the indwelling of Thy purpose and lead all weary, disillusioned men from the tragic scenes of unequal strife into the green pastures of divine care, where love rises on the dewy hills of promise.

Through Thy word made flesh Thou hast touched poverty, clothing it with power; do Thou also touch all work and industry, making them sacraments of human fellowship, that the dignity and majesty of life may be found in the divine motives that sweep the souls of men upward to their sublime destiny.

Enable us, Thy servants, to speak the word which cheers without deluding, comforts without weakening, and kindles hope without deceiving; that word which is the veritable outflowing of broad streams of strength and sympathy, whose springs are hidden far beyond their apparent source in the eternal hills of God. All of which we ask in the name of Jesus Christ our Lord. Amen.

THE JOURNAL

The Chief Clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. FESS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

SENATOR FROM IDAHO

The VICE PRESIDENT laid before the Senate the credentials of WILLIAM E. BORAH, chosen a Senator from the State of Idaho for the term commencing March 4, 1931, which were read and ordered to be placed on file.

STABILIZATION OF SILVER

Mr. SWANSON. Mr. President, the senior Senator from Nevada [Mr. PITTMAN] had a very interesting and very instructive article in the New York Times of December 7, 1930, with reference to the stabilization of silver. I ask to have the article printed in the RECORD.

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

The article is as follows:

[From the New York Times, December 7, 1930]

SILVER A BIG FACTOR—STABILIZATION WOULD INFLUENCE WORLD PROSPERITY

BY KEY PITTMAN, Senator from Nevada, member of the Committee on Foreign Relations

What are the causes of the sudden and disastrous financial and commercial depression throughout the world to-day, and what are the remedies that may be invoked to restore normal prosperity? These are difficult questions to answer. They must be answered, and correctly answered, before any substantial or permanent relief can be expected.

There is no doubt that, in the stress of the moment, confounded by many political questions and distracted through the necessity of thought and action to meet temporary relief, these questions have not had the study that is required. Again, there are many contributing causes, some fundamental, while others are only of a temporary nature and affecting only particular localities.

An attempted consideration of anything except fundamental causes affecting the world would be futile in any brief discussion of the subject. The fundamental causes, however, must be determined and a remedy for existing world distress must be found.

Prosperity is dead, commerce is stagnant, products are dazedly and vainly striving for a market, while millions of men and women are seeking to work that they may live and the majority of the people of the world are suffering for want of the very products which can not be purchased.

RADICAL CHANGE IN A YEAR

Only a little over a year ago industry and commerce thrived, idleness was practically unknown, and prosperity prevailed throughout the world. The sudden change could be understood if there had been some great natural catastrophe. If floods or earthquakes or other great natural causes had destroyed great producing and consuming populations and centers of wealth and finance, the present situation would be comprehensible.

The needs of humanity are as great to-day as they were a year and a half ago. The desire to purchase is unabated. And we are told by the highest authority that we are possessed to-day of all the potential wealth that we possessed at the beginning of 1929. A shifting of wealth from the masses of the consumers to the investing capitalists, through the medium of stock-market excitements and the subsequent crash, has undoubtedly had its effect.

Economists and financiers tell us that we are suffering from a reaction from overproduction. A year and a half ago there did not seem to be an overproduction because such production was being consumed.

Isn't the condition better expressed in the assertion that there is an underconsumption? If this be true, then what is the cause of the sudden and stupendous reduction in consumption? Our production in the beginning of 1929, in many commodities, had enlarged far beyond the demand or the power of consumption in the United States. Such surplus production was sold, however, in the markets of the world. The markets of the world have ceased to consume a large portion of our surplus production, and such portion of the surplus production as is marketed is marketed with little profit, if not at a loss.

Take, for instance, our production of cotton, wheat, copper, and automobiles. The lack of foreign demand for these products has not only reduced the power to dispose of the normal surplus production but has so reduced the price of such products that there is little, if any, profit in such surplus production. This condition has cut off a supply of hundreds of millions of dollars that annually flowed into this country.

There are probably several causes that contributed to the reduction of such consumption of our export products, but the main cause is undoubtedly the reduced power of our former consumers to purchase such products. What has affected the power of foreigners to purchase our exports?

THE DROP IN SILVER A FACTOR

President Hoover stated in his able address before the American Bankers' Association at Cleveland on October 2 that "the buying power of India and China, dependent upon the price of silver, has been affected."

Thomas W. Lamont, of J. P. Morgan & Co., recently stated one of the chief causes of world depression to be "the scarcity of gold and the depressed price of silver."

Julius H. Barnes, chairman of President Hoover's National Business Survey Conference, said in an article that "a price of silver which fluctuated from $1.45 some few years ago to 35 cents to-day and yet symbolizes the credit and resources of great people could not but harm the business structure of the world."

Similar declarations have been made recently by statesmen, economists, and financiers throughout the world. These unqualified statements by men of such character, standing, and position lend dignity to the problem and eliminate the suspicion that any such consideration involves an attack on the gold standard.

The use of silver as a money is not inconsistent with the gold standard. In fact, a majority of the people of the world and nineteen-twentieths of the leading governments have substantially no gold, and use silver alone as the measure of wealth, of values, and the instrument of trade and commerce.

These governments can, by legislative act, declare that they shall be on a gold standard and that only gold shall be legal tender money for domestic and foreign debts, but such legislation will not obtain gold for them upon which to base the gold standard. In fact, several governments that have in the last few years adopted the gold standard have substantially no gold and are compelled to use silver as the money with which they must purchase products and pay debts.

GOLD SUPPLY CLOSELY HELD

Where are the 19 out of 20 governments to get the gold upon which to base the gold standard? To-day there is only approximately $8,000,000,000 of money gold in the world. The United States has $4,500,000,000 of this gold, France approximately $2,000,000,000, England $850,000,000, while the remaining $650,000,000 must supply the needs of all of the rest of the world.

Of course, if all governments scramble for their proper share of this little gold supply, then the price of gold must continue to go up. When I say the price of gold must continue to go up I mean that it will take more ounces of silver to buy a dollar's worth of gold. It will take more cotton, more wheat, more copper, more automobiles to buy gold. It is a known law of economics that when money becomes scarcer products become cheaper.

If by any legislation or policy silver can be destroyed as a money, then there will remain only gold, and the demand for it will be proportionately increased. During the last 54 years legislation has been enacted in various countries and policies have been adopted looking to the cessation of the use of silver as money. These laws and policies had reduced the purchasing power of silver by comparison with gold over one-half by 1900.

From that time on until 1925 little new legislation was enacted or policies adopted changing the condition of silver, and therefore

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silver sought and remained at what was regarded as a normal value as compared with gold, or exchangeable for gold, around 64 cents an ounce. This remarkably uniform normal price existed by reason of the fact that the annual production of silver was remarkably uniform and the consumption measured up exactly to the production. The annual production has averaged about 250,000,000 ounces throughout the world.

In 1925 the British Government for India adopted the gold standard for India and commenced to melt up and sell as bullion on the world market the silver money of India. Immediately the price of silver commenced to drop until, during 1930, it has averaged around 34 cents an ounce, or about one-half of its normal price.

Of course, the market for silver in the world could not consume this additional supply. The fact that the British Government for India had several hundred million ounces that it might dump on the markets of the world not only reduced the price of silver one-half but, by its threat to further indefinitely reduce such price, destroyed its value for credit. The result was inevitable. Panic exists among more than half of the people of the world, whose buying power is measured solely in silver. It has cut in two the purchasing power of China, Mexico, South America, Asia, and several European countries. It has made credit transactions with such silver-using countries practically impossible. The reaction has not only been felt in the United States but throughout the world.

A QUICK AND SIMPLE REMEDY

The immediate remedy for this cause of world depression is simple. Let the powers of the world, led by the United States, persuade the British Government for India to desist from such destructive policy, and silver will undoubtedly be restored to its normal price of around 64 cents an ounce. Let it be remembered that 64 cents an ounce is not an exchange ratio of 16 to 1, but represents a value of about one thirty-second that of gold, or 32 to 1. It is not even the exchange price for silver coins in the United States or in any other country using silver coins.

In the United States 50 dimes are exchangeable for $5 in gold. When 50 dimes are sold for a $5 gold piece it means that such silver is sold at the rate of $1.38 an ounce. The Government today, when it manufactures 50 dimes and sells such dimes to banks and trade for $5 in gold, receives for such silver $1.38 an ounce. It is not therefore suggested at this time that silver be restored to its parity price, but that it be restored to its normal price of around 64 cents an ounce by persuading the British Government for India to discontinue its abnormal and destructive policy with regard to money silver.

Personally, I am of the opinion that our own Government should not make a profit of $1.04 an ounce on the silver it buys from the products of our mines through the sale to banks and the trade. Nor do I think that any other country should attempt to make such a profit on industry. I am firmly convinced that trade and commerce would be facilitated and economic conditions throughout the world greatly relieved if there could be an agreement between governments as to the price at which silver should be exchanged for gold. This would not injure the gold standard nor deprive it of its character as the base for money.

The stabilization of the price of silver through the agreement of nations as to its exchange value with gold would not be difficult of accomplishment. If governments should agree not to melt up or debase their money silver, then the quantity of silver that would have to be considered in the stabilization plan would be quite small. In other words, only annual mine production would be a factor to be considered.

Silver mines, like gold mines, are quite limited. Even during the period when silver was selling at over a dollar an ounce, and large profits could be made from mining, it was impossible through the efforts of large exploration companies, with every facility for prospecting for and discovering mines, to increase the production over 25 per cent. In fact, nearly two-thirds of the silver mined is recovered as a by-product in the mining of copper, lead, or zinc. When there is a great demand for such metals then we are in a prosperous era and then there is also a great demand for silver. When the demand for such metals in business and commerce decreases then the production of silver automatically falls.

AVERAGE OUTPUT UNIFORM

Consequently the average production of silver throughout the world has always been quite uniform and for the eight years preceding 1930 the world production averaged only 250,000,000 ounces annually. Let us see how and where that silver has been consumed.

During that period the average annual consumption of India and China alone was 165,000,000 ounces. There were used in the arts and sciences in England, the United States, and Canada alone annually 40,000,000 ounces. This leaves only 45,000,000 ounces to be accounted for. Of course, other countries besides England, the United States, and Canada used silver in the arts and sciences and also for subsidiary coins. In fact, in the United States we use an average of 8,000,000 ounces of silver annually for our subsidiary coins, consisting of dimes, quarters, and half dollars.

I may say that from time immemorial India and China have consumed two-thirds of the silver production of the world and they will continue to consume it if the purchasing power of silver is not destroyed. So there is no danger of a dumping of silver on any country by reason of the fixing of a reasonable exchange value of silver for gold.

There is no doubt that all of the countries which use silver as money would enter into an agreement as to the exchange value of silver and, of course, if the three leading gold-standard countries of the world, namely, the United States, the British Empire, and France, would enter into such an agreement there would be no abnormal movement of silver from one country to another on account of such established exchange value.

Statesmen, economists, and financiers, however, agree that an emergency exists that requires emergency treatment. Some foreign statesmen and economists go to the extent of asserting that unless the purchasing power of silver is restored the world is threatened with industrial revolution and the repudiation of debts.

Therefore, I suggest that the first and the immediate step to be taken should be an agreement of governments to cease to melt up and throw on the market of the world their money silver as a bullion commodity. I believe that this could be readily accomplished if the movement were to be led by the United States through a conference of the fiscal agents of interested governments. The consummation of a program for the stabilization of the exchange ratio of silver with gold would undoubtedly require more consideration and might involve study and recommendation by a commission consisting of representatives of the various governments.

The President is now authorized by law to appoint such representatives for such purposes, and therefore no further legislation is required. The only act that will be attempted will be the passage of a resolution by the Senate submitting facts obtained by the subcommittee of the Foreign Relations Committee to the President with such advice as the Senate may deem proper in the premises.

ORDER OF BUSINESS

The VICE PRESIDENT. The presentation of petitions and memorials is in order.

Mr. HEFLIN. Mr. President——

The VICE PRESIDENT. Does the Senator desire to be recognized for the purpose of making a speech? If so, it will be necessary to obtain unanimous consent.

Mr. HEFLIN. I desire to address the Senate briefly.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senator from Alabama will proceed.

RELIEF OF DROUGHT-STRICKEN AREAS

Mr. HEFLIN. Mr. President, I observe in the Washington Post this morning that Secretary of Agriculture Hyde criticizes a bill reported out by the Senate Committee on Agriculture and Forestry for the relief of the people in drought-stricken sections of the country. The Secretary is quoted as saying that "loaning money by the Government to people for food is perilously near being a dole." It does not make any difference to me what it may be called. We are confronted with a condition and not a theory. The Secretary of Agriculture in his report for 1930 begins by saying:

> The worst drought ever recorded in this country prevailed during much of the 1930 crop-growing season and greatly reduced farm production.

The Government is now loaning money to private shipbuilders for constructing ships for themselves to be used in the business of transporting people and cargoes upon the high seas. If the Government can loan money to a private individual to build up a private enterprise for the purpose of establishing himself in business and enabling him to make money, certainly the Government, in a time like this, can loan money to patriotic American citizens who are in actual need of food on which to live.

Mr. President, these men and women in Alabama and in the various States of the Union are in the midst of distress, the like of which they have never known before. Not only are they unable to support themselves because of unfortunate conditions over which they had no control but their neighbors who are better off than they are have suffered so acutely from poor prices for farm products that they are not able to lend a helping hand.

If times were prosperous, if we were obtaining fair prices for farm products, the people of the various communities would do as they have done in times of distress in the past. They would lend a helping hand and each community would, as nearly as it could, contribute toward taking care of the situation such as we have to-day. But now, Mr. President, as I said on yesterday, cotton is selling for 10 cents a pound, $30 to $35 a bale below the cost of production, and other farm products are selling at low and unprofitable prices. The farmers are not able to take care of themselves; they

are not able to pay the debts which they owe, even those who do not live in the drought-stricken area.

Mr. President, in my State a pitiful condition is presented. There are 39 counties, I believe, out of the 67 within the area known as drought-stricken counties. There are 28 other counties in Alabama besides those 39 already listed as drought-stricken counties that are suffering greatly because of drought conditions that exist there. There are families in those counties as deeply in distress as are the families in the counties where the whole county is affected by the drought. Relief for them is included in this bill. I hope the Congress will not follow the suggestion of the Secretary of Agriculture and hold down the proposed appropriation to $25,000,000. The report made by our Committee on Agriculture and Forestry provides $60,000,000, which, in my opinion, is not adequate. It ought to be amended and an increased amount provided. Away with this talk of $25,000,000. It will not begin to relieve the distress and suffering of the people in the drought-stricken sections of our country. What sort of a policy are some of these people seeking to lay down when they would supply a man with seed to plant in the ground and with feed for stock and with fertilizer to put in the soil when he has nothing to eat, nothing upon which to live, nothing with which to support his family while he is making a crop? To my mind such a suggestion is utterly ridiculous. Mr. President, when a crash comes in Wall Street in New York City they call upon the banking facilities of the Government at the National Capital and get the funds they need to tide them over the crisis. Shipbuilders of the Nation who want to go into the shipbuilding business can borrow money from the Government, as they are doing to-day, to carry on their business. But patriotic men and women whose sons have been called to bear arms in defense of their Government in the time of its peril are not allowed to have a loan of money with which to buy food upon which to live through a period of unprecedented distress and suffering. You say you will supply them with seed to be planted for the making of a crop next year. But they can not live to make the crop without they have food for themselves and families. The situation is such that the Government is the only power in this Nation that will grant them such aid. The farmer in my State who has two horses, a 2-horse farmer as we call him, has already mortgaged his horses, has mortgaged his wagon perhaps, has mortgaged his household effects, and he can not even pay the debts incurred, for this year his crop has been a total failure. How can he live even if the man who holds the mortgage on his stock and other property is willing for him to keep that property? Still he has to have something upon which to live while he uses that property to make another crop.

I want Senators to look the situation squarely in the face. We must not go to splitting hairs upon this proposition. If we are justified in loaning money to farmers in the drought-stricken areas to buy seed, to buy feed for their stock, to buy fertilizer with which to make a crop, then we are justified ten thousand times in loaning them money to buy food upon which to live while they make the crop.

Mr. President, I simply wanted to bring this matter to the attention of the Senate this morning in answer to the position taken by the Secretary of Agriculture. What did we do up in Salem, Mass.? I was in Congress at the time a great fire swept that city. The Government went to the rescue, supplying the money needed by those people in that time of great distress. When the earthquake struck San Francisco the Government again went to the rescue. When the flood visited the Mississippi Valley lives were lost and property damaged, and again the Government went to the rescue, and went nobly to the rescue. Now because times are hard the people are not responsible. A spirit of economy has seized certain gentlemen in high places. They say, "You must not dare to loan money to a starving citizen because somebody will call it a dole such as has been given out in England in the times following the great World War."

I repeat, I do not care what we call it, whether it be called a dole or not. When this Government finds its citizens, those who must bear arms in its defense to save its life in time of peril, in such distress as at present, they are entitled to have some of its substance to save them from starvation, be it by drought or from the disturbance of economic laws in the Nation.

Mr. President, I want to serve notice now that if there is any attempt to take care of certain big interests in the Nation to the hurt and injury of the poor people of the United States that we are now seeking to aid there are going to be some interesting things brought to the attention of the Senate and the country during the remainder of this session.

I am anxious to have this bill pass the Senate to-day so that the House can pass it and the President can sign it before Christmas. It is an important measure, a very urgent matter, and I beg all Senators to aid us in passing the bill to-day.

Mr. BLEASE. Mr. President, in addition to what the Senator from Alabama [Mr. HEFLIN] has said, I wish to call the attention of the Senate to the fact that in a great many instances the stock which he mentioned as being mortgaged has been already taken away from the farmers, and in some instances the Government itself has taken and sold their land and put them out in the highways with their wives and children, adding to the unemployment of the country, when if they had been permitted an extension of time on their farm-loan debt they could have had their farms and had employment and been at work to-day. As a result of that condition, those people have nothing upon which they can give security. There are thousands of farmers in the United States to-day who have not anything but their wives and children. Many of them have very little clothing to wear; a great many of them actually have no food. If Congress is going to pass a law requiring those people to give security in order to obtain relief, it had just as well save the time it would take to pass the law, for they have not a thing in the world to put up as security.

I notice that the measure which has been laid upon our desks this morning provides that the Secretary of the Treasury, may, in his discretion, loan money on the crop which is to be grown. That is a wise provision, and I think it will really afford relief to those people who are in dire distress upon the farms to-day.

I should like the Senator from Oregon, when he makes his remarks upon the joint resolution, to please tell the Senate why South Carolina was left out of its provisions.

Mr. McNARY. The joint resolution does not specify any State or section.

Mr. BLEASE. But the report does, Mr. President.

Mr. McNARY. The report is not a part of the joint resolution; it represents the imagination of the chairman.

Mr. BLEASE. I understand that, Mr. President; but, while the joint resolution is intended to aid farmers in drought and storm stricken areas, the report clearly indicates that the relief is to be extended to certain States, and South Carolina is not included.

Mr. McNARY. Mr. President, I suspect that the joint resolution when enacted by Congress will have more efficacy than the remarks of the chairman of the committee. In preparing the brief statement in the report I simply relied upon the opinion expressed by a member of the Department of Agriculture as to the particular States where there was the greatest need of relief. I am sure that if the Senator from South Carolina has any distress in his State the department will come to his aid and that he may count upon the assistance of the chairman and of the Senate Committee on Agriculture and Forestry.

PETITIONS AND MEMORIALS

Mr. FRAZIER presented petitions of sundry citizens of Fargo, Grand Forks, and Minot, all in the State of North Dakota, praying for the passage of legislation exempting dogs from vivisection in the District of Columbia, which were referred to the Committee on the District of Columbia.

Mr. CAPPER presented a resolution adopted by Leslie Kreps Post, No. 62, the American Legion, of Salina, Kans., protesting against the passage of legislation providing for the immediate payment of adjusted-service certificates of World War veterans, which was referred to the Committee on Finance.

He also presented resolutions adopted by the local branches of the Woman's Christian Temperance Union at Phillipsburg, Glade, Lone Star, Richland, Overbrook, Wichita, McPherson, and Nashville, all in the State of Kansas, favoring the passage of legislation providing for Federal supervision of motion-picture films to be licensed for interstate and foreign commerce, which were referred to the Committee on Interstate Commerce.

Mr. WALCOTT presented a resolution of the Woman's Christian Temperance Union of South Manchester, Conn., favoring the passage of legislation for the Federal supervision of motion-picture films to be licensed for interstate and foreign commerce, which was referred to the Committee on Interstate Commerce.

He also presented papers in the nature of petitions from the Hartford Council of Churches, of Hartford; the Mount Carmel Book Club, of Mount Carmel; and Goshen Grange, No. 143, Patrons of Husbandry, of Goshen, all in the State of Connecticut, favoring the adhesion of the United States to the protocol for the World Court, which were referred to the Committee on Foreign Relations.

He also presented petitions of sundry citizens of New Haven, Hartford, West Hartford, Danbury, Greenwich, Bridgeport, Winsted, Sound Beach, Riverside, Chester, Plainville, Milldale, Saugatuck, Westport, Wilton, Brookfield, New Britain, and Mansfield, all in the State of Connecticut, praying for the passage of legislation exempting dogs from vivisection in the District of Columbia, which were referred to the Committee on the District of Columbia.

He also presented resolutions adopted by Wallingford Aerie, of Wallingford; Naugatuck Aerie, of Naugatuck; New Haven Aerie, of New Haven; Bridgeport Aerie, of Bridgeport; Charter Oak Aerie, of Hartford; and Norwalk Aerie, of Norwalk, all of the Fraternal Order of Eagles, in the State of Connecticut, praying for the passage of legislation creating a Federal industrial commission, which were referred to the Committee on Education and Labor.

EUROPEAN REPARATIONS AND INDEBTEDNESS

Mr. COPELAND. Mr. President, I hold in my hand what is, in effect, a petition to the western world. It is an article prepared by Samuel Kramer and printed in the current issue of the American Monthly. The article is entitled "Lift the Heavy Hand." It deals with what the author believes is a burden of oppression on European nations, particularly the Central Nations, as regards reparations. Mr. Kramer is a graduate of Yale and holds degrees also from Columbia University.

This article, I think, Mr. President, should be read by every Member of the Senate. It points out the burdens resting upon European governments, not alone the Central Empires but also our late allies, in the payment of the reparations. It points out that Germany is now called upon to pay $480,000,000 per year.

Last year when I was in Germany I was much distressed over what seemed to me to be the makings of Bolshevism in that country. When there is placed, as there has been, upon the railroads, for instance, of Germany a tax of $160,000,000 a year—for 670,000,000 gold marks are the equivalent to that sum of money in our currency—when that amount of burden is placed upon the railroads, in addition to their normal taxes, it is not difficult to understand how impossible it is for those railroads to maintain their rolling stock, their roadbeds, and to establish rates which will make possibe the movement of goods. If the sum of $160,000,000 were placed upon American railroads, there would be a protest, in my judgment, which could be heard from Maine to California.

In any event, this is an article which deserves our thoughtful consideration. No matter what may be our ultimate conclusion regarding the question at issue, certainly every American is interested in the maintenance of orderly government in all the countries of Europe. I can think of no greater disaster than to have a breakdown in Germany. It certainly would be followed by a breakdown in countries farther west, and we might even have that distress come to us.

I therefore ask unanimous consent that this article may be printed in the RECORD.

The VICE PRESIDENT. Is there objection?

Mr. FLETCHER. Mr. President, may I ask the Senator from New York in what publication does this article appear?

Mr. COPELAND. It is printed in the current number of the American Monthly.

Mr. REED. Mr. President, will the Senator from New York yield for a question?

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

Mr. COPELAND. I yield.

Mr. REED. Is this the German monthly that has been conducting agitation for the cancellation of international debts and the cancellation of German reparations?

Mr. COPELAND. I can not answer the implication of the question, may I say to my friend from Pennsylvania; but I have read the article and am much impressed by it. Whether it is a part of German propaganda or not, I am not particularly interested, because I think we should bravely face the facts as they are, and I am sure my friend from Pennsylvania takes the same view.

Mr. REED. Mr. President, I have no objection to the article being printed in the RECORD, as requested, but I ask permission to speak for a moment or two on the same subject.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senator from Pennsylvania will proceed.

Mr. REED. When we remember, Mr. Presdent, that the German nation has completely divested itself of any interest charges on the enormous debt which it created during the war and on the considerable debt which it had before the war; that by permitting its currency to become valueless it has effectually despoiled its creditors and stripped itself of debt; that it has no interest charges, as have those countries which have honored their obligations; when we remember that the German reparations amount to approximately $480,000,000 a year, while our interest charges alone in America now amount to over $600,000,000 a year and at one time amounted to over a billion dollars a year; when we remember that the British interest charges approximate $2,000,000,000 a year and that Germany, as against that, is complaining of payments of $480,000,000 a year, while her victorious adversary, Great Britain, alone goes on with interest payments which are a staggering burden to her of more than four times the German reparations; when we remember the amount of interest that is being paid by France and by Italy on their obligations, it seems to me that we are putting things in a false proportion if we sympathize too much with the plight of Germany in having to pay this comparatively small amount as the only penalty for that war which she brought upon civilization and for that calamity for which she was responsible and which almost wiped civilization from the face of the globe.

Mr. FLETCHER. Mr. President, may I ask the Senator from Pennsylvania a question?

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

Mr. REED. I yield.

Mr. FLETCHER. If Germany is relieved of the payment of reparations it means, instead of taxing the German people, as they now complain they are being taxed, we will tax the people of the United States to raise this money?

Mr. REED. I am glad the Senator asked that question. It means, in the first place, that if reparations are forgiven, taxes upon the European allies will be increased. We get so slight an amount for the costs of our army of occupation, which is the only money that we obtained from the peace settlement, that it means practically nothing to us directly; but it means the imposition of that $480,000,000 annually upon the taxpayers of the victorious European allies.

Mr. President, if that were done, the next inevitable agitation would be for a further cancellation of the debts which those allies owe to us, and, in the last analysis, we would find the American taxpayer bearing the burden that belongs upon the shoulders of the German taxpayers.

This agitation in which we sometimes, I am sorry to say, find our own people sharing, and which seems to be a favorite text for sermons in Wall Street—that we must cancel all of these international obligations—is nothing more nor less than an indirect way of saying that the American people, who least of all the nations on earth were to blame for the war, must bear all its money costs. Mr. President, so long as there is an ounce of strength in me I propose to fight it. We have been overgenerous in our treatment of France, to take no other illustration. We made a settlement with France which amounted to a cancellation of about two-thirds of her obligations. If we consider the present value of the settlement and the rates of interest which she pays under it, practically we canceled two-thirds of her obligations, on the ground that her capacity to pay was no larger than that. Then, after we had done that, and after she had secured a similar burst of generosity from Great Britain in marking down the French debt to Great Britain, France looms up all of a sudden as the most prosperous nation on the face of the globe, with an enormous gold reserve, larger per capita than that of any other country, and with their people employed almost to the last man. She reported unemployment as small as less than 2,000 individuals as recently as one time during the last summer. I do not know what the latest figures are; but where every other nation is suffering from the prostration which is really due to the war and the efforts of the war, France alone seems to be prospering.

We have canceled enough debts, Mr. President, and I hope that the question of canceling the international debts and the question of forgiving the German reparations will not again become a live issue in the American Congress.

Mr. BORAH. Mr. President, I quite agree with the Senator from Pennsylvania that we have canceled too much of the international debts due us. Some of us thought that when the cancellation was going on. We settled with Italy for about 28 cents on the dollar; we settled with France for about 48 to 50 cents on the dollar. France was known at that time to be very prosperous, and has been prosperous practically ever since the war closed. I quite agree, as I have said, with the Senator in that view of it, but I do not agree with him that Germany is not paying in excess of what she should pay. We should take into consideration the fact that Germany was stripped practically at the close of the war of all means by which she could pay. She was stripped of her merchant marine and of her colonies, and that and, to a large extent, the transfer of property in kind placed Germany in quite a different position from that in which the other nations found themselves.

I also disagree with the Senator that Germany was solely responsible for the war. I do not agree with that proposition at all. I think that France and Great Britain and Russia and other nations which engaged in such a system as prevailed in Europe from the Moroccan affair down to 1914 must share the responsibility for the initiation of the Great War.

Mr. COPELAND. Mr. President, in view of what the Senator from Pennsylvania has said, I desire to add a word.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. COPELAND. The question of reparations is a two-sided question, of course; and somtime it will be serinously discussed by this body, in my judgment.

Even though I were to share the feelings of the Senator from Pennsylvania in relation to what should be the attitude of our country toward Germany as regards the war, we should not dodge the effects of the reparation payments. Germany has borrowed practically all of the money which she has paid in reparations. Out of five billions borrowed by Germany since the war, two and one-half billions have been paid toward the reparations. This money has not come out of the Germans. It has come from different parts of the world, from our country, from various citizens who have seen fit to advance the money. France receives 51 per cent of the reparations, either in money or in kind. She saturates her own market with goods made in Germany, shutting us out in consequence. She becomes a competitor with us in South America and elsewhere in the world.

It may well be that in our insistence upon the payment of the reparations we are choking ourselves to death. It may well be that the 10 per cent of surplus which we ordinarily send abroad can not be sent now by reason of conditions arising out of the payment of the reparations.

I think we should frankly face these facts. We should put aside our national prejudices. We should deal with this matter in such a way as will ultimately do the most good to ourselves as well as to the world. I think it is wise for us to give consideration to the matters presented in the article which I have sent forward.

The VICE PRESIDENT. Without objection, the article referred to by the Senator from New York will be printed in the RECORD.

The article is as follows:

[From the American Monthly, December, 1930]

LIFT THE HEAVY HAND

By Samuel Kramer

(As a lawyer with an international clientele, the author of this article has made a specialty of studying international affairs for the last 10 years. He is an expert in all the legal ramifications arising from the treaty of Versailles and especially well informed about the German phase of the reparation problem, having spent considerable time in Germany during the last decade. He is an A. B. of Yale and an A. M., L. L. B. of Columbia University.)

From 1914 to 1918 the better part of the producing world was engaged in devastating destruction.

From 1918 to date, what was left of that better part was engaged, on the one hand, in a concerted effort to make Germany pay for that past destruction and, on the other hand, the former allied powers were engaged in individual efforts to benefit from the swag which had already been divided, even though (or perhaps one may say even in the hope that) such benefits would be obtained at the expense of one against the other.

In short, the efforts of the western part of the world have, since physical destruction actually ceased, been devoted, as regards the former allies, to selfish and hostile efforts to benefit from the plunders of war, and, as regards the alleged victors generally, to a concentrated effort to make Germany pay for the past destruction caused by the war. If one says that the Dawes plan and the experts (Young) plan were constructive measures, the fact remains that the objective of both plans was to devise ways and means whereby Germany might pay. The most that can be said for these plans is that they were constructive steps in the scheme of oppression conceived at Versailles.

Analyzing results, the conclusion should be forced upon us that the efforts to make Germany alone pay for the destruction done by us all is responsible for the present world upset morally, politically, and economically.

The heavy hand laid on central Europe by the Versailles document and the spirit that provoked it has not only accomplished the avowed purpose of keeping Germany in subjection but it has kept the rest of the world from recuperating from its debauch of devastation.

There are no victors but only vanquished, and it is time to consider a change of policy.

An analysis should be made not only of the concerted efforts of the former allied powers since 1918 but also of their individual activities.

After Versailles came St. Germain. The former Austro-Hungarian Empire was here definitely disposed of. The fertile and productive parts were made new states, free of debt. A small part was left, stripped of assets, to assume all pre-war burdens. This plan effectively blighted that part of central Europe and the former allied powers no longer had to consider that one-time Empire except in dispensing charity.

All attention could be concentrated on Germany. When, following Versailles, the swag was divided, Lloyd George stuffed his pockets full of colonies and ships and left to the other allies the bulk of the reparations. Naturally, these had first to be collected. France would see to it that the collection was done, and whether Lloyd George hoped that that would be the case or not, it had to follow that the remaining allies would have their future development retarded, if, in fact, their remaining resources would not be further drained in the process.

The process began. France financed and soldiered Poland and other of the so-called buffer states which were created out of a page in history over 100 years old. The strain was becoming too heavy; her people were becoming impatient; she embarked upon her ravage of the Ruhr. Sentiment in Great Britain vacillated. It is more than a theory that part of this vacillation was due to the hope that, while the struggling Germany and the impatient France were wearing each other out, the alluring field of trade with Russia would be left to Great Britain alone.

Great Britain's effort at Russian trade was a failure. The ships she had taken from Germany were rusting in her harbors. Rumors were current that the French steel interests were finally accomplishing the purpose of the Poincaré drive on the Ruhr and that German and French industrialists were discussing a consortium. The early apprehensions of Great Britain that its procedure at Versailles had not been characterized by the usual British farsightedness became more pronounced. Lloyd George was recognized as a temporist and Britain changed her tactics with respect to the Ruhr literally overnight.

For a brief moment the outlook for constructive as distinguished from oppressive activity was bright but it was obliterated by a step taken by Great Britain which seemed at the time to be a beneficial one.

The Baldwin commission came to the United States to agree to pay its so-called debt. This statement is made advisedly. Reference to the financial literature of the time reveals that there was then in this country a distinctly growing sentiment in favor of cancellation. While the Baldwin commission was here, the growth of that sentiment was suspended. It must be remembered that at that time England was on a paper basis with the rest of Europe. The proud Old Lady of Threadneedle Street no longer held her head high. Whether Baldwin was actuated by long-established British commercial practice that commercial debts must be paid or whether he was led on by more selfish motives is beside the point. Great Britain agreed to pay. Shortly thereafter, with our help, the Bank of England maintained a gold basis and Great Britain again had visions of regaining at least a large part of its glory and profit as the financial center of the world. But here again, without depreciating Great Britain's motives, one may say that a step was taken which was in the category of "attempting to get the jump on the other fellow."

The precedent was established that the debts of the former allied and associated powers to us had to be paid. Slowly the others came to the captain's table, made their terms, and, by complicated systems of arbitrary aid, artificially returned to gold standards. The doctrine of capacity to pay became established.

Where does the world stand to-day?

The ships which Lloyd George grabbed have mostly rotted from lack of use. The colonies called mandates have been a severe drain on Great Britain's resources and a source of political unrest for her and the world. She has gained none of the hoped-for advantages from her premature return to a gold standard; the paralyzing of central Europe has paralyzed her commerce; her army of unemployed has increased to awful proportions; a species of western politics heretofore unknown to Great Britain has infected her well-being; voters are supported in idleness by a socialistic government and what is left of the earning power and wealth of the country are taxed unmercifully.

France was able to ward off unemployment by not demobilizing. Her soldiers first were put in Poland and throughout the buffer states and were occupied with the Riff affair, but this became expensive and the end had to come. By deflating the franc and by financial operations in this country and Great Britain she has accumulated a mass of gold. Her populace, however, is still deceived by paper currency. It is said in well-informed circles that France is afraid to recall the paper and put out coins lest its population realize how completely France has not won the war. But others attribute more sinister motives to her gold mobilization. Her alleged prosperity based on a huge stock of gold is superficial. For a while, during our so-called prosperity boom, there was business in France, but now the real situation is coming to the fore. There is depression and the recent bank failures are teaching her what we, too, should be learning, namely, that a stock of gold with no commercial activities to absorb it causes dangerous inflation.

Italy is sitting on a political volcano whose menace is as threatening as any of its mountain volcanoes and whose eruption will be as deadly.

Russia, instead of being one of the family of nations, is a world by itself. The Bolshevik doctrine obtained nourishment from Russia's ostracism. Generations are growing up who know the capitalistic régime only as an outside enemy. A generation is maturing who, never having known the ordinary conveniences of life, will gladly stand for what we call deprivations in order to fight the common capitalistic enemy. One hundred and thirty years ago no one dreamt what would happen to the doctrine of the divine right of kings. If Russia is kept ostracized it is not safe to assume that the capitalistic régime may not suffer the same fate.

Confining our observations to the larger members of the prewar family of nations, we may say that England, France, Italy, and Germany are on their uppers, and Russia is out of the family of nations. To this state of affairs one may trace the chief cause of the collapse in the Far East. While in pre-war days England, France, Germany, and Russia exploited the wealth of China, nevertheless, a spirit of cooperation among them did prevail to the extent that they were all solicitous to keep alive the goose that was laying the golden eggs. Now that they have troubles of their own, the vast Chinese Empire is necessarily allowed to suffer the ravages resulting from its disorganization. It is reasonable to assume that Great Britain could have dealt with India more readily if she did not have her own economic and political houses crumbling down upon her. In pre-war days the delicate financial and commercial operations required in the handling of Latin America were well taken care of by Great Britain and Germany to the profit of all concerned.

Due to the collapse of Europe the world outside of the United States and its possessions literally has had to shift for itself at a time when it was socially, politically, and economically unprepared to do so.

Now, let us analyze briefly how the damages were assessed against Germany. First, article 231 of the document of Versailles fastened on her moral responsibility for the damage done on land, on sea, and from the air—in other words, for all the wealth destroyed during four years of unprecedented destruction. In keeping with the political religion of France that Germany must be kept down, the financial bill was not fixed in amount but a draft with the amount left blank was drawn on Germany. Then the Dawes plan fixed an amount which she should pay annually and, finally, the draft drawn on Germany was completed by the experts' plan which fixed the number of years that payments should be made. But there has been no real deviation from the policy of oppression.

It is significant that the final amounts are based on an alleged capacity to pay. What the former allied powers took immediately after the treaty by way of ships and colonies was, practically speaking, not taken into account. While these enormous items represented losses of wealth as far as Germany was concerned, as outlined above, they profited the former Allies nothing, and consequently were not really taken into consideration in fixing the bill.

In addition to the loss of her ships and colonial possessions, Germany sustained other tremendous losses which conversations with informed people in this country lead me to believe have not been generally appreciated here.

The former allied countries seized the properties, factories, plants, and accounts receivable belonging to individual Germans throughout the world just as we did in the United States. But, although we are returning 80 per cent of this and have provided for an eventual return of the balance, the former allied powers retained their seizures with only minor exceptions. These seizures took place not only in England, France, and Italy, but throughout the world—in China, India, Singapore, French Indo-China, British possession in South America, and in every spot in the world controlled legally or otherwise by any of the former allied countries. After the seized properties were liquidated, the subjects of the various former allied countries were paid their claims against Germany and its subjects. The balance was to be credited to Germany under reparations account. After a fashion it was so credited, but when one recalls that the treaty of Versailles did not fix any gross amount that Germany was to pay, these credits represented only credits against an unfixed and elastic liability. Both the Dawes and experts' plans started afresh in fixing first what Germany should pay yearly and, finally, the period for which she should pay. Great Britain alone, after paying all her subjects and all expenses of administration and providing liberally for all contingencies and claims, admitted a surplus of £30,000,000. At The Hague meeting subsequent to the formation of the experts' plans and as a condition of Great Britain's approving the experts' plans, Snowden compelled Germany to agree that England might retain these £30,000,000. Furthermore, huge amounts in money and goods were paid between 1920–1923 to the reparations commission and it was only the realization that this could not continue and Great Britain's changed attitude about the Ruhr that brought on the Dawes plan.

In round figures, Germany must pay $480,000,000 annually. The payments extend for so many years (for 37 years at this rate and then for 22 years at a slightly reduced rate) that, to all practical purposes, the period means forever as far as the present generation in Germany is concerned.

In considering the present economic aspects of Germany's obligations in so far as they affect us and the rest of the world, the tremendous amounts which Germany paid before the Dawes plan began to function may, perhaps, be overlooked. But there are many of us who are still in the trenches mentally and who say that Germany must pay and must pay, so it is well to point out that she has paid enormous sums even before the experts' plans calculated her 1924 and 1929 capacities to pay.

The former allied powers owe us and Germany owes them even more. What must be done even to attempt payment?

It is axiomatic in international finance that practically the only way open for a debtor nation to pay its creditors is by means of merchandise and services. As a debtor nation does not perform banking services for its creditors, its services consist chiefly in shipping.

To discharge her enormous obligations annually Germany must sell her goods to the entire world and send them there in German bottoms.

If she can not sell and ship enough, she must make up the margin by cutting down her own purchases. What does "enough" mean? First, she must make enough to live on. Secondly, she must add to this profit enough to permit a profit of $480,000,000 annually.

Assuming that she can do this, who is going to buy our merchandise and the merchandise of the rest of the world?

In pre-war days Great Britain was a creditor nation; she imported more than she exported, but the deficit was more than made up by her banking charges and her shipping services, and being a relatively small place physically, she got on extremely well.

We are primarily producers and the tremendous expansion in our plants brought about through the war have emphasized our position as producers. We built up a tremendous scale of production and, following this by huge mergers and consolidations, did a big business on a small basis of profit. It has been argued that we ourselves consume 90 per cent of our production, but if

this is true, the remaining 10 per cent is what makes the difference between profit and loss. In pre-war days a bad year or two did not necessarily mean that a company ran from big profits to red ink. One bad year now shows how important the remaining 10 per cent is. With all our tremendous resources our leading companies have had to husband these resources by slashing or entirely omitting their dividends. Business was done on so large a basis but with so small a margin of profit that one bad year is threatening to gum the works. Can we afford to persist in a policy that lessens the consuming power of the rest of the world?

Added to our position as a producing nation is the fact that we are also a creditor nation. This situation is perhaps unprecedented. We must buy from the world enough to enable it to pay what it owes us. We must sell to the world enough to keep our factories going and our farmers producing.

Shall we junk our factories and abandon our farms, or shall we take steps to help world-wide consumption of our products and commodities?

After the Dawes plan we had several years of prosperity accentuated by healthy exports. But what happened at that time? Large foreign loans were floated in this country and these loans were conditioned upon their proceeds being spent here. In other words, we encouraged consumption. Commodities, raw materials, manufactured articles, and other needs which we were prepared to furnish but which the rest of the world, both on account of shipping difficulties during the war and financial difficulties thereafter, was unable to buy from us were purchased freely and foreign loans which we were able to provide furnished a temporary solution.

After the experts' plan, coming as it did on top of a series of agreements made by the former allied and associated powers to pay their debts to us according to alleged "capacities to pay," it was realized that the world had to settle down in grim determination. The debtors could buy from no one; they had to sell. Everyone, including ourselves, became afraid of dumping by others and built up tariff walls. The treaty of Versailles set up a political structure that went back over 100 years; the tariff walls throughout the world have set up an economic structure that goes back over 100 years.

The world's tariff action reveals apprehensions that belie any genuine hope that the policy of oppression conceived at Versailles and relentlessly persisted in since offers a safe course.

I have said that shortly after the Dawes plan we embarked upon a series of foreign loans with resulting increase of foreign trade and prosperity. Perhaps this course might have been resumed after the experts plan. Long before the experts plan was completed inspired journalists spoke of funding a large part of Germany's debt by an international bond issue of $3,000,000,000. We were then in a period of inflation. The inflated values might have furnished a bookkeeping basis against which an issue of three billions could have been made to pay for values long since destroyed. If the inflation continued this intangible item might slowly have been worked off; but the bubble burst too soon. Gradually we are realizing what higher circles knew in France in September, 1929. The gold which France had mobilized in the financial centers of the world was precipitously withdrawn and a deflation was caused before the experts' plan had a chance. Instead of an international issue of three billions there was one of only three hundred million, which, in reality, was no funding at all. It may be too early to say definitely that France frustrated the experts' plan. It seems clear, however, that her ruthless mobilization of gold is threatening what little stabilization of international financial structures has been accomplished in the last 12 years. Witness her continued pressure by gold withdrawals from London. This selfish mobilization of gold is one of the outstanding threats against the peace and comfort of the world to-day. If France were told by a united world, under the leadership of this country, that we were going to make an about face and that our efforts were going to be turned from oppression of central Europe to a constructive policy of live and let live, she would no longer keep her gold mobilized. If she were told that the world can no longer agree that her existence depends upon crushing out the rest of Europe she would have no alternative other than to put her gold back to work for the benefit of the world and thereby herself.

Our best economists have repeatedly pointed out that only at the expense of our own commerce and only by building up on borrowed money a colossus of efficiency that will brook no competition can Germany even attempt to meet her present obligations. What is the likely result of failure?

No one can gainsay that Germany has made tremendous efforts toward meeting the obligations forced upon her. Furthermore, some circumstances have been favorable. Von Hindenburg was available for the Presidency to link the old school with the new; due to the presence of men of the caliber of Rathenau and the continuation of his school of thought by Stresemann and Brüning, Germany has tried to carry on. Due to these fortunate circumstances, the will to go along has been present, but what is the status now? She has borrowed five billions, of which she has used two and one-half billions in an endeavor to meet her commitments. To borrow the phrase of an eminent German banker, the other two and one-half billions has gone toward making up an appearance of ability to pay. But danger signals are set and unfortunate misapprehensions of her attitude are becoming current. The "breaks" show signs of going the other way. Due to a few speeches, we first read that Germany would ask for a cancellation; next that she would ask for a moratorium, and now it is that she will repudiate. Unofficial speeches followed by perniciously false propaganda, together with a misconception of the recent elections, have distorted actual conditions. Based on past experience, Germany can succeed in paying only by continuing to borrow, which is no payment at all; and in the final analysis her ability to borrow must come to an end if, in fact, this period has not already arrived. If she continues to borrow for the purpose of paying, the cumulative interest charges alone on all these huge amounts are bound to bring her to her doom. But nothing that Germany has done warrants the apprehension that the present suffrage will repudiate.

The recent elections, however, if properly interpreted, do show what may happen in the event of failure. The increase in the communistic votes does not show that Germany is inclined actively toward Bolshevism. The so-called revolution in 1920 demonstrated that, and 10 years of suffering have not yet made the German order-loving mind inclined toward Bolshevism. The growth of the Hitlerites does not mean that Germany is for Fascism.

The German election signaled that there is a growing despair. The idealism of the Rathenau school was buoyed up under the hope of a coming Dawes plan. The steps originally contemplated for the Dawes plan were resolved and dragged out into two—the Dawes plan and the experts' plan. These have come and gone, the outlook is darker than ever, and there is nothing to look forward to. That, to my mind, is the meaning of the recent elections. Germany has been a bulwark against the spread of Bolshevism in Europe.

Lord Rothermere, who was in Munich during the elections, cabled his papers that the growth of the Hitlerites would strengthen this bulwark. But evidently he had his tongue in his cheek at the time because his cable concluded that Great Britain should be the first to show its good faith to the Republic Germany by giving back to Germany its pre-war colonies. He realized that the hope of the German people had to be sustained. Shortly after the elections Briand recognized the need of instilling hope into Germany, but his suggestion was for a League of Nations loan. No doubt he would have gone further, but he realized that at most he could only offer Germany temporary relief. He had to be able to tell France that any lifting of the heavy hand was only temporary. When, in 1775, Burke told the House of Commons that it could not indict and imprison an entire nation, he was right, as history proved, but he was talking about a young nation full of resolution and hope. If the world persists in the French theory of crushing central Europe, future history will again prove that Burke was right, but, as we are dealing with a nation whose hope is waning and who is on the brink of despair, we may find that the proof of Burke's theory will come through Germany at last becoming a prey to the spread of that Bolshevism in central Europe, against which to date she has been so strong a bulwark.

If Germany breaks down, another monument will have been erected to Lenin. Even a repudiating Germany, which means at least a virile Germany, would be preferable!

The policy of crushing Germany has led us nowhere.

Let us change our course. A recent proponent of the cancellation of debts has said, "let us be magnanimous." His may be the language of diplomats and politicians. I am not prepared to say that cancellation of debts would be magnanimity. It would be a constructive step toward the return of normal international relations. The artificial methods of currency stabilization could be done away with. The world-wide necessity for doing without our products—intensified first by the inability to obtain them due to transportation difficulties of the war and then by financial difficulties—would be removed. It would let not only Central Europe but the former allied nations use their borrowing power for buying instead of for paying for what everyone had a hand in destroying.

Whether or not this would be giving up something by us is beside the point, because we are faced with a condition which needs a solution. Still, I think some one in a position of leadership should nevertheless answer those who say, "Why should we cancel the debts? Who will pay our Liberty bonds?" True, we can not point to this colony or that reparation payment and say that we got this and that out of the war. On the other hand, it must be admitted that before the war we were a debtor nation. Our best bonds and stocks were owned abroad. To-day they are owned here. Not only are they owned here, but we own some of the best bonds and stocks of Europe. Whether the international war debts to us are paid or not, this condition will remain, and in facing the facts and considering whether or not a new course should be adopted, the fallacy that we did not gain material wealth as a result of the war should be disposed of.

One may ask: "What have Germany's debts to the former Allies got to do with us?" True it is that, although we sent our best brains to formulate the experts' plans, we have consistently said that what Germany owes the former Allies and what these former Allies owe us are two distinct things. But this is just a nice legalistic distinction. If Germany does not pay, England and the others can not pay and France won't pay. Furthermore, the debt agreements with us contain moratorium provisions analogous to those of the experts' plans.

We have slowly been coming toward cancellation. First, no amount of damage was fixed which Germany had to pay; then the Dawes plan fixed what she should pay yearly; then the Young plan fixed the full amount, but definitely provided that if any of the former allied powers had their debts canceled, the benefit of that cancellation would be passed on to Germany. It is a fair inference that the economic experts had in mind an eventual cancellation, but were hampered by the politicians. The slow process has been disastrous.

Let this country resume constructive leadership; cancel the debts to the former allied and associated powers. Even after this is done, there will be a substantial balance which Germany will have to pay. Her obligations to them exceed theirs to us by over two hundred millions annually for decades. As part of the plan of cancellation, fund that balance by periodic international issues of bonds internationally guaranteed, perhaps such as was originally contemplated by the experts' plans; make France take a fair share of those bonds and use some of her threatening mobilized gold for constructive purposes; see to it that a fair amount of the proceeds of those bonds are spent in this country; remove Germany from the threat of Bolshevism; set a constructive example so that constructive efforts may more readily be applied toward Russia.

Lift the heavy hand from Europe and let the family of nations get back to business.

ARTICLE BY THOMAS F. WOODLOCK ON THE RUSSIAN SCHEME

Mr. COPELAND. If the Senate will bear with me for one moment, I wish to present for printing in the RECORD an article entitled "The Russian Scheme," written by Mr. Thomas F. Woodlock, until recently a member of the Interstate Commerce Commission. Mr. Woodlock is a deep thinker and a diligent student of economics. I believe this very brief half-column artile will be read with interest.

The VICE PRESIDENT. Is there objection? The Chair hears none.

The article is as follows:

[From the Washington Post of Tuesday, December 9, 1930]

THE RUSSIAN SCHEME

By Thomas F. Woodlock, in the Wall Street Journal

The main outlines of Soviet Russia's experiment are beginning to loom more clearly through the fog of propaganda and misinformation, and it is possible to see the general ground plan. It is not a very complex affair in itself, but it is of extreme importance in its possible implications with respect to what we call in general terms the "civilized world." It is of interest to recall that some 12 years ago the German writer, Spengler, in his famous book the Downfall of the Western World, stated that our "civilization" was in the late evening of life—much where the Graeco-Roman civilization was in 200 A. D.—and that the stage was set for the rise of a new "Kultur." Those who are inclined to accept his view of history in general will find in Soviet Russia a likely birthplace for the new arrival. Whether or not one believes in the Spenglerian theory, it is clear that we have to deal with a phenomenon without historical precedent and with something utterly foreign to the fundamental notions of the western world.

There are two aspects of the Russian matter—one purely "economic" and the other "ethical"—giving to that word its widest significance. It is, perhaps, natural that we hear more, talk more, and think more of the "economic" side than we do of the "ethical" side. It is more easily visible, and its impact upon our own "economics" is more immediate and more direct, and therefore more acutely felt. But "economics," properly regarded, is merely a department of "ethics," and it is the "ethical" aspect with which history will most concern itself in the event that the soviet experiment succeeds.

Briefly stated, the Soviet Government is engaged in the attempt to coordinate the natural resources of Russia, and develop them under the general principles laid down by Marx for the creation of the socialist state—the cooperative commonwealth. It is concentrating all its effort at present under the "5-year plan" toward a rapid "industrialization" by means of huge plants which, it is expected, will, within a year or two, leap into mass production of important commodities, both capital goods and consumers' goods. By means of these plants it expects to satisfy the needs of the Russian people and to enter into competition in the world's markets with the great "capitalist" nations in such a way as to wear them down and thus accomplish the world revolution. It has required heavy sacrifices from its people pending completion of the "plan," and has poured into foreign markets all the raw material it could gather up in order to provide funds for purchase of industrial machinery and for employment of the world's best experts. Where possible it has conscripted labor and material; where necessary it has spared no expense for both, and speed has been the order of the day. One can find in Russia whatever one wants to find—whether it be slave labor or "pampered" labor; it is merely a case of knowing where to look.

Whether under a "collectivist" organization of the Russian state it will be possible to bring about a satisfactory living standard for the Russian people and to make that people a dominant competitor in the world's markets is the immediate "economic" question which interests the world, and it is no doubt important. But there is no present need for yielding to nightmares about it. It will need more than a collection of giant plants and unlimited material for its accomplishment, and nothing in human experience to date warrants the belief that a "collectivist" form of social organization is likely to prove the most efficient competitor in business and industry.

But the really interesting and supremely important question is whether or not the attempt of the Soviet Government to produce an "amoral" race of people will prove successful. The essence of the Marxian philosophy, which is the soviet gospel, was pure materialism and rigid determinism. It was a typical nineteenth-century concept and was supposed to be completely supported by the "science" of the day. Under it the notion that man was a "moral" personality, with a conscience to tell right from wrong and a will with power to choose the right, was utterly untenable, and all forms of "religion" were without any basis of objective truth, being, at best, harmless "myths" and, at worst, engines for human oppression. All which was supposed to be "scientifically" proven and no longer debatable. This the Soviet Government is trying to teach the Russian people to-day, and with some degree of success, if careful observers may be believed. And it finds, as is only natural, that whatever tends to narcotize the conscience of man and do it in the name of "science" falls not unpleasantly upon the ear, especially the ear of youth. The attack is centered upon the church and family—very correctly, from the point of view of strategy.

EUROPEAN REPARATIONS AND INDEBTEDNESS

Mr. DILL. Mr. President, I want to say that I agree with what has been said about the cancellation of debts in the past.

The VICE PRESIDENT. Is there objection to the Senator speaking on this subject? The Chair hears none.

Mr. McNARY. Mr. President, may I inquire of the Senator about how long he desires to speak?

Mr. DILL. Just a few words.

Mr. McNARY. I ask for the reason that the morning hour will be exhausted at 2 o'clock, and it is very much desired to get up a joint resolution.

Mr. DILL. I shall take but a very few moments.

The VICE PRESIDENT. The Chair hears no objection.

Mr. DILL. I was saying that I approved of what the Senator said about the debts that have been canceled, and the proposal to cancel more debts. As the Senator was speaking on that subject, however, I wondered in what position the United States will be if we enter the World Court under the Root formula, by which we can object but can not stop the court from passing on questions, should these debts and these reparations come before the court for consideration. It impresses me that that is worth considering at a later date when the subject is before the Senate.

ARTICLE BY B. F. AFFLECK

Mr. GLENN. Mr. President, I present and ask leave to have printed in the RECORD an article by Mr. B. F. Affleck, of Chicago, quoting excerpts from an essay by Thomas Babington Macaulay.

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

"A single breaker may recede but the tide is coming in!"

Thus wrote the eminent English essayist, Macaulay, during the trying times of 1830.

"On what principle is it," he asks, "that when we see nothing but improvement behind us, we are to expect nothing but deterioration before us?"

Although Macaulay wrote this stimulating analysis 100 years ago, it is interesting to note that he makes specific reference to 1930—"If we are to prophesy that in the year 1930 * * *." But read what he says:

"History is full of the signs of the natural progress of society. We see in almost every part of the annals of mankind how the industry of individuals, struggling up against wars, taxes, famines, conflagrations, mischievous prohibitions and more mischievous protections, creates faster than governments can squander, and repairs whatever invaders can destroy.

"We see the wealth of nations increasing and all the arts of life approaching nearer and nearer to perfection in spite of the grossest corruption and the wildest profusion on the part of rulers.

"The present moment is one of great distress. But how small will that distress appear when we think over the history of the last 40 years; a war compared with which all other wars sink into insignificance; taxation, such as the most heavily taxed people of former times could not have conceived; a debt larger than all the public debts that ever existed in the world added together; the food of the people studiously rendered dear; the currency impudently debased, and imprudently restored.

"Yet is the country poorer than in 1790? We firmly believe that, in spite of all the misgovernment of her rulers she has been almost constantly becoming richer and richer. Now and then there has been a stoppage, now and then a short retrogression; but as to the general tendency there can be no doubt. A single breaker may recede; but the tide is evidently coming in.

"If we were to prophesy that in the year 1930, a population of 50,000,000, better fed, clad, and lodged than the English of our time, will cover these islands; that Sussex or Huntingdonshire will be wealthier than the wealthiest parts of the West-Riding of Yorkshire now are; that cultivation, rich as that of a flower garden, will be carried up to the very tops of Ben Nevis and Helvellyn; that machines constructed on principles yet undiscovered

will be in every house; that there will be no highways but railroads, no traveling but by steam; that our debt, vast as it seems to us, will appear to our great-grandchildren a trifling encumbrance which might easily be paid off in a year or two—many people would think us insane.

"We prophesy nothing; but this we say: If any person had told the Parliament which met in perplexity and terror after the crash of 1720 that in 1830 the wealth of England would surpass all their wildest dreams, that the annual revenue would equal the principal of that debt which they considered an intolerable burden; that for one man of £10,000 then living, there would be five men of £50,000; that London would be twice as large and twice as populous and that nevertheless the rate of mortality would have diminished to one-half what it then was; that the post office would bring more into the exchequer than the excise and customs had brought in together under Charles II; that stage coaches would run from London to York in 24 hours; that men would sail without wind, and would be beginning to ride without horses—our ancestors would have given as much credit to the prediction as they gave to Gulliver's Travels.

"Yet the prediction would have been true; and they would have perceived that it was not altogether absurd, if they had considered that the country was then raising every year a sum which would have purchased the fee-simple of the revenue of the Plantagenets—ten times what supported the government of Elizabeth—three times what, in the time of Oliver Cromwell, had been thought intolerably oppressive. To almost all men the state of things in which they have been used to live seems to be the necessary state of things.

"We have heard it said, that 5 per cent is the natural interest of money, that 12 is the natural number of a jury, that 40 shillings is the natural qualification of a county voter. Hence it is, that though, in every age everybody knows that up to his own time progressive improvement has been taking place, nobody seems to reckon on any improvement during the next generation.

"We can not absolutely prove that those are in error who tell us that society has reached the turning point—that we have seen our best days. But so said all who came before us, and with just as much apparent reason.

"'A million a year will beggar us,' said the patriot of 1640.

"'Two millions a year will grind the country to powder,' was the cry in 1660.

"'Six millions a year and a debt of 50,000,000!' exclaimed Swift 'the high allies have been the ruin of us.'

"'A hundred and forty millions of debt' said Junius—'well may we say that we owe Lord Chatham more than we shall ever pay, if we owe him such a debt as this.'

"'Two hundred and forty millions of debt!' cried all the statesmen of 1783 in chorus—"what abilities, or what economy on the part of a minister, can save a country so burdened?" We know that if, since 1783, no fresh debt had been incurred, the increased resources of the country would have enabled us to defray that burden, at which Pitt, Fox, and Burke stood aghast—nay, to defray it over and over again, and that with much lighter taxation than what we have actually borne. On what principle is it, that when we see nothing but improvement behind us, we are to expect nothing but deterioration before us?

"It is not by the intermeddling of Mr. Southey's idol—the omniscient and omnipotent state—but by the prudence and energy of the people, that England has hitherto been carried forward in civilization; and it is to the same prudence and the same energy that we now look with comfort and good hope.

"Our rulers will best promote the improvement of the nation by strictly confining themselves to their own legitimate duties—by leaving capital to find its most lucrative course, commodities their fair price, industry, and intelligence their natural reward, idleness, and folly their natural punishment—by maintaining peace, by defending property, by diminishing the price of law, and by observing strict economy in every department of the state.

"Let the Government do this—the people will assuredly do the rest."—From Lord Thomas Babington Macaulay's Essay on Southey's Colloquies on Society, published in Edinburgh Review January, 1830.

That Macauley underestimated the progress that has since been made only serves to emphasize the soundness of his premise—"a single breaker may recede, but the tide is coming in."

B. F. AFFLECK,
President Universal Atlas Cement Co.,
208 South La Salle Street, Chicago, Ill.

NOVEMBER 22, 1930.

REPORT OF MILITARY AFFAIRS COMMITTEE

Mr. STECK, from the Committee on Military Affairs, to which was referred the bill (H. R. 2266) for the relief of E. O. McGillis, reported it without amendment and submitted a report (No. 1172) thereon.

DISPOSITION OF USELESS PAPERS

Mr. SMOOT. Mr. President, the Secretary of the Treasury has submitted to the Joint Select Committee on the Disposition of Useless Executive Papers certain papers that will have no future value. I ask on behalf of the joint committee that the request of the Secretary of the Treasury for the destruction of the papers may be complied with.

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

FIRE HAZARDS OF SENATE SIDE OF CAPITOL

Mr. COPELAND. Mr. President, I send forward a resolution from the Committee on Rules and ask that it be read. I am going to ask unanimous consent for its immediate consideration.

The resolution (S. Res. 364) was read as follows:

Resolved, That the Committee on Rules be, and hereby is, authorized and directed to make a study of the fire hazards in the Senate wing of the Capitol and the Senate Office Building, and to report to the Senate by resolution or otherwise what changes or repairs are necessary, the expenses of such study to be paid from the contingent fund of the Senate.

The VICE PRESIDENT. The resolution will go to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. COPELAND. Must it go there, in spite of the fact that it came from the Committee on Rules?

The VICE PRESIDENT. The law requires that it go to that committee, and it will be so referred.

REPORTS OF NOMINATIONS

Mr. SMOOT. Mr. President, as in executive session, I ask unanimous consent to submit certain reports for the executive calendar.

The VICE PRESIDENT. Without objection, the reports will be received and placed on the Executive Calendar.

Mr. HARRISON. Mr. President, may I ask the Senator from Utah in this connection if these are nominations for tariff commissioners?

Mr. SMOOT. Yes, and certain other nominations which were passed upon by the committee this morning.

Mr. HARRISON. I hope when the names of Mr. Dennis and Mr. Brossard are to be brought before the Senate the Senator will let us know in order that we may be here, because there is opposition to those two gentlemen.

Mr. SMOOT. I assure the Senator that I shall notify him in ample time.

Mr. GEORGE. I hope the Senator will not bring up the matter of the confirmation of the two commissioners named until the evidence has been printed for the use of the Senate.

Mr. SMOOT. I expect to have the hearings delivered in printed form in the next two or three days. I assure the Senator that that will be done. I also assure the Senator from Mississippi that I shall not ask for the consideration of the nominations in his absence.

Mr. HARRISON. Very well; I thank the Senator.

Mr. SMOOT, from the Committee on Finance, reported favorably the nomination of Harry J. Anslinger, of Pennsylvania, to be Commissioner of Narcotics.

He also, from the same committee, reported favorably the following nominations:

Henry P. Fletcher, of Pennsylvania, to be a member of the United States Tariff Commission for the term expiring June 16, 1936;

Thomas W. Page, of Virginia, to be a member of the United States Tariff Commission for the term expiring June 16, 1935;

John Lee Coulter, of North Dakota, to be a member of the United States Tariff Commission for the term expiring June 16, 1934;

Alfred P. Dennis, of Maryland, to be a member of the United States Tariff Commission for the term expiring June 16, 1933;

Edgar Bernard Brossard, of Utah, to be a member of the United States Tariff Commission for the term expiring June 16, 1932; and

Lincoln Dixon, of Indiana, to be a member of the United States Tariff Commission for the term expiring June 16, 1931.

Mr. SMOOT also, from the Committee on Finance, reported favorably the nominations of sundry officers in the Public Health Service.

BILLS INTRODUCED

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

By Mr. BORAH:

A bill (S. 5176) granting a pension to George W. Lewis (with accompanying papers); and

A bill (S. 5177) granting an increase of pension to Edna M. W. Fales (with accompanying papers); to the Committee on Pensions.

By Mr. HAYDEN:

A bill (S. 5178) granting a pension to Benjamin H. Thayer; to the Committee on Pensions.

By Mr. PATTERSON:

A bill (S. 5179) granting an increase of pension to Mary A. Brooks (with accompanying papers); to the Committee on Pensions.

By Mr. DENEEN:

A bill (S. 5180) granting an increase of pension to Jane Yates (with accompanying papers); to the Committee on Pensions.

By Mr. FLETCHER:

A bill (S. 5181) granting a pension to Lydia Deming; to the Committee on Pensions.

By Mr. WHEELER:

A bill (S. 5182) granting a pension to Caroline Henkel; to the Committee on Pensions.

A bill (S. 5183) for the relief of Herman Ingman; to the Committee on Claims.

A bill (S. 5184) to provide funds for cooperation with the school board at Poplar, Mont., in the extension of the high-school building to be available to Indian children of the Fort Peck Indian Reservation; to the Committee on Indian Affairs.

By Mr. REED:

A bill (S. 5185) to authorize the erection of an addition to veterans' bureau hospital at Aspinwall, in the State of Pennsylvania, and to authorize the appropriation therefor; to the Committee on Finance.

A bill (S. 5186) to transfer control of building No. 2 on the Customhouse Reservation at Nome, Alaska, to the Secretary of War; to the Committee on Military Affairs.

A bill (S. 5187) for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department (with accompanying papers); to the Committee on Claims.

By Mr. CAPPER:

A bill (S. 5188) granting an increase of pension to Charles Halstead (with accompanying papers); to the Committee on Pensions.

By Mr. DILL:

A bill (S. 5189) granting a pension to Mary C. Starbuck; to the Committee on Pensions.

By Mr. GREENE:

A bill (S. 5190) for the relief of A. W. Kliefoth; to the Committee on Claims.

By Mr. KING:

A bill (S. 5191) to provide for the erection of public buildings at Roosevelt and Smithfield, Utah; to the Committee on Public Buildings and Grounds.

By Mr. HOWELL:

A bill (S. 5192) for the relief of Donald K. Warner;

A bill (S. 5193) for the relief of Mildred N. O'Lone (with accompanying papers);

A bill (S. 5194) for the relief of the Sun Shipbuilding & Dry Dock Co. (with accompanying papers);

A bill (S. 5195) for the relief of Howard Dimick (with accompanying papers);

A bill (S. 5196) for the relief of the B. & O. Manufacturing Co. (with accompanying papers);

A bill (S. 5197) for the relief of the David Gordon Building & Construction Co. (with accompanying papers);

A bill (S. 5198) for the relief of T. Morris White (with accompanying papers);

A bill (S. 5199) for the relief of Leslie W. Morse (with accompanying papers);

A bill (S. 5200) for the relief of the National Dry Dock & Repair Co. (Inc.) (with accompanying papers); and

A bill (S. 5201) for the relief of C. O. Smith (with accompanying papers); to the Committee on Claims.

By Mr. DALE:

A bill (S. 5202) granting a pension to Arthur F. Sweet (with accompanying papers);

A bill (S. 5203) granting an increase of pension to Mary L. Van Guilder (with accompanying papers);

A bill (S. 5204) granting an increase of pension to Cordelia Vilmire (with accompanying papers); and

A bill (S. 5205) granting an increase of pension to May S. King (with accompanying papers); to the Committee on Pensions.

By Mr. THOMAS of Idaho:

A bill (S. 5206) authorizing the President, through the Secretary of the Interior, to study, report, and recommend on a revision and codification of the statutes affecting the American Indians; to the Committee on Indian Affairs.

By Mr. BLACK:

A bill (S. 5207) to create a military cross and a military medal; to the Committee on Military Affairs.

A bill (S. 5208) authorizing an additional appropriation to aid the States in the construction of rural post roads; and

A bill (S. 5209) to amend section 4 of the act entitled "An act to amend the act entitled 'An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes,' approved July 11, 1916, as amended and supplemented, and for other purposes," approved May 21, 1928; to the Committee on Post Offices and Post Roads.

By Mr. SMOOT:

A bill (S. 5210) to provide for the erection of a Federal Mineral Industry Building at Salt Lake City, Utah; and

A bill (S. 5211) to suspend the requirements of annual assessment work on mining claims during the assessment years 1931 and 1932; to the Committee on Mines and Mining.

By Mr. NORBECK:

A bill (S. 5212) to increase the efficiency of the Veterinary Corps of the Regular Army; to the Committee on Military Affairs.

A bill (S. 5213) to standardize the outstanding liabilities accounts of the Government and the negotiable period of Federal checks and warrants; to the Committee on Banking and Currency.

By Mr. SHORTRIDGE:

A bill (S. 5214) for the relief of Gustav Schmidt; and

A bill (S. 5215) for the relief of H. L. Todd; to the Committee on Claims.

A bill (S. 5216) to authorize the erection of a Veterans' Bureau hospital for women in the State of California, and to authorize the appropriation therefor;

A bill (S. 5217) to authorize appropriations for construction at the Pacific Branch of the National Soldiers' Homes, Los Angeles County, and for other purposes; and

A bill (S. 5218) to authorize the erection of an addition to Veterans' Bureau Hospital No. 104 at San Fernando, Calif., and to authorize the appropriation therefor; to the Committee on Finance.

By Mr. TYDINGS:

A bill (S. 5219) for the relief of John A. Pierce; to the Committee on Claims.

By Mr. TYDINGS and Mr. GOLDSBOROUGH:

A bill (S. 5220) authorizing the establishment of a mining experiment station of the Bureau of Mines at College Park, Md.; to the Committee on Mines and Mining.

By Mr. SCHALL:

A bill (S. 5221) for the relief of Maj. Richard K. Smith; to the Committee on Military Affairs.

By Mr. HOWELL:

A bill (S. 5222) granting a pension to Thomas H. Lynch;

A bill (S. 5223) granting a pension to Mary A. Trimbur; and

A bill (S. 5224) granting a pension to Lucinda B. Williamson; to the Committee on Pensions.

AMENDMENTS TO TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATION BILL

Mr. SMOOT submitted an amendment proposing to appropriate $4,600 for compensation of officers and employees of the assay office at Salt Lake City, Utah, and for incidental and contingent expenses, etc., intended to be proposed by him to the bill (H. R. 14246) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1932, and for other purposes, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. WALSH of Montana submitted an amendment proposing to appropriate $6,740 for compensation of officers and employees of the assay office at Helena, Mont., and for incidental and contingent expenses, including traveling expenses, new machinery, and repairs, intended to be proposed by him to the bill (H. R. 14246) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1932, and for other purposes, which was referred to the Committee on Appropriations and ordered to be printed.

INVESTIGATION OF BREAD PRICES IN THE DISTRICT

Mr. CAPPER submitted the following resolution (S. Res. 362), which was referred to the Committee on the District of Columbia:

Whereas during the past year the prices of wheat and wheat flour have appreciably decreased throughout the United States; and

Whereas in many cities throughout the United States the reduction in the prices of wheat and wheat flour has led to a fair reduction in the retail price of bread in such cities; and

Whereas the Committee on the District of Columbia has received complaints stating that the public of said District has received no benefit from the reduced prices of wheat and wheat flour, as reflected in the retail cost of bread to the consumer, but is paying as much for this commodity as in years when wheat and flour prices were considerably higher than at present; and

Whereas Congress has seen fit in the past to authorize inquiries and investigations by its committees into alleged exorbitant prices of foodstuffs in the District of Columbia: Therefore be it

Resolved, That the Committee on the District of Columbia, or a duly authorized subcommittee thereof, be, and it is hereby, authorized and directed to make a full and complete investigation of prices of bread and other foodstuffs in the District of Columbia, and to report to the Senate as soon as practicable the results of its investigations, together with its recommendations, if any, for necessary legislation.

REPORT OF INTERSTATE COMMERCE COMMISSION IN CASE OF COMMISSION *v.* PENNSYLVANIA RAILROAD CO. AND PENNSYLVANIA CO.

Mr. DILL. Mr. President, a few days ago the Interstate Commerce Commission decided a case against the Pennsylvania Railroad Co. and the Pennsylvania Co., and wrote a decision which is somewhat lengthy but extremely informative, because, for the first time, it covers the question of holding companies in the railroad business.

I therefore ask unanimous consent to have printed in the RECORD the decision of the Interstate Commerce Commission.

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

INTERSTATE COMMERCE COMMISSION—No. 22260—INTERSTATE COMMERCE COMMISSION v. PENNSYLVANIA RAILROAD CO. AND PENNSYLVANIA CO.—SUBMITTED OCTOBER 10, 1930—DECIDED DECEMBER 2, 1930

Upon complaint and investigation, the Pennsylvania Railroad Co. and the Pennsylvania Co. found to have violated the Clayton Antitrust Act by the acquisition of capital stock of the Lehigh Valley Railroad Co. and of the Wabash Railway Co. Order entered requiring the respondents to cease and desist from such violations and to divest themselves of the stock so acquired.

William H. Bonneville and H. L. Underwood for Interstate Commerce Commission.

Henry Wolf Bikle and C. B. Heiserman for respondents.

REPORT OF THE COMMISSION

By the commission: By order entered May 6, 1929, we issued complaint against the Pennsylvania Railroad Co., hereinafter usually referred to as the Pennsylvania Railroad, and the Pennsylvania Co., charging violation of the Clayton Antitrust Act (38 Stat. L. 730, "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914, U. S. Code, title, 15, sec. 12, et seq.) by the acquisition of capital stock of the Lehigh Valley Railroad Co. and the Wabash Railway Co., hereinafter usually called the Lehigh Valley and the Wabash. Respondents were notified of their right to appear before us on the 24th day of June, 1929, later changed to May 21, 1930, to show cause why an order should not issue requiring them, and each of them, to divest themselves of all interest in the stocks acquired, and the respondents were required to file answers with us within a time specified.

The complaint alleges that the Pennsylvania Railroad is a corporation engaged as a common carrier in transportation of passengers and property in interstate commerce in competition with the Lehigh Valley and the Wabash, which are also corporations engaged in commerce; that the Pennsylvania Co. is a corporation engaged, among other things, in the business of dealing in securities of common carriers by railroad engaged in interstate commerce, and is a subsidiary holding and investment company of the Pennsylvania Railroad, its entire outstanding capital stock being owned by that company; that the officers of the Pennsylvania Co. are also officers of the Pennsylvania Railroad, and the majority of the directors of the Pennsylvania Co. are also directors of the Pennsylvania Railroad; that the Wabash owns 231,329 shares of Lehigh Valley stock, constituting about 19 per cent of the total outstanding stock of that company; that during the period from February 15, 1927, to June 26, 1928, the Pennsylvania Railroad indirectly acquired 675,800 shares of capital stock of the Wabash and 365,039 shares of capital stock of the Lehigh Valley without our approval; that such acquisitions were made through and by means of the Pennsylvania Co., which directly acquired the stocks without our approval and is now the recorded holder thereof; that such indirect acquisition by the Pennsylvania Railroad and direct acquisition by the Pennsylvania Co. were in violation of section 7 of the Clayton Act; and that the effect of such acquisitions may be to substantially lessen competition between the Pennsylvania Railroad and the Wabash and between the Pennsylvania Railroad and the Lehigh Valley and to restrain commerce in certain sections and communities.

The Pennsylvania Railroad in answer admits that it is a corporation engaged in commerce but avers that the Pennsylvania Co. is and was an investment company and not engaged in the business of dealing in securities of common carriers, as alleged in the complaint; that the entire capital stock of the Pennsylvania Co. is owned by the Pennsylvania Railroad; that the officers of the Pennsylvania Co. are also officers of the Pennsylvania Railroad, and that a majority of the directors of the Pennsylvania Co. are also directors of the Pennsylvania Railroad. It also admits the status of the Wabash and the Lehigh Valley as corporations engaged in commerce, but is silent as to the allegation of competion between those carriers and itself. It further admits ownership of the Lehigh Valley stock by the Wabash, as alleged, and the purchase of Wabash and Lehigh Valley stocks by the Pennsylvania Co., but denies that such stocks were acquired either directly or indirectly by the Pennsylvania Railroad, that the acquisitions were in violation of section 7 of the Clayton Act, or that their effect may be to substantially reduce competition or restrain commerce, as alleged.

The answer of the Pennsylvania Co. follows closely that of the Pennsylvania Railroad in its admissions and denials and avers that the Pennsylvania Co. purchased the Wabash and Lehigh Valley stocks in its own corporate right and holds the same in such right and not for the account of the Pennsylvania Railroad. It also denies our jurisdiction over it with respect to any of the matter alleged and moves to dismiss the complaint as to this defendant.

After hearing, briefs were filed by our bureau of inquiry and by respondents and a reply brief by respondents. Oral argument has been heard.

At the hearing there was placed in evidence an agreed statement of facts relating principally to the circumstances surrounding the acquisitions of Lehigh Valley and Wabash stocks, but showing also that the 675,800 shares of Wabash stock and the 365,039 shares of Lehigh Valley stock constituted about 48 per cent and 30 per cent of the total outstanding stocks of those companies, respectively. The 30 per cent of Lehigh Valley stock added to the 19 per cent held by the Wabash gave the Pennsylvania Co. ownership of, or interest in, about 49 per cent of the total outstanding Lehigh Valley stock.

A clear understanding of the history of the stock acquisitions requires immediate reference to the official personnel of the Pennsylvania Railroad and the Pennsylvania Co. The agreed facts show the following list of officers and directors in common:

Name	Office held	
	Pennsylvania Railroad	Pennsylvania Co.
W. W. Atterbury	President and director	President and director.
Elisha Lee	Vice president and director.	Vice president and director.
C. B. Heiserman	Vice president and general counsel.	General counsel.
A. J. County	Vice president and director.	Vice president and director.
M. C. Kennedy	do	Director.
J. Taney Willcox	Secretary	Secretary.
G. H. Pabst, jr	Treasurer	Treasurer.
F. J. Fell, jr	Vice president and comptroller.	Comptroller.
W. B. Kraft	Assistant comptroller	Assistant comptroller.
Elmer Hart	Deputy comptroller	Do.
Edgar C. Felton	Director	Director.
E. B. Morris	do	Do.
Jay Cooke	do	Do.
C. E. Ingersoll	do	Do.
A. W. Thompson	do	Do.
Levi L. Rue	do	Do.
Howard Heinz	do	Do.
Richard B. Mellon	do	Do.

The board of directors of the Pennsylvania Railroad is composed of 17 members and that of the Pennsylvania Co. of 13 members, and it appears from the foregoing list that 12 persons serve on both boards; also that all principal officers of the one corporation serve the other in similar capacities.

The same agreed statement embraces copies of correspondence and details of transactions leading to the acquisitions of Lehigh Valley and Wabash stocks, some of which will be later referred to as occasion requires. It will better serve the needs of this report to present at this point a summary of the testimony of W. W. Atterbury, who, at the time of the acquisitions, was president of the Pennsylvania Co. as well as of the Pennsylvania Railroad, and still holds those positions.

The witness testified that following hearings that were had with reference to our tentative consolidation plan, issued August 3, 1921, efforts were made by the executives of the railroads in eastern territory to find a solution that they might submit to us as a basis for ultimate consolidation of the railroads in that territory. The New York Central, the Baltimore & Ohio, the Pennsylvania, and the Nickel Plate joined in a series of conferences hoping that they might be able so to adjust relations with each other and other railroads in the same territory as to be in position to formulate and present to us a 4-party consolidation plan which would minimize, as far as possible, the difficulties in the way of consolidation in accordance with our tentative plan. The Nickel Plate at that time had acquired an interest in the Chesapeake & Ohio and was "working on the Pere Marquette and the Erie." The New York Central wanted an additional line between New York and Buffalo, preferably the Lackawanna. The Baltimore & Ohio wanted the Reading and the Wabash. The Pennsylvania Railroad also had definite things that it desired to accomplish in order to round out its system, one of which was to secure a line from the upper reaches of the Susquehanna River to the Delaware River and into New York City, and another was a line from the lower Susquehanna River, near Harrisburg, to the Delaware. It also desired a line on the south side of Lake Erie, certain trackage rights which would improve its service from Detroit to St. Louis, and a line between Chicago and St. Louis. In the discussions that followed it developed that the New York Central was unwilling to give up its interest in the Reading until it could be assured of complete control of either the Lackawanna or Lehigh Valley. It also developed that neither the New York Central nor the Nickel Plate would give to the Pennsylvania Railroad trackage rights along the shore of Lake Erie, nor, as it later developed, would they agree to permit the Pennsylvania Railroad to build a line there if and when necessary. That developed into a situation which, in the opinion of the witness, was clearly a combination against the Pennsylvania Railroad, which culminated in a 3-party plan that was submitted to us, and against which the Pennsylvania interests protested.

The witness further testified that the so-called 3-party plan proposed by the New York Central, the Baltimore & Ohio, and the Nickel Plate contemplated four systems in eastern territory, including the Pennsylvania system, although the latter did not join in proposing it. About that time there was considerable activity in the stock of the Lehigh Valley, and it was the opinion of the Pennsylvania that early purchases of that stock were directly traceable to the New York Central. In the meantime the Baltimore & Ohio and the Nickel Plate were attempting to get control of the Wheeling & Lake Erie and the Western Maryland. L. F. Loree, president of the Delaware & Hudson, also commenced the purchase of Lehigh Valley stock at about the same time, and the Pennsylvania presently learned that Loree had about 30 per cent of that stock and was possibly in position to block any 4-party plan if he chose to do so. Upon the suggestion of Loree that the Pennsylvania should join with the Delaware & Hudson in the purchase of Wabash stock, Atterbury was quite prepared to assent, because he was satisfied that there was no harmonizing of difficulties, and therefore "it would be well for the Pennsylvania Railroad to have in the Delaware & Hudson, as the parent company of a fifth system, a friendly interest rather than the unfriendly interests of the Baltimore & Ohio, the New York Central, and the Van Sweringens." The "Van Sweringens" referred to were in control of the Nickel Plate system. That led to an agreement, dated February 15, 1927, between Loree, representing the Delaware & Hudson, Atterbury, representing the Pennsylvania Co., and Otto H. Kahn, representing Kuhn, Loeb & Co., the intended effect of which was to give the Pennsylvania either a large interest in the Lehigh Valley or a large interest in a "fifth system," which would include the "Delaware & Hudson, Lehigh Valley, Wabash, B., R. & P., and possibly the Pittsburgh & West Virginia and Boston & Maine." It was agreed that the Pennsylvania would put Kuhn, Loeb & Co. in funds to the extent of $25,000,000 to purchase Wabash stock, which the Delaware & Hudson was to take over, giving Delaware & Hudson stock in exchange, if approved by us. Failing such approval, the Delaware & Hudson was to give its Lehigh Valley stock to the Pennsylvania in exchange for the Wabash stock. In the latter event the Pennsylvania was to turn over its Lehigh Valley stock to the new fifth-system corporation, taking its stock in return; and in case of failure of these plans the Pennsylvania would hold its Lehigh Valley stock. In financing the purchase of Wabash stock the Delaware & Hudson was to share equally with the Pennsylvania, the latter providing the first $25,000,000 with the understanding that the Delaware & Hudson would later provide a like amount.

Pursuant to this agreement there was purchased in the name of the Pennsylvania Co. in February and March, 1927, 323,600 shares of Wabash stock, payment for which was not made until December, 1927, when certain interest-bearing securities were sold by it to the Pennsylvania Railroad from the proceeds of which settlement was made. During the period from March 11, 1927, to October 31, 1927, Kuhn, Loeb & Co. purchased for the Delaware & Hudson 217,000 shares of Wabash stock. No further action under the terms of the agreemnt was taken by either of the parties thereto, and, it later appearing that the plans for a fifth system could not be realized, the Delaware & Hudson in April, 1928, sold to the Pennsylvania Co. its holdings of 323,600 shares of Wabash and 304,539 shares of Lehigh Valley. The price paid therefor was a lump sum of $62,500,000.

The witness further testified that the line of the Pennsylvania Railroad from Buffalo to New York is rather circuitous, which prevents successful competition with the other lines running out of Buffalo, and acquisition of the Lehigh Valley would give the Pennsylvania a connection from its line at Sunbury, Pa., into the city of New York, where the terminals of the Lehigh Valley and the Pennsylvania are adjacent. Also by reconstruction of one of the Pennsylvania lines just north of Harrisburg, with small additional new construction, the Pennsylvania could connect with the Lehigh Valley and thus acquire an entrance into the important steel and cement district of central Pennsylvania. Further, he testified, the Pennsylvania is not in control of its passenger facilities at Buffalo and use of the Lehigh Valley station in that city would probably result in economies. Further economies would be realized through the consolidation of adjacent terminals at Greenville, N. J. The acquisition of the Lehigh Valley was regarded as a very important factor in the plans of the Pennsylvania Railroad, which had long hoped that at some time it would acquire a substantial interest in that company.

In reference to the desire to acquire a line along the south shore of Lake Erie, the witness testified that his company had lines ending at Pittsburgh on the south and reaching Detroit, Sandusky, Cleveland, Ashtabula, Erie, and Buffalo on the north. Rates common to all lines are in effect between these points, but the circuity of the routes over the Pennsylvania is such that it renders the traffic expensive and militates against successful solicitation. The line between Chicago and St. Louis is in some respects analogous to the situation along Lake Erie. That is, while the Pennsylvania has a route and rates between Chicago and St. Louis, its line is relatively circuitous and moves relatively little traffic.

The witness testified that in his opinion he could have come to an agrement with other eastern trunk lines on every matter except the construction of a new line along the south shore of Lake Erie. Certain counter proposals were made by such lines which were not acceptable to the Pennsylvania.

Questioned by his counsel, the witness testified that in making the arrangement of February 15, 1927, the Pennsylvania had no thought of influencing competition between the Pennsylvania Railroad and the Wabash or the Lehigh Valley. As a result of the agreement it was expected that the Pennsylvania Railroad would get eventually one of three things—either a large interest in a fifth system that would be friendly to the Pennsylvania, a large interest in the Delaware & Hudson, which had always been a valued connection of the Pennsylvania, or a large interest in the stock of the Lehigh Valley, which had been an objective of the Pennsylvania for many years. In the view of the witness the creation of a fifth system, including the Delaware & Hudson, the Lehigh Valley, and the Wabash, would ultimately be a successful and profitable undertaking. Purchase of the Wabash stock therefore, in his opinion, safeguarded the Pennsylvania in any of the three objectives. Asked by his counsel why in the negotiations pursuant to the agreement of February 15, 1927, and in the later acquisition of Wabash and Lehigh Valley stocks he had acted on behalf of the Pennsylvania Co., the witness replied, "Because it had the credit, it had the finances, it had the power, and I did not have to ask anybody's permission to go ahead and act except the approval of the board of directors."

After the purchases from the Delaware & Hudson, as above detailed, the Pennsylvania company made further purchases of 135,000 shares of Wabash and 60,500 shares of Lehigh Valley, giving it aggregate holdings of 675,800 shares of Wabash and 365,039 shares of Lehigh Valley, which it still has. All of these shares have equal voting rights.

The Lehigh Valley operates through routes from New York and Philadelphia to Buffalo, using the same line between Bethlehem, Pa., and Buffalo, and has several branches serving the anthracite coal districts of eastern Pennsylvania. The Wabash operates lines between Buffalo and Chicago, between Chicago and St. Louis, between Detroit and St. Louis, and between Toledo and St. Louis. It also has lines extending westward from St. Louis and Hannibal, Mo., to Kansas City, Omaha, and Des Moines. The Pennsylvania operates through lines between New York and Chicago, between New York and Buffalo, between New York and St. Louis, between Chicago and St. Louis, and between Detroit-Toledo and St. Louis. It also serves the anthracite coal districts of Pennsylvania, transporting coal therefrom to many territories and destinations, including New York City. Evidence upon the question of competition between the Pennsylvania Railroad and the Lehigh Valley and between the Pennsylvania Railroad and the Wabash was furnished by traffic officials of the Lehigh Valley and the Wabash, respectively. The assistant freight traffic manager of the Lehigh Valley, in preparation for the hearing, had examined the records of all carload shipments of 10,000 pounds or more, 73,005 in number, transported by the Lehigh Valley in the month of April, 1929, that being considered a representative month. The shipments of commodities, except coal, were classified as competitive or as non-

competitive with the Pennsylvania Railroad, considering as competitive all shipments handled by the Lehigh Valley that could have been transported between the same points wholly or partially by the Pennsylvania Railroad. Coal shipments were considered competitive if hauled to markets which could have been supplied with coal from the same or similar districts by the Pennsylvania Railroad. It is well known that the same mine opening, or point for the loading of coal, is seldom served by more than one railroad. The classification of the 73,005 carloads by the witness resulted in a showing of 37,376 carloads of noncompetitive traffic and 35,629 carloads of competitive traffic, the proportions being 51 per cent and 49 per cent, respectively. It should be borne in mind that these figures represent only the traffic which the Lehigh Valley was successful in obtaining and do not include any traffic which the Pennsylvania Railroad obtained, but which the Lehigh Valley could have transported. The Lehigh Valley has 17 junction points or connections with the Pennsylvania Railroad for the transfer of freight traffic, and reaches 13 cities of over 10,000 population, which are also served by the Pennsylvania, including New York City, Rochester, Buffalo, and Elmira, N. Y.; Jersey City and Newark, N. J.; and Hazleton and Wilkes-Barre, Pa. The route of the Pennsylvania between New York and Buffalo is more circuitous than that of the Lehigh Valley, but the Lehigh Valley in connection with the Wabash and other lines reaching the Niagara frontier affords a reasonably direct through route between New York on the east and Detroit and Chicago on the west, in competition with the direct routes of the Pennsylvania Railroad serving those points. The Lehigh Valley also maintains in conjunction with its various connections fast freight trains which compete with the Pennsylvania Railroad on practically similar schedules.

Testimony relating to competition between the Pennsylania Railroad and the Wabash was furnished by the vice president in charge of traffic of the Wabash, who placed in the record extensive tables covering carload shipments for the months of October, 1928, and March, 1929, showing that of 121,106 carloads transported by the Wabash on its lines east of the Mississippi River in those months, 91,202 or 75.31 per cent were competitive with the Pennsylvania Railroad and 29,904 carloads, or 24.69 per cent, were noncompetitive. Extending the comparison to include not only the lines of the Wabash but those of the Ann Arbor and the New Jersey, Indiana & Illinois, which are considered a part of the Wabash system, the number of carloads is increased to 140,455, of which 103,763, or 73.88 per cent, were considered competitive with the Pennsylvania Railroad. Like the Lehigh Valley, the Wabash has fast freight trains which compete with those of the Pennsylvania Railroad, running on substantially the same schedules and affording deliveries at the same time in various markets. The route of the Pennsylvania Railroad between Chicago and St. Louis is more circuitous than that of the Wabash, and no doubt its ability to compete with the more direct lines for traffic between those cities is thereby impaired, but both have direct lines between Lake Erie and St. Louis. It is in evidence that the Wabash, in connection with lines extending between the Niagara frontier and Philadelphia, is even able to compete with the Pennsylvania Railroad for traffic between St. Louis and Philadelphia. The Wabash, the Lehigh Valley, and the Pennsylvania Railroad all have traffic representatives at most of the important cities throughout the country, and there is strong competition for traffic that may move over all the competitive routes in which those carriers participate. The Lehigh Valley is one of the most important connections of the Wabash at the Niagara frontier, the interchange between those carriers at that gateway amounting to 57,137 cars in the year 1929.

Witnesses for the Pennsylvania Railroad had analyzed the statements of competitive and noncompetitive traffic placed in evidence by witnesses for the Lehigh Valley and the Wabash, and criticized them in numerous particulars, taking the position that due to various circumstances, such as the absence of through rates and lack of reciprocal switching arrangements, a considerable proportion of the traffic classified as competitive by witnesses for the Lehigh Valley and the Wabash was not in fact subject to actual competition. It is not apparent, however, that the existence of these circumstances would justify a rejection of the classifications by witnesses for the Lehigh Valley and the Wabash, as it is necessary to assume that the present arrangements for the interchange and movement of traffic are subject to change; and the mere presence of the lines of the Lehigh Valley and the Wabash in the territory and in close proximity to the points served by the Pennsylvania, with the possibility of the establishment of proper connections and arrangements for the handling of traffic, must have an influence upon the service and rates of all carriers serving the same territory.

Moreover, after excluding all traffic thus questioned, there was left a large volume to which no exception was taken by the respondents. Question was also raised as to the propriety of regarding as competitive traffic such shipments of coal and other commodities as are considered subject to "market" competition. However, adopting the often-used definition of competition as a "striving for the same thing," there would be no ground for classifying as noncompetitive such shipments, for example, as coal from the anthracite districts of Pennsylvania to New York City. It is clear that the service of transporting necessary commodities to a market served by more than one railroad is a "thing" of great value to the carriers, and it is well known that there is much strife between them for the opportunity to furnish this service, and that this rivalry has a direct influence on service and rates. While not admitting on the record the allegations of the complaint as to the existence of competition, the respondents have not denied them. They do deny the allegation that the effect of the acquisitions of stock may be to substantially lessen competition between the Pennsylvania Railroad and the Lehigh Valley or the Wabash, and this contention will be considered later. The record shows that there is substantial competition between the Pennsylvania Railroad and the Lehigh Valley, and between the Pennsylvania Railroad and the Wabash, and we so find.

In addition to the denials that the Pennsylvania Railroad indirectly acquired the capital stocks of the Lehigh Valley and the Wabash, and that the effect of such acquisitions may be to substantially lessen competition between the Pennsylvania Railroad and the carriers whose stocks it is alleged to have acquired, respondents further contend that the acquisitions were "solely for investment" within the meaning of the third paragraph of section 7 of the Clayton Act. For convenience the first three paragraphs of the section are here quoted:

"That no corporation engaged in commerce shall acquire, directly or indirectly, the whole or any part of the stock or other share capital of another corporation engaged also in commerce, where the effect of such acquisition may be to substantially lessen competition between the corporation whose stock is so acquired and the corporation making the acquisition, or to restrain such commerce in any section or community, or tend to create a monopoly of any line of commerce.

"No corporation shall acquire, directly or indirectly, the whole or any part of the stock or other share capital of two or more corporations engaged in commerce where the effect of such acquisition, or the use of such stock by the voting or granting of proxies or otherwise, may be to substantially lessen competition between such corporations, or any of them, whose stock or other share capital is so acquired, or to restrain such commerce in any section or community, or tend to create a monopoly of any line of commerce.

"This section shall not apply to corporations purchasing such stock solely for investment and not using the same by voting or otherwise to bring about, or in attempting to bring about, the substantial lessening of competition. Nor shall anything contained in this section prevent a corporation engaged in commerce from causing the formation of subsidiary corporations for the actual carrying on of their immediate lawful business, or the natural and legitimate branches or extensions thereof, or from owning and holding all or a part of the stock of such subsidiary corporations, when the effect of such formation is not to substantially lessen competition."

Three controlling issues are thus presented, which will be dealt with in order.

1. *Were the Lehigh Valley and Wabash stocks acquired, either directly or indirectly, by the Pennsylvania Railroad?*

The president of the Pennsylvania Railroad and of the Pennsylvania Co., testified that the latter "is a company which makes investments either directly or indirectly in the interest of the Pennsylvania Railroad." This authoritative and succinct statement of the present function of the Pennsylvania Co. is supplemented by much evidence relating to the history of the Pennsylvania Co., the relation of its corporate acts to the business of the parent company, and other circumstances tending further to establish the identity of interest of the corporations. Extracts from the reports of the directors of the Pennsylvania Railroad to the company's stockholders were submitted in evidence showing that in the year 1870 the Pennsylvania lines west of Pittsburgh, which had theretofore been operated by the Pennsylvania Railroad, were placed under the direct management of a new corporation known as the "Pennsylvania Co.," established and controlled by the Pennsylvania Railroad. Following is an extract from the annual report to the stockholders for that year:

"With a view to give greater simplicity and efficiency to the management of this large western interest, and as far as practicable return to our former policy, a charter was obtained from the Commonwealth of Pennsylvania incorporating the 'Pennsylvania Co.,' to which all the interests above mentioned of the Pennsylvania Railroad Co. will be transferred on the 1st of March next, and $8,000,000 of the preferred capital stock of the Pennsylvania Co. received therefor, which amount covers fully all of our expenditures in this connection."

In 1874 the Pennsylvania Railroad acquired more complete control of the Pennsylvania Co., the report for that year stating:

"Your company being the owner of $8,000,000 of preferred stock of the Pennsylvania Co., it was deemed wise by your board to purchase the remaining stock, which had been issued at par to the Union Railroad & Transportation Co. in purchase of their car equipment at its appraised value, and an arrangement was finally consummated by which the holders thereof should receive bonds of the Pittsburgh, Cincinnati & St. Louis Railroad Co., owned by your company, in exchange for their stock, par for par. Nearly all these stockholders have accepted this arrangement, and it is presumed the owners of the few shares still outstanding will do so, thus giving your company the entire control of the stock and placing them in condition to carry out any policy that may be found best for your interests."

In the year 1906 the Pennsylvania Railroad used the Pennsylvania Co. in financing certain expenditures, the transactions closely remembling in character those dealt with in the present

proceeding. The report to stockholders for that year contains the following:

"In order to temporarily provide the capital needed for the heavy expenditures made during the past year upon your lines east of Pittsburgh and Erie, it was deemed wise to utilize the powers of the Pennsylvania Co. and thus make it further available for the purposes of its organization. To this end that company made an issue May 1, 1906, of $50,000,000 of its 4½ per cent 18-month collateral notes, guaranteed by your company. The proceeds of these notes were placed to your credit, and the Pennsylvania Co. has been reimbursed for these advances largely through the sale of the securities heretofore held in your treasury."

According to the report for the year 1917, the Pennsylvania Railroad in that year took steps to resume the operation of the system lines west of Pittsburgh, the report referring to the arrangement in the following language:

"To effect a closer unity your company entered into an agreement to take over the leases, business, and assets of the Pennsylvania Co. and assume its obligations, liabilities, and duties to the lines and properties in which it had an interest. This agreement is to become effective as of January 1, 1918, or such later date as may be agreed upon, so as to meet all legal requirements, and adjust any other necessary features between both companies. The Pennsylvania Co. was created to promote and operate various lines west of Pittsburgh in the general interest of your company, which owns the entire capital stock of the Pennsylvania Co. and guarantees the payment of its outstanding bonds. This further unification is in pursuance of the policy followed by your company of eliminating corporations which are no longer necessary, and will give the lines west of Pittsburgh the direct strength and credit of the parent company and bring about beneficial economies."

Thereafter, it appears, the function of the Pennsylvania Co. was that of an investment company doing business as a separate corporation in the interest of the parent company. Previous to the present acquisitions, however, the Pennsylvania Co.'s holdings of securities have been practically confined to those of subsidiaries of the Pennsylvania Railroad.

In support of the allegation that the Pennsylvania Railroad indirectly acquired the capital stock of the Lehigh Valley and of the Wabash, although title to such stocks was taken by the Pennsylvania Co., numerous court decisions are referred to in the record, tending to support the contention that although ownership of capital stock of one corporation by another may not alone create an identity of corporate interest, it has been repeatedly held that such findings were not applicable where stock ownership has been resorted to, not for the purpose of participating in the affairs of a corporation in the normal and usual manner, but for the purpose of controlling a subsidiary company, so that it may be used as "a mere agent or instrumentality or department" of the controlling company; the courts in such cases dealing with the substance of the transactions as if the separate corporate agency did not exist and as the justice of the case might require. Among the cases cited are United States *v.* Lehigh Valley Railroad Co., 220 U. S. 257, 273; United States *v.* Delaware, Lackawanna & Western Railroad Co., 238 U. S. 516; Chicago, Minneapolis & St. Paul Railway *v.* Minneapolis Civic and Commerce Association, 247 U. S. 490, 501; United States *v.* Lehigh Valley Railroad Co., 254 U. S. 255; United States *v.* Reading Co., 253 U. S. 26, 62, 63. It was held in United States *v.* United Shoe Machinery Co., 234 Fed. 127, 141, 142, in substance, that whatever may have been the views of the courts in the early days of corporate existence, courts now will look behind the corporate fiction, and if it clearly appears that one corporation is merely the creature of another, the latter holding all the stock of the former, thereby controlling it as effectively as it does itself, it will be treated as the practical owner of the corporation when necessary for the purpose of doing justice.

Cases were also cited in which the Pennsylvania Railroad itself was involved, and in which the corporate distinction between that company and various subsidiary and controlled corporations was disregarded in the interest of justice. One of these, arising in 1885, involved the relations between the Pennsylvania Railroad and the Pennsylvania Co. The constitution of Pennsylvania provided, in substance, that no railroad corporation should acquire control of any other railroad corporation owning or having under its control a parallel or competing line. A new line in Pennsylvania had been proposed and partly constructed which, with connections, would parallel and compete with a line of the Pennsylvania Railroad. The president of the Pennsylvania Railroad, George B. Roberts, and two vice presidents entered into negotiations with a New York banker, as a result of which a proposal was made by Roberts, as president of the Pennsylvania Co., then an operating railroad company, that the banker should procure "securities and contracts and control" of the constructing company, in payment for which the Pennsylvania Co. would deliver certain securities guaranteed by the Pennsylvania Railroad. Suit was brought to enjoin the execution of this agreement, and the Supreme Court of Pennsylvania, in Pennsylvania R. Co. et al. *v.* Commonwealth (7 Atl. (Pa.) 368), affirmed the decree of the lower court granting the injunction. After reciting the facts showing that the Pennsylvania Co. was used through considerations of legality and policy which militated against direct acquisition by the Pennsylvania Railroad, the court said, in part:

"In view of this plain and candid statement of the real facts of the case by the parties themselves, it is impossible, as we have already said, to draw any other inference than that the real party contracting and stipulating for the control of the South Pennsylvania Railroad Co. was the Pennsylvania Railroad Co., and that any title to any stock or securities intended to be held in the name of the Pennsylvania Co. was to be a mere naked legal title, to be held in trust. In other words, that the Pennsylvania Railroad Co. intended to do in fact what it was forbidden by law to do, and therefore attempted to give the transaction the appearance, in the eye of the law, of being other than it really was. This, of course, can not avail in a court of equity which looks at substance, without being controlled by form."

The president of the corporations testified that he had acted on behalf of the Pennsylvania Co. instead of the Pennsylvania Railroad in entering into the agreement with the Delaware & Hudson for the purchase of Lehigh Valley and Wabash stocks for the reason that it (the Pennsylvania Co.) had the credit, the finances, and the power, and that he "did not have to ask anybody's permission to go ahead and act except the approval of the directors." His reference to the ability to proceed without obtaining permission is understood to relate to the provisions of section 5 (2) of the act requiring that railroad companies subject to the act shall secure our approval before acquiring control of another like carrier. However, the fact that the corporate machinery of the Pennsylvania Co. was used in financing these purchases of stock and in taking title thereto does not obscure the fact that all of these transactions were directly and solely in the interest of the parent company, the Pennsylvania Railroad. The only objective was the "protection" and upbuilding of the transportation system. This is so clearly established by the testimony of the same witness previously recited that further discussion of the matter is deemed unnecessary.

In support of their contention that the acquisitions of stock were not either directly or indirectly those of the Pennsylvania Railroad, respondents rely largely upon the decision of the Supreme Court in United States *v.* Delaware & Hudson Co. (213 U. S. 366). That case involved the construction of the so-called commodities clause of the act as applied to the transportation of coal mined by a corporation the capital stock of which was owned by the Delaware & Hudson Co.; that clause prohibiting among other things, the transportation in interstate commerce by a railroad company of any article or commodity other than timber and the manufactured products thereof in which the railroad company might have "any interest, direct or indirect, except such articles or commodities as may be necessary and intended for its use in the conduct of its business as a common carrier." The court held that the mere ownership of stock in the subsidiary corporation did not bring the case within the commodities clause, referring to the fact that amendments in specific terms causing the clause to embrace stock ownership had been rejected by the Senate, and the court held that these considerations disposed of the contention that stock ownership must have been in the mind of Congress in framing the legislation. This decision, however, was modified by the later decision in United States *v.* Lehigh Valley Railroad Co. (220 U. S. 257), construing the commodities clause as applied to the transportation of coal produced by a subsidiary mining company of the Lehigh Valley, in which the court, while in substance affirming its finding in the previous case, held further that under the different circumstances of the later case the transportation fell within the prohibitions of the commodities clause. The court said:

"Our duty is to enforce the statute, and not to exclude from its prohibitions things which are properly embraced within them. Coming to discharge this duty it follows, in view of the express prohibitions of the commodities clause, it must be held that while the right of a railroad company as a stockholder to use its stock ownership for the purpose of a bona fide separate administration of the affairs of a corporation in which it has a stock interest may not be denied, the use of such stock ownership in substance for the purpose of destroying the entity of a producing, etc., corporation and of commingling its affairs in administration with the affairs of the railroad company, so as to make the two corporations virtually one, brings the railroad company so voluntarily acting as to such producing, etc., corporation within the prohibitions of the commodities clause. In other words, that by operation and effect of the commodities clause there is a duty cast upon a railroad company proposing to carry in interstate commerce the product of a producing, etc., corporation in which it has a stock interest not to abuse such power so as virtually to do by indirection that which the commodities clause prohibits, a duty which plainly would be violated by the unnecessary commingling of the affairs of the producing company with its own, so as to cause them to be one and inseparable."

The doctrine laid down by the Supreme Court in the Delaware & Hudson case was still further modified in the more recent decisions in the Delaware, Lackawanna & Western Case, supra, the Reading Case, supra, and the later Lehigh Valley Case, supra, the court using the language preceding our previous citation of those cases.

Counsel for the respondents further insist that no relationship of agency has been shown between the Pennsylvania Railroad and the Pennsylvania Company in the transactions under consideration. Pursuing this theory to its logical conclusion, we must find that the officials of the Pennsylvania Company acted without authority; for the only authority to which they were responsible was the sole stockholder, the Pennsylvania Railroad, acting through the board of directors of the Pennsylvania Company. Giving full play to the theory of separate identity of these corporations, respondents would presumably contend that in order to establish the agency relationship the directors of the Pennsylvania Railroad, by virtue of their stock control, should

have instructed themselves, as directors of the Pennsylvania Company, to cause the purchases desired. That they did not resort to these formalities is perhaps to their credit, provided the omission is not used to defeat the intent of Congress. The outstanding facts remain that the purchases were for the sole benefit of the Pennsylvania Railroad; that the Pennsylvania Railroad was in complete control of the Pennsylvania Company; that the power to act for both corporations resided in the same individuals; and that the acquired stocks are held in the name of the Pennsylvania Company for the benefit of the Pennsylvania Railroad. If these facts do not establish an implied agency, the alternative deduction must be that the relationship is still closer than that of principal and agent, the Pennsylvania Company being, in the language of the court, a mere "department" of the Pennsylvania Railroad. Under these circumstances it must be held that, giving all possible recognition to the separate incorporation of the Pennsylvania Company, the stocks, if not directly acquired, were indirectly acquired by the Pennsylvania Railroad, within the meaning of the statute.

2. *May the effect of the acquisitions of Lehigh Valley and Wabash stocks be to substantially lessen competition between the Pennsylvania Railroad and either or both of the carriers whose stocks were acquired or to restrain commerce in any section or community?*

The language of the statute, "where the effect of such acquisition may be to substantially lessen competition," as commonly used and understood, would include the mere possibility of such effect, and this understanding is supported by standard dictionaries. (Webster's New International Dictionary gives, among others, the following definition of the word "may": Liberty; opportunity; permission; possibility, as, he may go; you may be right. Also Funk & Wagnall's New Standard Dictionary: To be contingently possible; as, it may be; you may get off, although you do not deserve it.) We should be content to rest upon this usual and authorized understanding, but counsel for respondents insist that the burden is upon the Government to establish the probability of substantial lessening of competition and that it is insufficient to show merely the possibility of such lessening. In support of this position they rely very largely upon two decisions of the Supreme Court, which will be hereafter discussed; but they also claim that their construction is supported by the debates in Congress preceding the passage of the Clayton Act, although not admitting the value of such debates in construing statutes, citing U. S. *v.* Trans-Missouri Freight Association (166 U. S. 290), in which the court said:

"The reason is that it is impossible to determine with certainty what construction was put upon an act by the members of the legislative body that passed it by resorting to the speeches of individual members thereof. Those who did not speak may not have agreed with those who did; and those who spoke might differ from each other; the result being that the only proper way to construe a legislative act is from the language used in the act, and, upon occasion, by a resort to the history of the times when it was passed."

The same court, however, in later decisions has greatly modified this doctrine by construction. For example, in U. S. *v.* St. Paul, M. & M. Ry. Co. (247 U. S. 310), the court said:

"But the reports of a committee, including the bill as introduced, changes made in the frame of the bill in the course of its passage, and statements made by the committee chairman in charge of it, stand upon a different footing, and may be resorted to under proper qualifications."

And in R. R. Commission of Wisconsin *v.* C., B. & Q. R. R. Co. (257 U. S. 563):

"Committee reports and explanatory statements of members in charge made in presenting a bill for passage have been held to be a legitimate aid to the interpretation of a statute where its language is doubtful or obscure. Duplex Printing Press Co. *v.* Deering (245 U. S. 443, 475). But when taking the act as a whole the effect of the language used is clear to the court; extraneous aid like this can not control the interpretation. Pennsylvania R. R. Co. *v.* International Coal Mining Co. (230 U. S. 184, 198). Caminetti *v.* United States (242 U. S. 470, 490). Such aids are only admissible to solve doubt and not to create it."

Bearing these restrictions in mind, we have carefully examined the committee reports and explanatory statements in both the House of Representatives and the Senate, from the introduction of H. R. 15657, which finally became the Clayton Act, until its passage. The bill was introduced in the House on May 6, 1914, having been prepared by a subcommittee of the House Committee on the Judiciary. The first paragraph of section 8 (now sec. 7) in the original bill read as follows:

"That no corporation engaged in commerce shall acquire, directly or indirectly, the whole or any part of the stock or other share capital of another corporation engaged also in commerce, where the effect of such acquisition *is* to eliminate or substantially lessen competition between the corporation whose stock is so acquired and the corporation making the acquisition, or to create a monopoly in any line of trade in any section or community." (Italics ours.)

The provisions of this paragraph were sharply criticized on the ground that under the language used it would be necessary in order to prove a violation of law, to show that competition had in fact been substantially lessened through a stock acquisition, and it was strongly urged that such proof would often be impracticable. The language in this particular, was, however, retained without change, until, during the consideration of the bill in the Senate, Senator REED, a member of the committee in charge, on August 31, 1914, offered an amendment striking out the word "is" and inserting in place thereof the words "may be," saying:

"My reason for offering the amendment is this: The law, as I understand it, is that a combination is illegal where the effect may be as well as where it is. I understand that the chairman of the committee is prepared to accept the amendment." (1914 CONGRESSIONAL RECORD, vol. 51, pt. 14, p. 14464.)

The amendment was thereupon adopted, without objection. Similar language in the second paragraph of the section, relating to acquisitions of stock of two or more competing corporations, was at the same time amended in like manner. As thus amended, the bill was considered in conference, and the amendments were included in the conference bill as reported. In the debate in the Senate upon the conference bill, Senator Chilton, one of the conferees, referred to the amendments, as follows:

"The conferees had to find some common ground upon which their minds could meet, and the result was a compromise, which is section 7 in the bill reported by the conferees. That compromise was the adoption of the words 'may be' instead of the word 'is,' so that instead of reading 'where the effect is,' the bill now reads, 'where the effect may be'; that is, where it is possible for the effect to be, which was a decided victory for the Senate." (1914 CONGRESSIONAL RECORD, vol. 51, pt. 16, p. 16002.)

We have found nothing to support a contrary view of the intent of Congress.

The Supreme Court decisions relied upon by respondents are Standard Co. *v.* Magrane-Houston Co. (258 U. S. 346), and the recent case of International Shoe Co. *v.* Federal Trade Commission (280 U. S. 291). These cases arose under section 3 of the Clayton Act which, among other things, makes unlawful the fixing of prices and the making of contracts restricting sales where the effect of such acts "may be to substantially lessen competition or tend to create a monopoly in any line of commerce."

The facts in the first case were substantially as follows: The Standard Fashion Co. was a New York corporation engaged in the manufacture and distribution of patterns. The Magrane-Houston Co. conducted a retail drygoods business in Boston. These companies entered into a contract whereby the Standard Co. granted to the Magrane-Houston Co. an agency for the sale of patterns manufactured by the former company for a term of years. Among the conditions of the contract was one providing that the Magrane-Houston Co. should not sell or permit to be sold on its premises any other make of patterns, and not to sell Standard patterns except at label prices. The Magrane-Houston Co., notwithstanding the provisions of this contract, discontinued the sale of patterns of the Standard Fashion Co. and placed on sale in its store the patterns of a rival company. The Standard Fashion Company thereupon brought suit to enjoin the Magrane-Houston Co. from violating its contract. The bill was dismissed by the District Court and the decree was affirmed by the Circuit Court of Appeals. The case was carried to the Supreme Court by writ of certiorari. The Supreme Court stated the issue thus:

"Does the contract of sale come within the third section of the Clayton Act because the covenant not to sell the patterns of others 'may be to substantially lessen competition or tend to create a monopoly'?"

In reviewing the prior proceedings the court said, among other things:

"Both courts below found that the contract interpreted in the light of the circumstances surrounding the making of it was within the provisions of the Clayton Act as one which substantially lessened competition and tended to create monopoly. These courts put special stress upon the fact found that, of 52,000 so-called pattern agencies in the entire country, the petitioner, or a holding company controlling it and two other pattern companies, approximately controlled two-fifths of such agencies."

The court affirmed the decisions of the lower courts, holding that the contract was within the provisions of section 3 of the Clayton Act, saying:

"Section 3 condemns sales or agreements where the effect of such sale or contract of sale "may" be to substantially lessen competition or tend to create monopoly. It thus deals with consequences to follow the making of the restrictive covenant limiting the right of the purchaser to deal in the goods of the seller only, but we do not think that the purpose in using the word "may" was to prohibit the mere possibility of the consequences described. It was intended to prevent such agreement as would under the circumstances disclosed probably lessen competition or create an actual tendency to monopoly. That it was not intended to reach every remote lessening of competition is shown in the requirement that such lessening must be substantial."

It is upon the use of the world "probably" in the preceding quotation that respondents principally rely. However, what the court would have done in applying the Clayton Act in the circumstances now before us is to be inferred not so much from what was said in the Magrane-Houston case as from what it there did. So far as the opinion shows, there was no evidence of specific injury through the operation of the contract under review. As was said in argument:

"There was no testimony showing that any deception, misrepresentation, or oppression had been practiced; no complaint of any competitor or other person of any unfairness; nor any suggestion that the public had suffered injury or that competitors had reasonable ground for complaint."

The decision apparently rested entirely upon the nature of the contract itself. This is evidenced by the following language, quoted with approval from the decision of the court below:

"The restriction of each merchant to one pattern manufacturer must in hundreds, perhaps in thousands, of small communities amount to giving such single pattern manufacturer a monopoly of the business in such community. Even in larger cities to limit to a single pattern maker the pattern business of dealers most resorted to by customers whose purchases tend to give fashions their vogue may tend to facilitate further combinations, so that the plaintiff, or some other aggressive concern, instead of controling two-fifths, will shortly have almost, if not quite, all the pattern business."

And the court concluded by saying:

"We agree with these conclusions, and have no doubt that the contract, properly interpreted, with its restrictive covenant, brings it fairly within the section of the Clayton Act under consideration."

There is in this language no room for an assumption that the court would have been moved from its position by such representations regarding the intentions of the parties as are relied upon in this proceeding.

In the International Shoe Co. Case, decided January 6, 1930, the shoe company, in May, 1921, acquired all or substantially all of the capital stock of W. H. McElwain Co., both companies being engaged in the manufacture and distribution of shoes. Upon hearing, the Federal Trade Commission found that the companies were in substantial competition and that the effect of the acquisition of stock by the International Co. was to substantially lessen competition and to restrain commerce. Thereupon, it ordered the International Co. to divest itself of all capital stock of the McElwain Co. The decision was appealed to the Circuit Court of Appeals, thence to the Supreme Court, where the judgment was reversed. The order of the commission was assailed upon two grounds: First, that there never had been substantial competition between the two corporations and therefore there could be no foundation for the charge of substantial lessening of competition. Second, that the financial condition of the McElwain Co. was such as to necessitate liquidation or sale and therefore the prospect for future competition or restraint was entirely eliminated. The court reviewed the evidence relating to the character of shoes manufactured by each company, the territory of distribution of the products, and the relative sales, and reached the following conclusion:

"It is plain from the foregoing that the product of the two companies here in question, because of the difference in appearance and workmanship, appealed to the tastes of entirely different classes of consumers; that while a portion of the product of both companies went into the same States in the main the product of each was in fact sold to a different class of dealers and found its way into distinctly separate markets."

In deciding the case against the commission the court said, citing Standard Fashion Co. *v.* Magrane-Houston Co., supra, that—

"Mere acquisition by one corporation of the stock of a competitor, even though it resulted in some lessening of competition, is not forbidden; the act deals only with such acquisitions as will probably result in lessening competition to a substantial degree."

There is no discussion in this decision of the distinction between the possibility and the probability of results, but, so far as the opinion shows, the only question in the mind of the court was as to whether the lessening of competition would be "substantial" within the meaning of the statute; and it reached the conclusion that the competition, whether possible or probable, was not of sufficient importance to bring the case within the Clayton Act.

Assuming, though not admitting, that respondents have legal ground for their contention that the law requires the showing of probability of substantial lessening of competition, the record seems ample to meet the additional test. As already stated, the president of the company testified that in acquiring the stocks there was no thought of suppressing competition, and it is urged by respondents upon the evidence of their witnesses that no steps have been taken as the result of the stock acquisitions to change the previous practices in the solicitation of traffic for the respective lines. It was in fact testified that if there has been any change it has been in the direction of increased effort on the part of the respective companies to secure traffic during recent months. Presumably, however, this intensity of effort is due to the general decrease in available traffic rather than to any change in policy. It is obvious that the ultimate effects of the acquisition of control through stock are not to be judged by immediate developments. According to the testimony of respondents' principal witness the predominant purpose of the Pennsylvania Railroad in acquiring the stocks of the Lehigh Valley and the Wabash was to secure such influence in the management of those companies as to insure their cooperation, if not the actual use of their facilities, in improving the routes of the Pennsylvania Railroad between certain important gateways, particularly New York, Buffalo, Chicago, and St. Louis. According to the record nearly one-half of the outstanding stock of both the Lehigh Valley and the Wabash is now held by the Pennsylvania Co. or under its control. Exhibits from annual reports to us show that, apart from these holdings, the stocks of both companies are widely scattered. Reports of stockholders' meetings of the Lehigh Valley and the Wabash held during the past five years show that the present holdings of the Pennsylvania interests would in every case have constituted more, and in some cases much more, than 50 per cent of the total stock voted at those meetings. In our decision in Interstate Commerce Commission *v.* Baltimore & Ohio R. Co. (160 I. C. C. 785), in which we considered the effect of the acquisition of a controlling proportion of stock of the Western Maryland by the Baltimore & Ohio, we said:

"Since the admitted purpose of the acquisitions of stock, so far as they may be made to contribute to that purpose, was to unify operations and policies of the respondent and the Western Maryland, it necessarily follows that the accomplishment of the purpose would completely eliminate both the actual and the potential competition that existed prior to the acquisitions of the stock by respondent and any that may exist now."

And in Interstate Commerce Commission *v.* Baltimore & Ohio Railroad Co. (152 I. C. C. 721), in which we dealt with acquisitions of stock of the Wheeling & Lake Erie Railway Co. by certain trunk lines, we said:

"As a result of our consideration of the evidence before us and of the true construction of the statute, it is necessary to conclude that with the acquisition of a majority of the voting stock of the Wheeling, the substantial lessening of competition between the Wheeling and the respondents was not merely probable but was, in fact, accomplished. Assuming that it would be possible for a controlling carrier or carriers to provide such routing of traffic, service, and rates for a controlled carrier as to enable it to maintain or even increase its volume of business, such a result would not be due to competition, which necessarily ceases with the acquisition of control. An appearance of strife for traffic might even be continued, but it would not be the competition meant by the statute. We find it impossible to accept the theory that Congress intended that acquisition of absolute control of one corporation engaged in commerce by one or more other corporations engaged in like commerce in the same territory could be regarded otherwise than as a substantial lessening of competition. To require us to rely upon declarations of intention, counterinfluences, or other hypotheses as evidence that acquisition of control by one competitor of another would not have its usual and natural effect, would be to establish an unworkable rule necessarily resulting in ineffective administration of the law."

Where parallel lines are under common control it is a necessary assumption that the controlling corporation will not resort to reductions in rates or additionally expensive service in order to divert traffic from one line to the other, or suffer it to be done. Our conclusion as to the effect upon competition of the acquisition of control of one competing carrier by another is fully supported by the decision of the Supreme Court in the Northern Securities case (193 U. S. 197), in which the court said, speaking of common control through a holding company:

"Necessarily by this combination or arrangement the holding company dominates the situation in the interest of those who were stockholders of the constituent companies; as much so, for every practical purpose, as if it had been itself a railroad corporation which had built, owned, and operated both lines for the exclusive benefit of its stockholders. Necessarily, also, the constituent companies ceased, under such a combination, to be in active competition for trade and commerce along their respective lines, and have become, practically, one powerful consolidated corporation, the principal, if not the sole, object for the formation of which was to carry out the purpose of the original combination under which competition between the constituent companies would cease."

3. Were the acquisitions of stock within the exception applicable to corporations purchasing stock "solely for investment and not using the same by voting or otherwise to bring about, or in attempting to bring about, the substantial lessening of competition"?

In supporting the affirmative of this question the respondents devoted much effort and brought to the witness stand three specialists of note, representing, respectively, the fields of economics, accounting, and finance, who, after exhaustive consideration of the subject, severally reached the conclusion that the purchases of stock here under consideration might properly be denominated "investments." There can be no question that the word "investment" is one of broad application, including in its various uses purchases of practically every kind and description and for every purpose. For example, the purchase of an adjoining lot or farm to prevent its falling into the hands of an undesirable neighbor might be termed an "investment," although from the standpoint of financial profit the acquisition of the property might have no advantages but, on the contrary, result in inevitable loss. The question at issue here, as we apprehend it, is, What does the word and the connected expression mean, as used in the third paragraph of section 7? What was the intent of Congress?

Respondents take the position, in effect, that as the acquisitions of stock were an investment, and as it has not been shown that the stocks acquired have been used by voting or otherwise in the substantial lessening of competition, the purchases fall within the exception. As we have already seen, section 7 as originally proposed and framed apparently contemplated the determination by an administrative body of the actual effect of the acquisition of stock of a competing corporation in testing the question as to whether the acquisition was in violation of the law. After full discussion of this proposal in Congress, the idea was rejected as impracticable, and in lieu thereof the section was so amended as to require that in order to establish a violation of the act it was necessary to show only that an acquisition gave the power to substantially lessen competition. The construction of the third paragraph now insisted upon by respondents would be wholly out of harmony with the controlling provisions of the section as it now stands, and the fact that this paragraph was not amended at

the time is evidence that Congress deemed such amendment unnecessary. The reasonable construction of the language of the third paragraph fully sustains this hypothesis. It is noted that following the words "solely for investment," which apparently expressed the predominant thought of Congress, the conjunctive "and" was used, followed by the explanatory specification, "not using the same by voting or otherwise to bring about, or in attempting to bring about, the substantial lessening of competition." That the description "solely for investment" was deemed controlling is indicated by the reference to this provision in the committee reports and debates in Congress. For example, one of the minority reports upon the original bill refers to the exceptions as follows:

"There are various exceptions mentioned in the bill, such as the acquisition of stock *solely for investment;* the holding of stock of subsidiaries formed for carrying out the lawful business of the corporation or legitimate branches thereof; excepting also the acquisition by railroads of stock in an independent railroad where there is no substantial competition." (Italics ours.)

The construction contended for by respondents would require us to subordinate the expression "solely for investment" to the remainder of the sentence or to ignore it entirely. What Congress had in mind in including the exception in the act as passed is clearly indicated by the reports of the debate. It had been proposed to eliminate the paragraph entirely, but it was pointed out that many corporations, such as savings banks, etc., invest in the securities of public-utility corporations, some of which may be in competition, and this consideration apparently prevailed.

The success of respondents' contention would have the result of practically nullifying the section as a whole, since it would be exceedingly difficult to establish by proof that competition had been substantially lessened by reason of specific acts in the use of stocks. As we said in a previous decision, 160 I. C. C. 792, supra:

"Although section 7 provides that it 'shall not apply to corporations purchasing such stock solely for investment and not using the same by voting or otherwise to bring about, or in attempting to bring about, the substantial lessening of competition,' this exemption may not be so construed as to destroy the effect of the section as a whole. Clearly it has no application to the acquisition of a controlling interest under the circumstances disclosed by this record."

The purchases of Lehigh Valley and Wabash stocks by the Pennsylvania gave no indication of direct financial profit at the time the purchases were made. Computations made by our bureau of inquiry and presented in its brief, the correctness of which has not been questioned by respondents, indicate that up to April 30, 1930, the cost to the Pennsylvania in interest paid and in interest lost on securities sold to finance the purchases amounted to about $9,072,006.25, which exceeds by $2,590,694.29 the amount of the dividends received on the stock acquired. It should be noted that the common stock of the Wabash acquired by the Pennsylvania, amounting to $36,290,000, par value, had never paid a dividend. We find that the purchases of stock here in question were not made solely for investment, within the meaning of the Clayton Act.

According to the testimony of the president of the Pennsylvania corporations, the principal purpose of the acquisitions of the Lehigh Valley and Wabash stocks was to secure interests in important lines needed by the Pennsylvania Railroad to round out its transportation system—the same properties being under consideration for other disposition in developing transportation systems in eastern territory. However, we are unable to attach weight to this fact. Whether the purchases were made primarily for the suppression of competition or whether that effect would follow merely as an incident to the accomplishment of the larger purpose is a question which we have no right to consider in applying the law to the facts. While it is true that the transportation act, 1920, marked a substantial departure from previous governmental policy in the matter of competition between railroad companies, we are unable to close our eyes to the fact that Congress required that in the administration of that act competition should be preserved as fully as possible, and to that end it left the Clayton Act in full force and effect, providing, however, in section 5 (8) of the interstate commerce act that its operation might be suspended by us in order to authorize acquisitions of control of one carrier by another where, in our judgment, such acquisition would be in the public interest. The respondents, in full knowledge of these provisions, have proceeded without coming to us for such authority.

The motion in behalf of the Pennsylvania Co. to dismiss the complaint as to that respondent for want of jurisdiction will be denied. Although it is clear that the Pennsylvania Co. acted solely in behalf of the Pennsylvania Railroad in these transactions, and that the two corporations together constituted but a single party in interest, we assume that the former holds legal title, as a corporation, to the acquired stocks, and must, as a separate legal entity, take part in the divestment which we shall order. That these acquisitions of stock are within the intended prohibitions of the law we have no doubt.

We find that the Pennsylvania Railroad Co., the Lehigh Valley Railroad Co., and the Wabash Railway Co. are corporations engaged in commerce within the meaning of section 7 of the Clayton Antitrust Act; that the Pennsylvania Railroad Co., through the use and instrumentality of its subsidiary and controlled corporation, the Pennsylvania Co., acquired capital stocks of the Lehigh Valley Railroad Co. and of the Wabash Railway Co., as more particularly set forth in this report and in the evidence in this proceeding; that the effect of such acquisitions may be to substantially lessen competition between the Pennsylvania Railroad Co. and the Lehigh Valley Railroad Co. and between the Pennsylvania Railroad Co. and the Wabash Railway Co. and to restrain commerce of the Lehigh Valley Railroad Co. and the Wabash Railway Co.; and that such acquisitions are in violation of said section and act. An order will be entered requiring the respondents to cease and desist from such violations and to divest themselves of the stocks so acquired. The order will provide, following the requirement approved by the Supreme Court in Federal Trade Commission *v.* Western Meat Co., 272 U. S. 554, that in such divestment no stock of the Lehigh Valley Railroad Co. or of the Wabash Railway Co. shall be sold or transferred, directly or indirectly, to any stockholder, officer, director, employee, or agent of, or anyone otherwise directly or indirectly connected with or under the control or influence of the Pennsylvania Railroad Co. or any of its officers, directors, or stockholders, or the officers, directors, or stockholders or any of its subsidiaries or affiliated companies.

Commissioner Aitchison dissents.

ORDER

At a general session of the Interstate Commerce Commission, held at its office in Washington, D. C., on the 2d day of December, A. D. 1930

NO. 22260—INTERSTATE COMMERCE COMMISSION *v.* PENNSYLVANIA RAILROAD CO. AND PENNSYLVANIA CO.

This case being at issue upon complaint and answers on file, and having been duly heard and submitted by the parties, and full investigation of the matters and things involved having been had, and this commission having, on the date hereof, made and filed a report containing its findings of fact and conclusions thereon, which said report is hereby referred to and made a part hereof:

It is ordered, That the above-named respondents be, and they are hereby, notified and required to cease and desist from their violations of law as found and described in said report.

It is further ordered, That said respondents be, and they are hereby, notified and required to divest themselves of all capital stock of the Lehigh Valley Railroad Co. and of the Wabash Railway Co. within six months from the date hereof: *Provided,* That, in such divestment, no stock of the Lehigh Valley Railroad Co. or of the Wabash Railway Co. shall be sold or transferred, directly or indirectly, to any stockholder, officer, director, employee, or agent of, or anyone otherwise directly or indirectly connected with, or under the control or influence of, the Pennsylvania Railroad Co. or any of its officers, directors, or stockholders, or the officers, directors, or stockholders of any of its subsidiaries or affiliated companies.

It is further ordered, That said respondents shall report to this commission the manner of such divestment within 15 days after the completion thereof.

And it is further ordered, That the motion filed in said proceeding in behalf of the Pennsylvania Co. seeking dismissal of the complaint as to said respondent be, and it is hereby, denied.

By the commission.

[SEAL.] GEORGE B. MCGINTY,
Secretary.

RELIEF OF UNEMPLOYMENT

Mr. WAGNER. Mr. President, I ask uuanimous consent to have printed in the RECORD an article by Prof. Paul H. Douglas on the subject "Connecting Men and Jobs," which appeared in this month's Survey.

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

CONNECTING MEN AND JOBS

By Paul H. Douglas

The only permanent gain in our collective dealing with unemployment which resulted from the depressions of 1914-15 and 1920-21 was the improvement of our employment statistics. There is some hope that out of the present depression may come an adequate system of public employment offices. For over a generation those who have given constructive thought to unemployment have realized that a coordinated and efficient system of employment offices was the first step in any real attack by society and government upon the problem. This is what lies back of the experiment with the new set-up in New York and the statewide inquiry going forward in Illinois. Nationally, this effort comes to focus in the battle over the Wagner bill in the present session of Congress.

In the last two decades other nations have been making progress along this line, while our public employment service has, on the whole, been on the down grade. In 1911 the total placements by the public employment offices of other countries amounted to approximately 3,000,000, while by 1921 this number had increased to about 8,400,000. In 1927 the placements by the same 4,700 public offices abroad had risen to approximately 17,000,000. While the English system has not shown an appreciable improvement in either the quantity or quality of its placements over this period of time, those of Germany and France have. The exchanges of the former country are managed by joint committees of employers and workers and have developed in the large cities some very efficient industrial and trade sections. Beginning with the first of the coming year, the German private profit-making agencies, which have long been strictly regulated, will completely disappear.

Under the stress of the war-time shortage of labor we hastily constructed an extensive Federal Employment Service, which at the height of its activities had 850 offices in operation. During 1918 it placed approximately 2,400,000 workers. When the war was over and the shortage of men was transformed into a relative shortage of jobs, the National Association of Manufacturers and other large employing interests, together with the private employment offices, successfully opposed the proposal to continue the service on a Federal basis. The national appropriation was reduced to $400,000 and this in turn was later halved. The offices were either discontinued or turned back to the States and municipalities so that at the present time there are between 180 and 190 public offices. The number of placements has not increased over the decade, as is well shown by table 1.

TABLE 1.—*Number of reported placements by public employment offices, numbers actually placed by public offices, in the United States, 1921–1930*

Fiscal year ending June 30:	
1921	1,398,000
1922	1,459,000
1923	---------
1924	1,807,000
1925	1,610,000
1926	1,791,000
1927	1,688,000
1928	1,413,000
1929	1,534,000
1930	1,346,000

Thus while there was a rise from 1921 to an average of around 1,700,000 during the four years 1924–1927, there has been in the past three years a decided recession. This is due in part to the general decline in employment, but it is significant that the number of placements reported for the fiscal year 1929–30 was slightly less than for the depression year of 1920–21.

Even more disturbing than the failure of the system, either local or national, to gain ground quantitatively has been its qualitative degeneration. The United States Employment Service has evidenced this deterioration to a marked degree. The head of the service, who was appointed by President Harding and who has been retained during the administrations of Presidents Coolidge and Hoover, has revealed his incapacity in increasing measure with the years. The Federal service's possibilities for harm are, to be sure, limited by the scanty appropriations and by the fact that they do not, save in the case of harvest labor, actually place workers. But their work has been bad enough. They have delegated some of their staff to assist the various State services, and these men, who are not civil-service appointees, have, with some exceptions, added nothing to the efficiency of the placement work. Further, the analyses and forecasts of the employment situation which the service issued during the winter and spring of 1930 were almost completely misleading. The statements given out in a period when employment was steadily falling could only have been inspired by utter incompetence or by a belief that it was better to apply mental healing to the business situation than to tell the truth.

The general level of the State offices has also deteriorated. With rare exceptions they have dingy quarters, are operated by low-paid and dispirited political hacks, and primarily handle unskilled labor. The vital drive which characterized the movement 15 years ago has slackened to a slow tempo. But while this is a fairly accurate generalization, some States have carried on their work with relative effectiveness.

While the comparative costs of placement should not be the sole test as to the efficiency of the service in the various States, it is at least one very important criterion, and Table 2, on page 254, for the latest available years shows the wide differences which exist between the States.

This shows the States to be divided into two rather sharply differentiated groups. The first group is composed of Wisconsin, California, and New Jersey, where the average placement costs are around 60 cents, while the second group includes Connecticut, New York, Illinois, Massachusetts, and Pennsylvania, with an average cost ranging from $1.71 to $2.31, or from three to four times the figure for Wisconsin. Ohio occupies a position between these two groups.

TABLE 2.—*Comparative placement costs of public employment offices in various States*

State	Year	Number of offices	Total appropriations, State and local	Total placements	Average cost per placement
Wisconsin	1929	10	$58,081	101,183	$0.57
California	1928	10	84,895	144,516	.59
New Jersey	1929	7	76,500	120,572	.63
Ohio	1929	12	155,324	137,538	1.13
Connecticut	1928	8	50,000	29,867	1.71
New York	1929	11	188,309	100,171	1.88
Illinois	1929–30	20	266,080	135,909	1.96
Massachusetts	1929	4	68,841	30,157	2.28
Pennsylvania	1929	9	99,000	41,997	2.31
Total	--------	91	1,047,030	842,910	1.24

It is hard to believe that the higher-cost States give sufficiently better service than the low-cost States to justify the wide difference. On the contrary, students of the question have known for years that Wisconsin, California, and Ohio—all of them low-cost States—are probably first in the quality of their work while the political nature of certain other State departments of labor has been notorious.

But black as this picture is, there are two clear signs of hope. The first lies in various attempts to improve the State services, while the second is the passage by the Senate of the Wagner bill providing greatly increased funds for an improved Federal-State service.

New York has been the leader in putting its house in order. Her energetic industrial commissioner, Frances Perkins, appointed an advisory committee headed by F. A. Silcox, of the typothetæ, to survey the State offices and to make suggestions for their improvement. This committee, with Mary LaDame as investigator, brought in a series of recommendations, some of which have already been acted upon. A new chief, Fritz Kaufman, was appointed, and by staff meetings and personal interviews the members of the service have been given greater interest in their work. An emergency staff was recruited and after training made over 5,300 field visits in the effort to get more employers to patronize the offices. By these and other methods the number of placements was increased from a previous monthly average of slightly less than 5,000 to 5,700 in March, 8,600 in April, and 10,400 in May, despite the general decrease in the demand for labor. The number diminished somewhat in the succeeding months, but on the whole the gain has been decisive and the reform is still progressing. The Laura Spelman Rockefeller memorial fund, headed by Dr. Beardsley Ruml, intends to finance a model public employment office in some New York city for a period of years, and during the last session of the legislature a law was passed permitting the State to accept such assistance. This experiment station will be of the utmost value in raising the standards of public employment work everywhere.

In Illinois, Benjamin M. Squires, of the University of Chicago, who is now head of the State advisory board for the employment offices, has been conducting a thorough survey of the offices in that State and if given adequate backing from business and labor groups can perhaps force the politicians to improve the service. In Pennsylvania, Gifford Pinchot, the governor elect, has pledged himself to include a reform of the public employment offices in the comprehensive unemployment program which is to be worked out by a commission headed by Clyde L. King. There are plans afoot for the improvement of the service in Cincinnati, while in Middletown, Ohio, a farsighted industrialist, D. R. Hook, of the American Rolling Mill Co., has been using the public office as the chief source of labor for his mills.

But while these developments are interesting and important, by far the greatest possibility for improvement lies in the Wagner bill (S. 3060). Almost immediately upon his entrance to the Senate in 1926 ROBERT F. WAGNER, of New York, revived the Kenyon-Nolan bill, and after making some modifications has steadfastly urged it ever since. This bill called for the appropriation of $4,000,000 annually by the Federal Government for public employment services, $3,000,000 of which was to be allotted to the States according to population, with the usual Federal-aid provision that they or their subdivisions appropriate at least an equal amount. A State was, of course, not compelled to accept the act, but if it refused it was not entitled to receive Federal funds for this purpose. Once under the act it was pledged to set up an integrated State service and to submit plans for its operation to the United States Employment Service. If the latter approved of these plans, and if upon inspection the State service was found adequate, the allotment was to be made. If the Federal director refused to certify the plans and the efficiency of the State service, the State could appeal to the Secretary of Labor, but if the latter upheld his subordinate the funds were to be withheld.

The remaining $1,000,000 was to be expended by the Federal service in conducting clearing houses for labor between States, inspecting the State services, carrying on research and publishing information, setting up a revolving fund for the transportation of workers, and finally in directly conducting offices in States where no State system existed and for one year only in States which refused to come under the act. In order to make possible the efficient administration of the new system, the existing Federal service was to be disbanded and a new director general appointed by the President. The personnel for the Federal work was to be under civil service, and it was provided that the director general should set up a national advisory council composed of equal numbers of employers and workers, and that there should be similar councils in each State which accepted the act. The Federal funds provided under the bill, together with the amounts required from 10 States, would approximately quadruple the total amount now being spent for public employment offices.

The bill did not make any progress until the depression of the current year aroused public and senatorial interest in the measure. By a combination of western progressives, led by Senator HIRAM JOHNSON, of California, and Democrats, the bill passed the Senate in May by a vote of 34 to 27. The "old guard" and the administration Republicans voted almost uniformly against the bill, led by Senator BINGHAM, of Connecticut. The bill then passed to the lower House where efforts were made to sidetrack it in the Judiciary Committee. Hearings were finally forced and the bill with some amendments was reported out by a favorable vote of 18 to 2 during the closing days of the session. A number of amendments,

however, were tacked on, only one of which was an improvement. One of the features of the bill which had been most subject to attack from a constitutional standpoint was that which gave the national service the power during one year to open offices in States which refused to come under the Federal aid act. This was wisely eliminated. Unfortunately, however, the service was also deprived of the power to transport workers and with this, by what may have been an inadvertence, the clauses authorizing the service to establish "uniform standards, policies, and procedures" and pledging it to be "impartial, neutral in labor disputes, and free from political influence." Finally, the committee decreased the annual salary of the director general from $10,000 to $8,500.

The bill was reported out too late for action by the House and therefore went over to the short session of Congress, this month.

TABLE 3.—*Appropriations to the Federal employment service from 1919–1930*

[From the United States Digest of Appropriations]

1919	[1] $5,500,000
1920	400,000
1921	225,000
1922	225,000
1923	225,000
1924	210,000
1925	206,284
1926	205,000
1927	205,000
1928	200,000
1929	205,000
1930	217,000

The National Association of Manufacturers and the private employment offices have been open and vigorous in their opposition to the Wagner measure. The motives of the latter group are obvious, but those of the former are not at first thought so apparent. Their ostensible ground of opposition, which has been stressed both by Senator BINGHAM and by their counsel, James A. Emery, is on the principle of Federal aid. This, they assert, is really coercive upon the States and is unconstitutional. Such legalistic objections tend to be at best merely disguises for the real grounds of opposition. The history of constitutional law abundantly demonstrates that constitutional arguments are, as a rule, only the weapons with which group interests contend rather than the motivating cause for their actions. This suspicion is particularly heightened in the present instance by the fact that the National Association of Manufacturers itself worked in 1916 for the passage of the Smith-Hughes bill granting Federal aid to the States for vocational education and by the Supreme Court's statement in the leading case, Massachusetts *v.* Mellon (262 U. S. 447), that under Federal aid the statute does not "require the States to do or yield anything. If Congress enacted it with the ulterior purpose of tempting them to yield, that purpose may be effectively frustrated by the simple expedient of not yielding."

Without pretending to possess any psychoanalytic omniscience, I believe that the real reasons for the opposition of the National Association of Manufacturers, as distinguished from their assigned reasons, are probably as follows: First, their fear that the offices would be used by the unions to get union organizers into nonunion plants; second, their fear that the offices would decrease the work of the employment bureaus of a number of manufacturers' associations; and, third, that they fear the offices would hasten the coming of compulsory unemployment insurance.

The first fear seems to be particularly ill founded. By the terms of the original bill the service was pledged to neutrality in labor disputes, and while this clause was inadvertently omitted subsequent to the objections of the manufacturers, it should and doubtless will be restored. Second, even if it be thought that the Department of Labor would be biased in favor of labor (an objection difficult indeed to maintain in view of the conduct of that department during the last 10 years), it should be remembered that the director general is to be appointed by the President. Further, the employers are to have equal representation on the advisory councils and could in effect prevent any such possibility from developing. Moreover, even were the service biased in favor of union men, the employers are not compelled to patronize it and are instead completely free to hire their workers at the gate or through any other agency which they choose. The employers by their refusal to deal with the public exchanges could thus keep the latter from abusing their trust. Finally, even where employers ask the public offices to send them applicants, they are not obliged to accept them. The individual employer can therefore maintain his blacklist, if he wishes, and if men he considers undesirable are sent to him by the public offices he can simply decline to give them employment.

The second fear may well spring from the belief that if a free public agency is provided many manufacturers will not be willing to continue to contribute to the support of exchanges maintained by employers' associations. This is a perfectly valid reason why the employers' associations themselves should oppose the measure, since, in the words of Spinoza, "each thing, in so far as it can, endeavors to preserve itself." It hardly is a reason, however, why the general public should oppose the bill.

Nor will the third fear seem conclusive to any open-minded seeker after the best methods of dealing with unemployment. The opponent of unemployment insurance should not refuse to take a step which he knows would lessen the chaos and distress of the labor market merely because of his fear that it would facilitate a second step of which he does not approve. Each issue should be decided on its own merits.

Opposition to the Wagner bill is undoubtedly bitter, and there is scant hope that it can pass the House at the short session unless the administration comes out strongly in favor of it. It is an open secret in Washington that thus far the administration forces have been at best indifferent and at the worst covertly hostile to the measure. If the White House really means to make any serious attempts to cope with the problem of unemployment, it can not shirk its responsibility for helping to take the first step toward organizing the labor market. Affirmative support of the Wagner bill would not only be socially desirable but it would be good political strategy as well. It would transform a Democratic-Progressive bill into a nonpartisan act and would take away from the Democrats a powerful campaign argument which Senator WAGNER and others would know how to wield with vigorous effect. If the administration really wishes to do so, it can, with its control over the present House, have the bill passed during the first days of the current session and then see to it that the service is speedily and efficiently organized.

But the responsibility for the Wagner bill rests on the socially minded people of the country as well as upon the White House. If they really care about the problem of unemployment, they can make their desire to have this bill passed so clear that Congressmen of all political camps will see that it is not only economically desirable for the Nation but politically advantageous to themselves to support it.

EFFECTIVE EMPLOYMENT OFFICES—HOW THEY MAY SERVE MANAGEMENT AND WORKERS

1. Lessen the time lost by the unemployed in hunting for jobs and reduce the expense which employers suffer in unnecessary interviewing.

We have created central markets to facilitate the purchase and sale of every commodity and to adjust local surpluses and deficits, but we have no such market for labor. Men go seeking work when there are jobs close at hand which they might fill. Groups of men are drawn from city to city by unreliable rumors of employment. Men frequently leave one city to seek work in another city at the very time that similarly qualified men are leaving the second city for the first. This chaotic system is costly for employers as well as for workers. A large electrical supply company in Chicago, for example, interviewed 200,000 workmen in one year in order to hire 20,000. If the first rough sifting had been confined to the public offices, this company, instead of interviewing 10 men for every 1 hired could probably have saved over $100,000 a year. Such savings would permit public offices to carry out a more adequate program of testing applicants for trade skills, mental ability, and physical fitness.

2. Remove the necessity for individual enterprises to maintain separate labor reserves to meet their peak loads by pooling the general labor reserve.

It is the practice of most firms so to spread out their work that they will keep attached to them sufficient workers to meet their busiest period. Since the peak periods of firms within an industry and between industries do not coincide, even on the busiest day, there are jobless men. If a central labor reserve is created, individual employers can give steadier work to their regular employees and rely on the public exchange for men to meet their rush periods. The excess of men in an industry over the total needed on the busiest day can then, if the employment offices are sufficiently resolute, be squeezed out of this line of work and transferred to others.

3. Help protect the workers against unfair exactions by private employment agencies.

There are over 1,100 such offices in New York City alone, over 400 in Chicago, while there are 275 licensed offices in Pennsylvania. Some of these offices are reputable, but many unfortunately are not. The fees which the workers pay are generally high, and fee splitting with foremen is common. This, of course, leads foremen to discharge workers in order to collect commissions on those who take their places. The private agencies frequently fail to make adequate refunds if the applicant does not obtain a job or receives only temporary employment while actual misrepresentation is common. It is the tendency of the offices to increase their fees during periods of depression because of the workers' desperate need. The best way to regulate these offices is by starting an adequate free public system. This is all the more necessary since the United States Supreme Court in the case of Ribnik *v.* McBride (277 U. S. 350) has greatly restricted the possibilities of regulation, and we must now depend almost entirely on outright competition by the State.

4. Render special service to particular groups of workers, such as juveniles, women, the aged, and the handicapped.

5. Furnish general information on the state of the labor market and on employment opportunities in particular industries, which would be invaluable in directing labor into needed channels.

6. Furnish services essential to the administration of any system of public unemployment insurance.

There is no way to determine whether an ostensibly unemployed person is in reality seeking employment unless there is an employment office where he must register and which at the same time tries to place him. But while employment exchanges are a prerequisite to the successful administration of unemployment insurance, it should, of course, be realized that it is not necessary to adopt the latter once we have the former.

[1] And $250,000 for transportation of workers hired.

THE SOCKEYE SALMON

Mr. DILL. Mr. President, I ask unanimous consent to have published in the RECORD a radio address on the so-called Sockeye Salmon Treaty by Governor Roland Hartley, of Washington, at Seattle, Wash., Thursday evening, December 4, 1930.

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

Fellow citizens, I have come to KJR to-night to lay before you what I consider a very important matter—the so-called sockeye salmon treaty between the United States and Canada, which proposes to take from our people the control of one of the State's greatest natural resources—the salmon. Negotiations have reached a point where this treaty is before the United States Senate for ratification. After wide and thorough investigation, I am convinced that this treaty is not only highly objectionable, but a real menace to one of the State of Washington's greatest industries.

The importance of this great natural resource you will readily recognize when I tell you that the salmon industry on Puget Sound last year produced $11,000,000 to the State and that Washington produces more salmon than all the other States in the Union combined.

Foreseeing the importance of the salmon industry, our legislature many years ago created a department of fisheries within the State administration for the purpose of constantly aiding in the development and supply not only of salmon but all other food fish of the State's waters.

We have not only read but heard much untruthful propaganda in the last few years of the rapidly approaching extinction of the salmon industry on Puget Sound. Were these statements true, the conclusion would be that the State department, for which I am responsible, was not functioning properly or that necessary powers and appropriations had not been granted. This is not true. We have plenty of funds with which to operate and a flexbile authority which can quickly adjust itself to any emergency, necessity, or situation. In view of the unfavorable publicity and the stories of the depletion of our salmon, I consider it my duty to truthfully set forth the situation.

What are the facts? We have them. They are prepared by the department of fisheries, which for many years has maintained records accepted as authoritative by all those engaged in the salmon fishing and packing industry everywhere.

Had the depletion charge been made during the period from 1914 to 1921 there might have been some justification for the complaint, but, even in that period, it should be recalled that under the demands of Federal authorities for food during the war all restrictions on commercial fishing were temporarily abandoned.

At the close of the war, however, a new era for our fishing industry began. The State department of fisheries, composed of men with a real knowledge of the industry and the habits of the salmon, adopted effective cultural policies in the hatcheries, established closed fishing areas, and limited and closed fishing seasons, which corrective policies brought immediate results, as shown by the following table of the total pack of salmon on Puget Sound, the odd-year record being:

	Cases
1921	653,400
1923	758,138
1925	911,670
1927	892,244
1929	1,131,844

Thus, within a period of eight years, the salmon pack on Puget Sound, as a result of the constructive policies of the Department of Fisheries, has been increased 73 per cent. Few similar industries can show any such growth, and particularly is it a matter of congratulation for the citizens of the State of Washington that such a result should have been brought about without taxing any part of the cost of this development of the fisheries to our citizens. The entire expense of the program is carried by the industry itself, through license fees and the levying of a catch tax on every salmon taken in our waters.

Remember, this accomplishment is in the face of the damming of our spawning streams by hydroelectric plants and irrigation projects, the constantly increasing pollution of the rivers by the growth of population and industry, and the lowering of the efficiency of many spawning-bed streams caused by the removal of our forests.

Instead of this natural resource being greatly depleted, the reverse is conclusively shown to be true. With our salmon increasing in number and bringing more and more dollars to the State, this great industry contributes mightily to the prosperity of the entire Commonwealth.

The people of Washington, therefore, have just reason to be proud of the success of the State's administration of its salmon fisheries. Its methods have been demonstrated as successful, and realized in a much quicker time than it was dared to hope. Our citizens should appreciate and understand what has been accomplished, and should further know that every safeguard will be taken to insure the continuation of this development and the maintaining of the present exclusive jurisdiction in the control of this great natural resource.

The real facts being as stated, I have come to the conclusion that the articles—the propaganda—announcing the alarming depletion of our salmon, arise from inaccurate information, or are an attempt on the part of some one to deliberately misinform our citizens for some hidden reason, or, as is usually the case, for a personal monetary objective.

All of the articles seem timed and distributed to influence the ratification of the so-called sockeye salmon treaty, negotiated by the present Federal administration with the Dominion of Canada, and now before the United States Senate for consideration.

Under the terms of this treaty the salmon fisheries of the State of Washington, the only State affected, are to be taken from the jurisdiction of our citizens for a period of 16 years and placed in the hands of a joint commission representing the United States and Canada.

This treaty had been quietly and skillfully guided, including the ratification by the Parliament of the Dominion of Canada at Ottawa, before any hint of its proposed terms was made public in the United States or communicated to me as Governor of Washington or to the department of fisheries of this State.

This treaty, sugar-coated for our public with that hackneyed word "conservation," behind which so many of the people's rights are being taken from them, is presumed to give jurisdiction over only one species of salmon caught in our waters—the sockeye—but everybody with any knowledge of the salmon fishing or packing industry knows full well that it is absolutely impossible to take any effective steps regarding an individual species in any area without a complete assumption of jurisdiction over the entire industry, and that a dual authority over the salmon in Puget Sound would create conditions of absolute confusion and demoralization, which, in the end, would destroy the industry. A regulation by one authority that would be lawful might under the coordinate authority be unlawful, and in the last analysis lawful fishing would be impossible.

And again: What are the facts about the sockeye?

In 1929 the salmon pack on Puget Sound was 10 per cent sockeye and 90 per cent other species. In other words, recognizing the inability of the so-called sockeye salmon treaty to be administered without embracing a complete control over all species of Puget Sound salmon, are the people of this State to be deprived of their sovereign rights over one of our greatest natural resources? Are we to be deprived of effective jurisdiction over 90 per cent of the salmon caught in our own waters, the supply of which has been built up by our own proven methods, all for the sake of giving a joint Government board an opportunity to experiment with a species of salmon constituting only 10 per cent of the pack? Do not overlook the fact that this relinquished sovereignty can not be regained for a period of 16 years, irrespective of whether the treaty might accomplish anything or not.

The sole justification for the sockeye treaty is the depletion of that species. If there has been a depletion, what caused it? Was it the excesses or failure of the State of Washington to take sound and proper methods for its preservation? Not at all.

During the construction of a Canadian Government railroad in 1913, at Hell Gate on the Fraser River, a tremendous rock slide completely blocked the river to the sockeye salmon on their way to their natural spawning grounds.

This was not only a catastrophe to the sockeye salmon of the Fraser River, but to the salmon industry of Washington waters as well. Recognizing this at all times since, the Department of Fisheries of the State of Washington has been willing and anxious to contribute to the reestablishment of the sockeye species on the Fraser River, by the adoption of methods successful with other species in our State, and has offered substantial contributions toward the greater expansion of the sockeye salmon culture at the headwaters of the Fraser River.

To overcome a catastrophe of this kind nature requires time.

Since the catastrophe of 1913, the State of Washington, through its department of fisheries, has done everything rational in its power to allow an escapement of sockeyes that would gradually regenerate its former supply. We have established closed areas and closed seasons to aid the sockeye salmon in reaching their natural spawning grounds.

This is a general statement of conditions. From the viewpoint of the sockeye alone, let us again review the facts.

The fishing season of 1930 has just closed, and the pack of sockeye salmon on Puget Sound and on the Fraser River is approximately 450,000 cases—a greater pack than at any time since 1917. The condition of the spawning beds on the lakes of the upper waters of the Fraser River is better than at any time during the past 20 years, pointing to an unusually large run in 1934—perhaps a real reestablishment of the Fraser River supply.

No better example of the flexibility of the present State administration and control could be cited than the steps taken this year to insure the necessary escapement of the run of sockeye salmon, when the fisheries department of the State not only curtailed the season but also stopped fishing abruptly while the run was at its height.

As governor of this State, in protecting the rights of its citizens, I regard these facts as of dominating importance. What is the crisis, or the necessity, which suggests that the State of Washington relinquish its sovereignty over the principal fishing waters of the State, a field in which its activities have been most constructive and fruitful? What can a joint commission, or a Federal bureau, do better than the people of the State of Washington in the handling of this or any other natural resource of this State? Is the authority of the State to cease to exist, and is self-government to be destroyed?

This is a fundamental issue, and, as governor, I raise my voice in vigorous protest, and will use all the influence and power of my office to protect the people in their rights. I am old-fashioned

enough to believe in the fundamental principles of our form of government, and to insist on this State's right to govern its own people and control the property and resources within its own borders.

Another interesting phase of the question is this: There are engaged in the fishing industry and its accessories in Washington more than 25,000 citizens—property owners and taxpayers—who oppose invasion of the State's authority in the control of this industry.

As the sockeye salmon run in the waters of Puget Sound, and spawn on the lakes tributary to the Fraser River, the question is, What can be done to insure the run?

In my opinion, the answer is to extend the culture of the fish by increasing the size and number of the hatcheries on the Fraser River. The only question here involved is one of expense. Practical means should be found so that the sockeye run itself might participate substantially, as the pinks and others now do in Washington.

The only other condition is the protection of the fisheries after development; and might this not properly be left to the intelligence and self-interest of the State of Washington and the Province of British Columbia, leaving to the citizens of these respective Commonwealths the control and jurisdiction over their own resources and business?

The statement is made—I do not vouch for it—that the fishermen on the Canadian side of the line are as strongly opposed to the treaty and its bureaucratic control as are the fishermen of the State of Washington.

Now that the plan is understood, you well might ask, in view of what I have said, "Why the sockeye salmon treaty, and what are the influences which have brought this treaty to its present state, with the threatened invasion of the sovereign rights of the State of Washington to the point of elimination?"

My answer is, I do not know and I can not find out. There is no plausible and satisfactory explanation, and I am therefore urging our Senators to insist that this treaty be abandoned and the rights of our citizens protected, and shall communicate with the President, entering my protest as governor of the State, asking him to withdraw the treaty, as the information so far brought to my attention does not furnish grounds or warrant any such drastic procedure as the subordination of the rights and privileges and sovereignty of the State of Washington in this important industry.

In conclusion, fellow citizens, Congress is in session. This vital and important matter to this State is before the United States Senate for ratification. Lose no time in demanding of your Senators, JONES and DILL, the rejection of this treaty.

Good luck and good night.

RELIEF OF DROUGHT AND STORM AREAS

Mr. McNARY. I ask unanimous consent for the immediate consideration of Senate Joint Resolution 211, otherwise known as the drought-stricken-area relief measure.

The VICE PRESIDENT. Is there objection? The Chair hears none.

The Senate proceeded to consider the joint resolution (S. J. Res. 211) for the relief of farmers in the drought and/or storm stricken areas of the United States, which had been reported from the Committee on Agriculture and Forestry with an amendment, on page 1, line 8, after the word "for," to strike out "work" and insert "live," so as to make the joint resolution read:

Resolved, etc., That the Secretary of Agriculture is hereby authorized for the crop of 1931, to make advances or loans to farmers in the drought and/or storm stricken areas of the United States, where he shall find that an emergency for such assistance exists, for the purchase of food, seed of suitable crops, fertilizers, feed for livestock, and/or fuel and oil for tractors used for crop production, and for such other purposes of crop production as may be prescribed by the Secretary of Agriculture. Such advances or loans shall be made upon such terms and conditions and subject to such regulations as the Secretary of Agriculture shall prescribe, including an agreement by each farmer to use the seed and fertilizer thus obtained by him for crop production. A first lien on all crops growing or to be planted and grown during the year 1931 may, in the discretion of the Secretary of Agriculture be deemed sufficient security for such loan or advance. All such advances or loans shall be made through such agencies as the Secretary of Agriculture may designate, and in such amounts as such agencies, with the approval of the Secretary of Agriculture, may determine. For carrying out the purposes of this resolution, including all expenses and charges incurred in so doing, there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $60,000,000.

SEC. 2. Any person who shall knowingly make any material false representation for the purpose of obtaining an advance, loan, or sale, or in assisting in obtaining such loan, advance, or sale, under this resolution shall, upon conviction thereof, be punished by a fine of not exceeding $1,000 or by imprisonment not exceeding six months, or both.

The amendment was agreed to.

The VICE PRESIDENT. The joint resolution is before the Senate and open to amendment.

Mr. McNARY. Mr. President, yesterday, as chairman of the Committee on Agriculture and Forestry, I reported favorably from that committee on the provisions of this joint resolution. The report is in writing, and it covers largely the climatic conditions that obtained last summer and fall, as well as the physical situation. I ask that the report be read at the desk by the clerk.

The VICE PRESIDENT. Is there objection? The Chair hears none.

The Chief Clerk read the report (No. 1165) submitted by Mr. McNARY on the 8th instant, as follows:

[Report to accompany S. J. Res. 211]

The Committee on Agriculture and Forestry, to whom was referred the joint resolution (S. J. Res. 211) for the relief of farmers in the drought and/or storm stricken areas of the United States, having considered the same, report thereon with recommendation that the joint resolution do pass with the following amendment:

On page 1, line 8, strike out "work" and insert in lieu thereof "live."

During the summer and fall months of 1930 the United States suffered the most severe and widespread drought in its history, with resultant heavy reduction in crop production, particularly of corn, hay, and forage crops. The drought also greatly depleted pastures, making it necessary for farmers to begin feeding their livestock much earlier than usual. As a result, farmers over a wide area will have difficulty in financing the feeding of livestock through the winter months and in obtaining seed and fertilizer for crop production in 1931. These conditions appear to justify the authorization of an appropriation by the Congress for food, seed, fertilizer, and feed loans along the line of previous legislation for drought and storm relief, except that the inclusion of food is an expansion of the relief acts heretofore passed by the Congress.

The drought of 1930 was most severe in an area extending from the Atlantic coast of Virginia and Maryland to southeastern New Mexico. This area included all of the States of Virginia, West Virginia, Maryland, Kentucky, and Arkansas; the larger part of Tennessee, Mississippi, Oklahoma, and Missouri; very considerable portions of Ohio, Indiana, Illinois, Texas, Louisiana, Alabama, and Pennsylvania; and small portions of North Carolina and Georgia. There was also severe drought over a very considerable area in Montana and smaller areas in Wyoming, North Dakota, and Washington.

As an indication of the severity of the drought, the average acre yield of corn in Virginia was estimated at 11.5 bushels, as compared with a 10-year average of 26.8 bushels, and that of hay at 0.6 ton, as compared with a 10-year average of 1.16 tons. In Maryland the average yield of corn was 15 bushels, as compared with a 10-year average of 39.4 bushels. In Ohio, only a part of which was seriously affected by drought, the average yield of corn for the entire State was 25 bushels, as compared with a 10-year average of 39.2 bushels, and that of hay 0.89 ton, as compared with a 10-year average of 1.37 tons. The State most seriously affected by the drought was Arkansas, with an average yield of corn for the entire State of 4.5 bushels, as compared with a 10-year average of 18.5 bushels, and cotton 111 pounds, as compared with a 10-year average of 167 pounds. Acre yields and total production of corn, hay, and cotton in several of the States seriously affected by drought are shown in the table which is inclosed. In Montana the average yield of wheat was 8 bushels per acre, as compared with a 10-year average of 12.1 bushels, and that of flax was 3.7 bushels, as compared with a 10-year average of 6 bushels.

The figures just given on crop yields indicate only a part of the serious loss incurred by farmers. Over much of the area practically no pasture was available for livestock after August 1, so that the feeding of hay and forage was necessary over a much longer period than usual. With greatly reduced production of hay and forage, farmers over a wide area have been compelled to buy large quantities of hay and feed or to sell a part of their livestock, or both. In many instances dairy and beef cattle have been sacrificed because of inability of farmers to buy feed. On many farms and in villages and towns the shortage of water has constituted a serious problem. This, again, has caused some farmers to sell their livestock. The depleted income of farmers from reduced crop production, coupled with the necessity of making unusual purchases of hay and feed, has exhausted the resources of many farmers in the drought area. Further, these farmers have not been able to repay money borrowed from banks and other agencies for crop production in 1930, and these local agencies will have difficulty in financing these farmers again in 1931. There would appear to be, therefore, greater justification for relief legislation this year by the Federal Congress than on any previous occasion. As the area involved is so very much greater than in any previous year when seed-loan legislation has been passed, it is believed that an appropriation of $60,000,000 will be necessary to make advances to farmers along the lines of such loans made in previous years and to meet the enlarged demands made essential by the provision to include food in the commodities that may be purchased.

Acre yields and total production

CORN

State	Average yield, bushels per acre			Production, bushels		
	1930	1929	1919–1928	1930	1929	Average, 1924–1928
Alabama	10.5	14.0	14.2	30,062,000	37,464,000	39,010,000
Arkansas	4.5	14.0	18.5	8,721,000	26,348,000	34,753,000
Illinois	25.0	35.0	35.6	251,400,000	311,500,000	326,691,000
Indiana	27.0	32.0	36.3	114,696,000	131,968,000	156,990,000
Kentucky	10.5	27.5	26.9	30,849,000	80,795,000	80,949,000
Louisiana	10.5	18.2	17.0	13,629,000	21,476,000	19,516,000
Maryland	15.0	36.5	39.4	8,115,000	19,162,000	21,064,000
Mississippi	11.5	20.0	16.2	20,298,000	35,300,000	31,628,000
Missouri	13.0	23.5	28.6	76,986,000	126,524,000	175,139,000
Pennsylvania	22.0	35.8	43.1	29,084,000	46,470,000	55,440,000
Ohio	25.0	36.5	39.2	90,602,000	128,407,000	132,495,000
Oklahoma	10.5	16.0	20.3	35,196,000	46,320,000	57,816,000
Tennessee	14.0	25.0	23.5	41,622,000	73,600,000	68,522,000
Texas	18.5	19.0	21.6	90,576,000	86,127,000	82,719,000
Virginia	11.5	29.0	26.8	17,676,000	44,138,000	41,546,000
West Virginia	13.5	31.5	33.5	6,129,000	13,892,000	15,649,000

TAME HAY

State	Average yield, tons per acre			Production, tons		
	1930	1929	1919–1928	1930	1929	Average, 1924–1928
Alabama	0.80	0.77	0.84	446,000	453,000	450,000
Arkansas	.70	1.05	1.16	434,000	631,000	638,000
Illinois	1.13	1.56	1.31	3,808,000	5,554,000	4,330,000
Indiana	1.00	1.63	1.28	2,054,000	3,517,000	2,701,000
Kentucky	.70	1.42	1.31	854,000	1,783,000	1,554,000
Louisiana	1.00	1.14	1.24	323,000	326,000	295,000
Maryland	.95	1.54	1.47	408,000	648,000	666,000
Mississippi	.97	1.26	1.19	416,000	559,000	478,000
Missouri	.90	1.34	1.26	3,317,000	5,211,000	4,384,000
Pennsylvania	1.30	1.49	1.42	3,670,000	4,280,000	4,548,000
Ohio	.87	1.64	1.57	2,546,000	5,009,000	4,298,000
Oklahoma	1.05	1.31	1.60	699,000	875,000	819,000
Tennessee	.93	1.32	1.19	1,281,000	1,872,000	1,542,000
Texas	1.05	1.13	1.33	715,000	744,000	689,000
West Virginia	.75	1.43	1.33	593,000	1,149,000	1,137,000
Virginia	.60	1.32	1.16	623,000	1,373,000	1,220,000

COTTON

State	Average yield of lint, pounds per acre			Production, bales		
	1930	1929	1919–1928	1930	1929	1928
Alabama	195	174	146	1,470,000	1,342,000	1,109,000
Arkansas	111	178	167	905,000	1,435,000	1,246,000
Louisiana	162	183	152	690,000	809,000	691,000
Mississippi	179	220	176	1,500,000	1,915,000	1,475,000
Oklahoma	115	126	153	950,000	1,143,000	1,205,000
Tennessee	159	217	182	405,000	515,000	428,000
Texas	118	108	135	4,175,000	3,940,000	5,106,000

Mr. FLETCHER. Mr. President, may I be permited to say that I notice from the report that Florida is not mentioned? I do not think the drought was very severe in Florida, but there are cetrain areas which were quite seriously affected, and I do not want this measure to pass without including Florida in whatever relief may be found necessary, if, indeed, it is discovered that there were serious losses and damage occasioned by drought or storm or flood in that State.

I have a communication from the agricultural agent in Jackson County calling my attention to the drought damage in that area of the State. So I think the words "small portions of North Carolina and Georgia" might well be broadened to include Florida. I wish to have that understood. If there are conditions there which bring those areas under the provisions of the joint resolution, I should expect them to be considered and included.

I will ask to have go into the RECORD this communication from the agent of Jackson County.

The VICE PRESIDENT. Is there objection?

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

COOPERATIVE EXTENSION WORK IN
AGRICULTURE AND HOME ECONOMICS,
Marianna, Fla., November 29, 1930.

Hon. DUNCAN U. FLETCHER,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I notice that a large sum is to be made available for farmers in the drought-stricken area for the purpose of financing the growers in making their 1931 crops. In reading the summary of States and counties I note that the west Florida area is missing.

I appreciate the fact that my county in particular produced more cotton than any year since 1914. It is to be remembered, however, that a good many of our farmers are not cotton growers, but livestock raisers. The exceedingly dry weather here caused many complete failures, and should such a fund be made available I am asking you to see that such growers are allowed to take advantage of this aid.

The demand will be small, but we have a certain class of growers who really deserve this aid. The needy ones can be assisted without extending this aid to all in general, providing the right committee is appointed to manage the same.

From past experience we find that this aid has come entirely too late to do the farmer the good it should, and we would appreciate Congress making these funds available for the grower as soon after the new year as is possible.

We will appreciate your efforts in our behalf and wish to assure you that your constituents will fully appreciate the efforts spent in their behalf.

Would appreciate hearing from you.

Yours very truly,

SAM ROUNTREE, *County Agent.*

Mr. McNARY. Mr. President, I have stated to the distinguished junior Senator from South Carolina [Mr. BLEASE] that there was no intention upon the part of the chairman of the committee, who prepared the report just read, to limit the application of the provisions of this measure. I think the geographical area which was primarily and most seriously affected is expressly stated; at least, that was my aim and purpose. If there is any portion of South Carolina, or Florida, or Idaho, or any other section of the country which needs this relief, since the joint resolution is general in its terms, upon a mere application the provisions of the measure would be considered in connection with such section.

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

Mr. McNARY. I yield.

Mr. BARKLEY. There is also no limit as to the type of crop which may be included in the relief. Is not that correct?

Mr. McNARY. I so understand it.

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

Mr. McNARY. I yield.

Mr. BORAH. I have not seen the report on this matter until this morning, but naturally I would like to know by what means and from what facts the committee arrives at a conclusion as to any specific amount.

Mr. McNARY. If the Senator will bear with me patiently, I will discuss that very briefly.

Mr. BORAH. I hope the Senator will excuse me. I thought he was in the act of taking his seat.

Mr. McNARY. I think the report submitted and read at the desk covers the essential features which would be remedied by the joint resolution. Therefore I shall address myself to another phase of this problem in a brief way.

On the 2d day of December, the day after Congress convened, I introduced this joint resolution in the Senate. At the same time the distinguished leader on the Democratic side, the senior Senator from Arkansas [Mr. ROBINSON], introduced a joint resolution providing for the authorization of the same amount of money but with provisions somewhat dissimilar, more comprehensive, and not as much in line with the precedents heretofore established. On the same day the junior Senator from Texas [Mr. CONNALLY] introduced a bill almost exactly like that of the chairman of the Committee on Agriculture and Forestry, except that it provided for a direct appropriation rather than for an authorization.

Those three measures were referred to the Senate Committee on Agriculture and Forestry and hearings were had. At that time the committee voted unanimously to report out the joint resolution which is now under consideration by the Senate.

The day before the matter came to the Senate, as chairman of the committee I introduced another bill which had met with the approval of the Director of the Budget, namely, for $25,000,000, omitting the provision that advances could be made to purchase and distribute food. I may say that the committee frowned upon the measure because it did not believe the sum so authorized would give adequate relief.

The precedents upon which this joint resolution is based started in 1918, and in the intervening years a number of different bills have been passed similar to this measure, with the exception I shall mention in a moment. On the sums advanced by the Government to individuals 5 per cent interest has been paid by the beneficiaries of the loans. Of the amounts loaned, 81 per cent has been returned to the Government with interest.

In all those measures there was omission of the commodity of food. They provided for feed, seed, and fertilizer. This is the first measure in which food has been included. The committee thought there might be distress in the homes and believed that was just as much an object of relief as distress in the barn or out in the field and pasture.

It is my opinion that very little of this money would be used for the purchase of food. There might be instances where food would be as essential for saving life as putting seed in the hungry soil. It is my judgment that probably only a small amount of the money would be used for that purpose, but the committee thought they would give the Secretary authority to meet such a situation in the stricken region if he finds it proper so to do.

Furthermore, it must be said that this is but an authorization. It authorizes the appropriation of $60,000,000. Everyone familiar with procedure in the Senate and House knows that that does not necessarily mean the amount of money that actually will be expended. It must run the gantlet of the examination of the great Committee on Appropriations, and it must be submitted to the Director of the Budget. It has been the practice of the Congress, in taking care of any situation, to provide enough money, only expressing a principle, and not taking the money out of the Treasury unless there was an emergent situation.

I recall when a few years ago we prepared the farm marketing act the first bill called for an authorization of $250,000,000. By an amendment made on the floor $500,000,000 was inserted as an authorization. Until this date Congress has not appropriated more than half of that sum. If $60,000,000 should be authorized in this case, the Secretary of Agriculture would not expend more money than was needed to meet the situation, whether it was fifteen million or twenty-five million or sixty million. But the committee was unanimous in the thought that it was wise in establishing a generous principle to authorize a large sum of money in order to give relief which they thought the people in the stricken areas so much needed.

Mr. GEORGE. Mr. President——

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

Mr. McNARY. I yield.

Mr. GEORGE. Perhaps the Senator from Oregon can state just what proportion or percentage of the loans authorized in 1929 and 1930 were actually used by the Department of Agriculture; in other words, the first seed loans.

Mr. McNARY. I will answer only in a general way. All of the authorizations of Congress have been higher than the amounts of money actually expended to relieve distress.

Mr. GEORGE. And what portion of the loans in the Southeastern States in 1929 were repaid?

Mr. McNARY. Eighty-four per cent of them were returned. About $6,000,000 was authorized, and $3,900,000 was actually appropriated. These figures I present from memory, and they may be slightly erroneous.

Mr. President, I desire action, but I want to say just a word in response to the question propounded by the able Senator from Idaho [Mr. BORAH].

In August of the present year the President of the United States appointed a drought committee covering the stricken area. The governors of the States affected by the drought also appointed a committee. Those great committees called a conference, which met in Washington on the 20th day of October of the present year. That conference, representing all the States, made this estimate of the amount of money thought to be necessary to relieve distress in the States, and the $60,000,000 is the amount estimated to be required in all the States visited by the drought.

Mr. BORAH. Mr. President, my reason for asking the question was that the Senator from Arkansas [Mr. ROBINSON] in his statement before the committee said:

> The President set up in the various States affected by the conditions about which we are speaking committees composed of men of outstanding character and ability. As I understand it, those committees met, or their representatives, in the city of Washington just before the beginning of this session, and they made a report to the effect that after a somewhat careful survey they had found that $60,000,000 was required for the purposes of section 1.

Do I understand that the committee which the President appointed, or caused to be appointed in the different States, met in Washington and, after a survey, recommended the appropriation of $60,000,000?

Mr. McNARY. That is exactly the statement of the chairman. This committee met again on the 20th day of November and set forth by a resolution the general principles they wanted to have enacted into law, but omitted the specification of any aggregate sum.

Mr. BORAH. They did not modify their former statement?

Mr. McNARY. Not at all.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator from Oregon yield to me?

Mr. McNARY. I yield.

Mr. ROBINSON of Arkansas. Let me explain to the Senator from Idaho and to other Senators who may be interested in the subject that this estimate was not carelessly or hastily made. The State chairman in the State of Arkansas procured the services of agents, who went very carefully through the State, investigated conditions, and made an estimate upon the basis of an actual investigation. I think the same course was pursued in other States, although I am not so familiar with what was done outside of the State of Arkansas. A more or less scientific estimate was made in Arkansas, and as a result of the combination of the investigations and conclusions, this recommendation for $60,000,000 was made.

Mr. BORAH. Mr. President, may I ask a question of the Senator from Arkansas? I do not wish to take the Senator from Oregon from the floor.

Mr. McNARY. I yield to the Senator for that purpose.

Mr. BORAH. I would like to ask whether the report made by the committee referred to was in writing?

Mr. ROBINSON of Arkansas. I do not think so.

Mr. McNARY. The resolution is found in the report on the Senator's desk. That resolution was passed in November, but does not specify the amount they agreed upon, $60,000,000, which was agreed upon at a meeting a month earlier.

Mr. BORAH. Did the committee pass a resolution at their meeting in October in which they specified that they thought that $60,000,000 was necessary?

Mr. McNARY. If so, it was not in the possession of the department. But the President appointed the Secretary of Agriculture as chairman of the committee. He in turn appointed Doctor Warburton, who is the head of the Extension Service, as the secretary of this great conference. Doctor Warburton is authority for the statement that they agreed upon $60,000,000.

Mr. SWANSON. Mr. President, will the Senator from Oregon yield?

Mr. McNARY. I yield.

Mr. SWANSON. I understand that when the committee met they were unanimous in recommending $60,000,000. That was not put in the resolution. It was the Secretary of Agriculture, I think, who suggested that the amount they agreed upon should not be named in the resolution.

I wish to say in this connection that as far as Virginia was concerned, the work of preparing the estimate was done

accurately, scientifically, and thoroughly. Former Governor Byrd, of Virginia, was chairman of the drought relief committee for the State. He gave a great deal of time to the matter. He appointed a committee in each county, and the chairman in each county made a thorough investigation as to the situation, as to the crops, as to the individuals he thought would need relief, and the extent of the distress. Governor Byrd assures me that Virginia will need at least $5,000,000 as a minimum in order to even halfway take care of the situation there.

Virginia has been afflicted, I think, more than any other State in the Union. The conditions in many portions of Virginia are really worse than they were immediately following the Civil War. It is impossible to exaggerate the extent of the distress, the failure of all kinds of crops there. The crop of vegetables, wheat, corn, nearly every kind of crop there, has been a failure.

It is a wretched condition. The people are in need of relief, and in need of it quickly. If this measure is not passed by January, so the people can prepare for their crops and get seed and get all the ingredients necessary to make a crop, the condition next year also will be very bad. I am satisfied from what Governor Byrd has written me that $60,000,000 is a conservative estimate of the extent of the distress which needs immediate relief and I hope the measure will promptly pass.

Mr. McNARY. The joint resolution provides that the Department of Agriculture shall exercise its discretion, and we know it will do so according to its best judgment. It is not for the Secretary of Agriculture to purchase food to distribute among these people, but he may loan money to them for the purpose of buying food, seed and feed, and so forth, and take a mortgage upon the growing crop, which the provisions of the resolution say may be sufficient security.

With that short statement I shall be content to submit the matter to the consideration of the Senate.

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

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

Mr. McNARY. Certainly.

Mr. KING. I wish to ask the Senator if the recommendation has not been made, either by the President or Secretary Hyde, that $25,000,000 is all that is required for this purpose?

Mr. McNARY. Yes; I so stated.

Mr. KING. I was called from the Chamber momentarily and did not hear all of the Senator's statement.

Mr. McNARY. On the 4th day of December I introduced a bill embodying the views of the Director of the Budget and the Department of Agriculture, calling for $25,000,000 and omitting the commodity food.

Mr. KING. Does the Senator believe that the difference between $25,000,000 and $60,000,000 is justified by the amount which will be probably appropriated or used for food purposes?

Mr. McNARY. I think they bear no relation one to the other.

Mr. KING. The Senator thinks that the facts are of such character as to call for a much larger appropriation than that recommended by the President?

Mr. McNARY. I do not know what the appropriation will be. I am discussing the proposed authorization. Whether it is $60,000,000 or $25,000,000 that will be needed, I do not know. It may be that $20,000,000 will do it, but I propose, so far as my vote is concerned, to clothe the Secretary of Agriculture with sufficient authorization and power to relieve these distressed people.

Mr. BORAH. Mr. President, it is probable that the amount specified here is necessary. The only thing I am interested in is to know upon what facts the committee relied to have the particular amount included in the joint resolution. I do not find any report from the committee or a report from anyone else indicating the different items which constitute this amount. I presume when we come to make the actual appropriation undoubtedly those things will be at hand. I certainly hope so.

Mr. CARAWAY. Mr. President——

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

Mr. BORAH. I do.

Mr. CARAWAY. While there is nothing in the resolution passed by the committee which met here in Washington, yet individual reports and estimates from the various States were published in the RECORD some days ago. I am talking now about the amount necessary and the purpose for which it is to be used. For instance, in my State a conservative estimate called for $12,000,000 for that State alone. In other words, there are 81,000 families who are practically destitute. I do not think the Senator could have any conception of the condition that actually exists in some of the States. There are fields which have been cultivated as usual and the amount of corn produced from them would not feed for a single month the horses that made the crop. What we are pleased to call "cash crops" were likewise an utter failure.

As I said, using the language of the gentleman who was chairman of the relief committee in Arkansas and who is a man of large business experience, possibly the largest of any man in the State, $12,000,000 will be required in that State unless the Lord or the Red Cross takes care of the people, and he seemed to be somewhat doubtful about the Red Cross being available. If the Senator will go over the various reports from the various States, he will find that $60,000,000 is a reduction of about 50 per cent in the estimate of each State in order to give the very lowest possible figure.

Mr. BARKLEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Kentucky?

Mr. BORAH. I yield.

Mr. BARKLEY. I wish, in a general way, to corroborate what the junior Senator from Arkansas [Mr. CARAWAY] said by simply referring to the situation in Kentucky. The chairman of the drought committee appointed for Kentucky is an outstanding business man. There were no political considerations whatever that played any part in the appointment of the committees, either in the State or the counties. Out of 120 counties in the State of Kentucky a drought-relief committee was appointed in 103 counties, and up until the day when the Committee on Agriculture and Forestry had its hearing last Friday, 65 of those counties had reported that they had made a systematic survey and found that an average of 425 families in each county where a report had been made to them need the farm-loan relief, which is provided for in the joint resolution. They recommended a minimum of $10,000,000 for the State of Kentucky as the amount necessary.

The Farm Bureau Federation, which, as the Senator knows, is a permanent organization and not created for the temporary purpose of looking into the present drought situation, but which has existed previously in Kentucky and other places over a period of many years, estimated that based upon their survey through their local farm-bureau federations it would require $18,000,000 in the State of Kentucky.

In my State the drought has existed from last April until the present time. There are large areas in Kentucky where the farmers are hauling water now for the purpose of watering their stock, because the soil is so dry that the rains which have occurred have been soaked up by the parched soil, and there has been no accumulation of water in the branches and creeks and ponds out of which they ordinarily water their stock. As early as last April when I was in Kentucky the farmers were complaining of the dry weather. They had difficulty in the planting of crops and as a result their reports show that, comparing 1929 and 1930, the production of tobacco is as 27 to 10, showing the effect of the deadly drought upon the planting of the crop. Based upon the knowledge which I have of conditions in my own State, I am sure that even if Congress should appropriate the entire $60,000,000 it will be no more than is needed.

Mr. BORAH. Would the fact that the joint resolution includes food, and so forth, and the Budget bill did not in-

clude food, make the difference between $25,000,000 and $60,000,000?

Mr. BARKLEY. It is difficult to say how much difference it would make. It might depend upon the size of the families, taking the individual families, and also the number of stock that would be fed by the feed. But I am unable to reconcile my idea of drought relief with merely furnishing feed so that a farmer may carry his stock through the winter in order that he may plant his crops in the spring and at the same time leave his family without any food. I understand the Senator from Idaho does not take that position. I do not know whether the additional $35,000,000 will be necessary or not, but personally I do not think that $25,000,000 would be sufficient, even eliminating the question of food.

Mr. HEFLIN. Mr. President, I want to say to the Senator from Idaho [Mr. BORAH] that my own theory is that this amount will not be sufficient. The commissioner of agriculture of my State, who has made a very careful survey of the entire situation and who is probably better informed than anybody else in the State on this subject, has written to me that he believes that $10,000,000 could be used in Alabama and then not cover the entire situation.

Mr. ROBINSON of Arkansas obtained the floor.

Mr. LA FOLLETTE. Mr. President, will the Senator yield before he proceeds?

Mr. ROBINSON of Arkansas. Certainly.

Mr. LA FOLLETTE. I should like to ask the chairman of the Committee on Agriculture and Forestry if he can state how much the estimates submitted from the various States have been reduced to arrive at $60,000,000, and upon what theory were the reductions made?

Mr. MCNARY. I had hoped I made myself clear earlier when I stated that the conference held in October in Washington of representatives of the various States affected had reached the conclusion after an all-day session that it would require $60,000,000 to meet the unfortunate condition. When the matter was submitted to the Director of the Budget on the 2d day of December he sent a bill to the chairman of the committee eliminating the commodity food and reducing the amount to $25,000,000. I am not prepared to state what the Director of the Budget had in mind. There are no facts before the committee. I am willing to trust the amount of the authorization to those who were representing the States at the conference.

Mr. LA FOLLETTE. If the Senator from Arkansas will permit me further——

Mr. ROBINSON of Arkansas. Certainly.

Mr. LA FOLLETTE. The junior Senator from Arkansas [Mr. CARAWAY] stated that the various States affected by the drought had made estimates of the amount of money that would be necessary in order to afford adequate relief to the people living in the drought-stricken areas. As I remember it, he said that $12,000,000 would be needed in Arkansas. The Senator from Kentucky [Mr. BARKLEY] stated an estimate from his State of $10,000,000. The Senator from Alabama [Mr. HEFLIN] then stated that the estimate from his State was likewise for the sum of $10,000,000. If that be true, we find that the estimates made by the people most familiar with the situation from only three States would absorb $32,000,000 of the $60,000,000 fund.

The point in which I am interested, not being a member of the committee, is upon what theory or upon what formula the estimates of the various States as to the amount required were reduced from the total which they considered would be required to the $60,000,000 as contained in the measure now before us.

Mr. ROBINSON of Arkansas. Mr. President, while I am not a member of the committee, I think I can answer the question to the satisfaction of the Senator from Wisconsin, although I did not understand him to be addressing the question particularly to myself.

Mr. LA FOLLETTE. I am addressing it to anyone who can answer it.

Mr. ROBINSON of Arkansas. What happened was that the President suggested that each of the States vitally affected by the drought problem should constitute committees with an organization in the various counties and townships so as to make certain that a proper and accurate survey, as nearly as could be made, would become available.

That course was followed, and, as I said a few moments ago, in the time of the Senator from Idaho, what might be termed a scientific investigation was made. There was no legal basis for determining just what expenditures or advances would be required, and at last the element of estimate necessarily entered into it.

When the chairmen of the respective State committees met in Washington, they put together their estimates and agreed upon a total sum which they felt would be adequate for the purposes contemplated by the joint resolution of the Senator from Oregon [Mr. MCNARY]. That sum aggregated $60,000,000. Sixty million dollars, in my judgment, would not fully meet the requirements of a sympathetic administration of the provisions of this joint resolution, although it is a liberal allowance, in view of the course that the matter has taken.

I pass now to a discussion for just a moment of the attitude of the Secretary of Agriculture. It is, of course, of primary importance that the agency constituted by the joint resolution to administer it shall be reasonably sympathetic with its purposes. I have no disposition whatever to question the Secretary of Agriculture as meeting that essential qualification, but it is rather peculiar to me that the member of the Cabinet who had acted as the general chairman of the committees that made this investigation, who took their procedure under his supervision, in a sense, should find it necessary to attempt to influence the action of the Congress touching the legislation by the issuance of a statement opposing their finding, which statement I shall show before I take my seat is based on wholly and singularly mistaken assertions.

Assuming that the Associated Press report of the statement, which, by the way, has already been referred to by others, is correct, I shall point out some of the features reflecting the Secretary's attitude which has a direct relationship to the amount to be carried in the joint resolution. The Secretary is very decisive in his opinion that those precedents which have limited appropriations to supply seed for sowing and feed for livestock shall be followed in this case, and in the statement makes reference to those precedents, declaring that to depart from them would occasion some mysterious but very great danger. He states or is quoted as stating:

> To include loans for human food in the Federal drought relief bill would remove occasion for an increase in the highway work in the States.

If that statement originated from any less reputable source, I should feel myself at liberty to characterize it as silly. Anyone who has the slightest familiarity with the operations usually carried on by farmers must know that a mere provision giving the farmers work during the winter season when they are not engaged in producing their crops, a provision enabling them to work on the highways and to earn a sufficient amount to live upon during that time, would not meet the requirements of the crop-producing season when the farmer must go into his field and plant and cultivate his crops. It is necessary, of course, to give him employment during the winter months, if it can be done, so that he and those dependent upon him may not experience distress and suffering; but to do that only would be wholly inadequate, because it is even quite essential to assist him to carry on after the winter season shall have passed.

The situation in the area affected by this proposed legislation is different from any that has ever occurred heretofore, at least within my memory. There exist no available sources of credit for the ordinary farm producer in those regions. Half the banks are in receivership already; few banks can make loans or advances to enable farmers to produce crops. Back of that situation, with respect to banking, is a similar condition relating to the merchants of the country.

The farmers, having been unable because of an almost complete crop failure in some sections to meet their bills, the merchants are unable to meet their obligations and are

also finding it impossible to procure the means with which to make advances during the approaching season. If I took this entire day, and exhausted all the language at my command, I should still leave an inadequate picture of the misery, the desolation, and the suffering that exist in many sections within the drought area.

In another part of the statement to which I have alluded the Secretary refers to the precedents confining appropriations of this character to the purchase of seed and feed and fertilizers; and he seems to think there is something grossly abusive about authorizing the purchase of food. He refers to the dole. It is all right to put the mule on the dole, but it calls for condemnation to put the man on an equality with the mule.

If there existed sources of credit which could be drawn upon in this emergency, the pending joint resolution would not be presented; it would not be asked for, for these people, in spite of their desperate situation, are a proud and honorable people. They do not ask charity. There are, of course, many cases where charity necessarily is being dispensed through the Red Cross, but the Red Cross is not reaching, and it can not reach, a major percentage of the cases where relief is really required. The Red Cross is doing a great work, but the majority of these citizens seek the opportunity to work; they want the opportunity to earn their living. They are not mendicants, and they do not wish to be placed in that class. If we make them loans or advances, with or without security, and the results of their labors in the production of a crop are successful, they will pay back these loans, and those who are so greatly distressed about depleting the Treasury of the United States will have their anxiety relieved.

As an illustration of the singular attitude of the Secretary regarding precedents, I want to call to the attention of the Senate an act which Congress passed for the relief of the distressed and starving people of Russia, approved December 22, 1921. I will read following the enacting clause, but will ask that the entire act may be printed in the RECORD.

The VICE PRESIDENT. Without objection, the act referred to will be printed in the RECORD.

The act referred to is as follows:

[PUBLIC, NO 117, SIXTY-SEVENTH CONGRESS]

[H. R. 9548]

An act for the relief of the distressed and starving people of Russia

Be it enacted, etc., That the President is hereby authorized, through such agency or agencies as he may designate, to purchase in the United States and transport and distribute corn, seed grain, and preserved milk for the relief of the distressed and starving people of Russia and for spring planting in areas where seed grains have been exhausted. The President is hereby authorized to expend or cause to be expended, out of the funds of the United States Grain Corporation, a sum not exceeding $20,000,000, or so much thereof as may be necessary, for the purpose of carrying out the provisions of this act: *Provided*, That the President shall, not later than December 31, 1922, submit to the Congress an itemized and detailed report of the expenditures and activities made and conducted through the agencies selected by him, under the authority of this Act: *Provided further*, That the commodities above enumerated so purchased shall be transported to their destination in vessels of the United States, either those privately owned or owned by the United States Shipping Board.

Approved, December 22, 1921.

Mr. ROBINSON of Arkansas. Mr. President, I wish to comment on this paragraph of the act:

> That the President is hereby authorized, through such agency or agencies as he may designate, to purchase in the United States and transport and distribute corn, seed grain, and preserved milk for the relief of the distressed and starving people of Russia and for spring planting in areas where seed grains have been exhausted.

The language there, of course, may be questioned from a grammatical standpoint. The milk was not intended for "planting purposes"; the milk was intended to feed starving Russians, men, women, and children. In that case the Congress of the United States appropriated $20,000,000 to be spent in a foreign land for the benefit of people who neither owed nor recognized allegiance to our flag.

Mr. GLASS. Mr. President——

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

Mr. ROBINSON of Arkansas. I yield to the Senator.

Mr. GLASS. At this point may I call the Senator's attention to the fact that I hold in my hand an act approved February 25, 1919, passed upon the explicit and urgent recommendation of the then Food Administrator, Mr. Herbert Hoover, appropriating the sum of $100,000,000 to feed the starving people of Russia and contiguous nations abroad. I ask that the act to which I have referred may be printed in the RECORD at this point.

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

The act referred to is as follows:

[PUBLIC, NO. 274, SIXTY-FIFTH CONGRESS]

[H. R. 13708]

An act providing for the relief of such populations in Europe, and countries contiguous thereto, outside of Germany, German-Austria, Hungary, Bulgaria, and Turkey, as may be determined upon by the President as necessary

Be it enacted, etc., That for the participation by the Government of the United States in the furnishing of foodstuffs and other urgent supplies, and for the transportation, distribution, and administration thereof to such populations in Europe, and countries contiguous thereto, outside of Germany, German-Austria, Hungary, Bulgaria, and Turkey: *Provided, however*, That Armenians, Syrians, Greeks, and other Christian and Jewish populations of Asia Minor, now or formerly subjects of Turkey may be included within the populations to receive relief under this act, as may be determined upon by the President from time to time as necessary, and for each and every purpose connected therewith, in the discretion of the President, there is appropriated, out of any money in the Treasury not otherwise appropriated, $100,000,000, which may be used as a revolving fund until June 30, 1919, and which shall be audited in the same manner as other expenditures of the Government: *Provided*, That expenditures hereunder shall be reimbursed so far as possible by the Governments or subdivisions thereof or the peoples to whom relief is furnished: *Provided further*, That a report of the receipts, expenditures, and an itemized statement of such receipts and expenditures made under this appropriation shall be submitted to Congress not later than the first day of the next regular session: *And provided further*, That so far as said fund shall be expended for the purchase of wheat to be donated preference shall be given to grain grown in the United States.

Approved, February 25, 1919.

Mr. ROBINSON of Arkansas. Yes; there are precedents. It is right to go into the Treasury of the United States to feed those in distress in foreign countries, but, from some mysterious and inexplicable process of reasoning, it is wrong to give to our own citizens relief from funds which they have contributed to the Treasury of the United States. Unless I am mistaken, the President, whose experience in matters of relief is known throughout the world, was the distributor of this relief. However lacking in information the Secretary of Agriculture may have been, the President knows that when famine has threatened a foreign country the United States has been quick to take the money of our citizens and give relief.

It is not a forceful argument even to those who have no comprehension of what is really occurring in our own country, it is no argument to those who may be indifferent to the misfortunes or calamities of their fellow beings, to say that because sometimes the Government has restricted funds appropriated for the benefit of its own people to the purchase of seed and feed, while on other occasions it has distributed food with a lavish hand in foreign lands, we must follow the narrow precedent with respect to our own people, and be more generous to those of other countries.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. ROBINSON of Arkansas. I yield.

Mr. LA FOLLETTE. I have not had the advantage of reading the Secretary's statement, but I should be interested to know upon what theory he comes to the conclusion that the fact that food relief is provided in this joint resolution would make it unnecessary to construct public highways.

Mr. ROBINSON of Arkansas. I have discussed that matter. I think he discloses his lack of understanding of the problem. The highway proposition is to give employment in the construction of farm-to-market roads, roads into rural communities, during the winter season, before the crop season begins. The two measures supplement each other, and neither can properly be said to be completely effective without the other.

Mr. BLACK. Mr. President, I send to the desk and ask to have read a telegram just received from the commissioner of agriculture of Alabama.

The VICE PRESIDENT. Without objection, the telegram will be read.

The legislative clerk read as follows:

MONTGOMERY, ALA., *December 9, 1930.*

Senator HUGO BLACK,
Senate Office Building:

The administration proposes hundreds of millions for relief of industrial unemployment and opposes sixty millions for agriculture. Agriculture is only asking a 10 months' loan with interest, which will be repaid and be available for other appropriations. Sixty millions entirely too small. Should be a hundred millions.

SETH P. STORRS,
Commissioner of Agriculture and Industries.

Mr. RANSDELL. Mr. President, I wish to read first a telegram from Hon. B. F. Thompson, chairman of the drought-relief commission of my State of Louisiana. It is dated December 3 and addressed to me:

May I ask your earnest support of drought-relief measure now under consideration in both Houses of Congress? Condition caused by drought is serious in central north Louisiana. Farmers in that section must have help outside and beyond local resources to carry on next year.

Then, in a letter dated the same day, he elaborates a little on that idea. The letter is from him at Alexandria, La., and is dated December 3:

The bill as introduced, calling for $60,000,000, was indorsed by representatives of 21 States, comprising the drought area of the country. This measure has the support of the administration, and, representing Louisiana as chairman of the drought-relief committee, I felt that I could pledge the support of the entire Louisiana delegation, as this is a nonpartisan, nonpolitical measure.

I could not describe the conditions in the hill sections of Louisiana worse than they are; and, as stated in my telegram, these people must have help from outside sources. It is my opinion that help available by the passage of the present considered measure will be more helpful to our people than any other source.

It has been my earnest desire to avoid asking charity or a dole.

I also hold in my hand a letter from Hon. W. B. Mercier, director of extension of the University of Louisiana. It is from Baton Rouge, dated the 3d day of December. Among other things, it says:

Almost half of our parishes, as you know, are in dire distress, and there are thousands of people that if they can not receive relief from some source will not only suffer but will be forced off of the farms, and we think this would be disastrous. We think practically all of them do not want to be objects of charity, but want temporary relief that will give them an opportunity to get back on their feet.

Our organization has done everything possible to relieve the situation in the distressed territory, and, of course, will continue to do so. We feel that it is urgent that Congress take action on this measure as soon as practical, in order to let the relief committee know what the people may expect.

Mr. President, I do not know that I can add anything to the remarks already made by other Senators from the stricken regions. I assure you, sir, that the people of Louisiana—and I believe that is true of all the people of the drought and storm stricken areas—are not mendicants before the American Congress. They are not here asking charity; but they are asking for what they believe they have a right to ask—an extension of credit to assist them in tiding over a situation due to no fault of their own.

These storms and droughts were acts of the Creator of the Universe. They are entirely beyond the control of the local people. And when they have been made to suffer as they are now suffering and must suffer unless relieved by some one, upon whom can they call for relief better than the National Government?

As explained by the Senator who has just spoken, we were liberal with our assistance to the stricken people of foreign countries. We have in the past ofttimes helped people in distress; and now surely we can come to the relief of our own people when it is a wise thing—not only a beneficial thing to them but extremely wise from every viewpoint of the political economist—to help these people help themselves.

I assure you, Mr. President and Senators, that in my humble opinion if you give the desired relief in the way of loans to the farmers of the stricken regions of Louisiana you will lose a very small percentage of these loans. These people are not asking gifts. They are asking credit to assist them make and gather crops during the next cropping season, 1931. If some one does not assist them, as stated in this letter of Mr. Mercier, they will be forced to abandon their homes. Many of them will then become public charges. Their farms will grow up in weeds, and the terrible burden of unemployment which is so unfortunately prevalent throughout the Nation at the present time will be greatly aggravated. I see no reason on earth against this proposition but every reason in favor of it.

There is a dispute as to the amount that is needed. Let me remind the Senator that the pending joint resolution is not an appropriation. It is merely an authorization for an appropriation, not to exceed $60,000,000, for this purpose. Suppose we pass the joint resolution. I imagine the first act of the Appropriations Committee will be, let us say, to appropriate and make immediately available $30,000,000, one-half of this sum. Congress will remain in session until the 4th of next March. Later on, as the Secretary of Agriculture ascertains that he needs the full amount of $60,000,000, he will ask for it. It is in his discretion, and after the appropriations are made he is not forced to spend the money unless he finds it necessary. But it certainly would be most unfortunate for Congress to authorize less than the amount which this committee, representing 21 States, said was necessary.

I hope there will be not a single vote against this measure, which in my judgment is one of the most timely and best that has recently been presented to this body.

Mr. JONES. Mr. President, just a word.

In the various reports that I saw in the papers from time to time the State of Washington was not mentioned as one of the drought-affected States. I am glad, however, to see that the committee in its report takes cognizance of the situation in that State. There are about 500,000 acres in the central northern part of the State of Washington devoted to wheat raising that have had the most severe drought this year, I think, in the history of the State. It is absolutely essential that provision shall be made by which the settlers there may have relief.

I have introduced a bill authorizing the appropriation of a million dollars. I find that that is probably not enough to take care of the nearly 500,000 acres affected in the drought area. I feel confident, however, that if the needs there should show that $1,500,000 should be used to secure the necessary seed and take care of the situation that amount will be set aside for the purpose.

Mr. President, I have here a resolution passed by the Chamber of Commerce of Spokane which sets out very clearly the situation, giving the names of the counties which are affected. I ask that the letter from the president of the chamber of commerce and the resolution be printed in the RECORD.

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

SPOKANE CHAMBER OF COMMERCE,
Spokane, Wash., December 3, 1930.

Hon. WESLEY L. JONES,
United States Senate, Washington, D. C.

MY DEAR SENATOR JONES: I am inclosing copy of a resolution adopted by the agricultural bureau of the Spokane Chamber of Commerce and approved by our executive committee, calling attention to the need for relief in the drought-stricken areas of central Washington.

I know it is not necessary really to call this to your attention, because it is a matter you are already well informed on and, I am advised, have introduced a bill calling for $1,000,000 to relieve this situation.

We are informed by the authorities at Washington State College, who have made a very careful investigation of the situation, that it will require a minimum loan of $1,500,000 to meet the needs of the farmers in this territory.

We appreciate what you have already done in the matter, and I am simply sending you this resolution that you may use it in any way you see fit to help to support the fight you are making.

Please let us know if we can do anything to give you additional support.

I am writing to all members of the Washington delegation, as well as to Senator McNary and the Secretary of Agriculture.

With hearty good will and best wishes, I remain,

Faithfully yours,

B. H. Kizer, *President.*

Resolution

Whereas, owing to the severe and damaging frost in May and June, 1930, with hot and unprecedented dry weather following, different districts in the Big Bend country experienced an unprecedented crop failure so that in many instances farmers are without the necessary seed and feed to plant their acreage now in summer-fallow this coming year; and

Whereas this condition affects in the various districts about 700 farmers, with an estimated acreage of 450,000 acres of summer-fallow to be seeded, and affecting also an estimated population of from 5,000 to 6,000; and

Whereas we realize that help must be given these farmers if they are to plant this large acreage in crops this coming year and also be enabled to prepare a like acreage of summer-fallow during the season of 1931, and that if no relief will be provided the various districts will without doubt become depopulated and different farms which are now under cultivation will lay idle, and all work and efforts in building up the country for the last 30 years will be wasted: Now, therefore, be it

Resolved by the assembled delegates of Adams, Grant, Douglas, Lincoln, and Franklin Counties, State of Washington, That we request congressional action in behalf of loans to needy farmers in the drought-stricken areas of Washington for seed, feed, and operating expense necessary to plant the crop of 1931 and summer-fallow, and that copies of this resolution be forwarded to the President of the United States, the United States Senators and Congressmen from the State of Washington, and to the United States Secretary of Agriculture.

Mr. HARRIS. Mr. President, I offer an amendment to the joint resolution.

The VICE PRESIDENT. The Senator from Georgia offers an amendment, which will be stated.

The Legislative Clerk. On page 1, line 5, after the word "stricken," insert the words "or other agricultural," so that it will read:

To make advances or loans to farmers in the drought and/or storm stricken or other agricultural areas.

Mr. HARRIS. Mr. President, I am afraid that under the present wording of the joint resolution people in States like Georgia and other States would get no relief. Last year, when we made an appropriation to help the farmers get seed and fertilizer in the several States, 90 per cent of the loans made were paid by those assisted. The appropriation called for by the pending joint resolution would help the people of Georgia and other States tremendously. It is absolutely necessary for them to have some assistance on account of low prices of cotton and other farm products.

We should be trying not only to help in the drought-stricken areas, but to assist in every section of the United States, and unless the measure is amended in the way I have suggested, farmers in States like Georgia will not be able to get very much in the way of help.

There are some Senators who differ from me about this matter, but it seems to me that under the wording of the resolution as it is now before the Senate, many farmers who are in great financial distress can get no assistance from this appropriation.

Mr. McNARY. Mr. President, I am not clear about the interpretation of the language suggested in the amendment. We are trying to limit this measure to the drought and storm stricken areas of the country, and not attempting to meet financial depression which might exist on account of low price levels of agricultural commodities. Is that what the Senator is attempting to do?

Mr. HARRIS. No matter what condition brought about the suffering and financial depression of the farmers, I think such a measure as this should include all of them, all those who are suffering, regardless of what brought about their depressions.

Mr. McNARY. Regardless of whether it is a storm-stricken area or whether it is a drought-stricken area?

Mr. HARRIS. Yes.

Mr. McNARY. The Senator wants this measure to take care of the distressed financial condition of farmers in all the States where they need it?

Mr. HARRIS. Wherever they can not get assistance from their own merchants or bankers.

Mr. McNARY. I sincerely hope that such an amendment will not go on the joint resolution, because if it does and is kept there it will kill the measure.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Georgia [Mr. Harris].

The amendment was rejected.

Mr. GLASS. Mr. President, I think I have a reasonably consistent record against a great many measures of so-called farm relief which I regarded as unsound economically and ineffective of their purpose.

On this particular measure I feel constrained to say that, beyond all question of controversy, there is real necessity for relief of the drought-stricken areas of the country. We have had so many proposals for farm relief that the Senate naturally may be rather indifferent to any suggestion presented, and I am moved to give in a word my own observation and personal experience in testimony of the necessity for some relief.

In Virginia it is computed that at least $5,000,000 will be required to relieve the situation there. I am not disposed to quarrel with the Department of Agriculture about its estimates ordinarily, but I am disposed to accept the estimates of men like former Governor Byrd, of Virginia, who is severely practical in the discharge of all his public functions, and sane upon matters of public policy. For that reason I am going to accept his estimate and that of his colleagues rather than that of the Secretary of Agriculture.

It happens that I own and conduct a farm of 437 acres in Virginia. Last year I produced approximately 50 tons of alfalfa hay in excess of my requirements, the requirements of a large dairy establishment and stock farm. This year, with the absence of rain consecutively for four months, I did not produce a pound of hay on my 437 acres. I did not gather enough apples from my orchard to make a quart of cider. There was not a peach on one of the trees. We had no fruit; we had no farm produce of any description.

Had I been farming for a livelihood I would be a pauper. As it was, I was compelled to sell my herd of high-bred Jersey cattle at public auction in order to avert the necessity of buying high-priced feedstuffs through the winter for them. Had a farmer, undertaking to live on his farm, been compelled to do that, it would have been a total loss to him.

There prevailed all through the valley of Virginia and all through piedmont Virginia, extending down almost to the sea, a situation paralleling that in my immediate neighborhod which I have described. Therefore I know from actual personal experience and observation that there has been this providential affliction of the people, and that this proposal of relief is not only practical but merciful, and while I expect to vote against many of the extravagant proposals which have been made which would involve the Federal Treasury almost in bankruptcy, this is one item of expenditure which I feel constrained to support with my vote.

Mr. DILL. Mr. President, a few moments ago my colleague [Mr. Jones] spoke about the conditions in the State of Washington. I do not care to take any excessive time, but I should like to have printed in the Record as a part of my remarks a letter from Mr. Dan Krehbiel, president of the Big Bend Seed and Relief Association, of Lind, Wash., and also statistics showing what the actual need is at this time.

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

December 6, 1930.

Senator C. C. Dill,
Washington, D. C.

Dear Senator: Owing to the lack of rainfall in occasional years throughout a large part of the Big Bend region where the fertility of soil has been proven and is unquestioned, occasionally disastrous crop conditions prevail and have been in evidence in 1923, 1925, and 1930. Previous to that time crops, owing to the rainfall of more or less extent which this country experienced up to 1923 from the time of the earliest settlement of this country, which began in about 1897, no relief was necessary and farmers who were attracted from the Eastern States after the record-breaking crop of 1897 populated this country and farmed with success during all of those years as evidenced by the many splendid farm homes and by the many extensive holdings many farm-

ers have acquired. From the time this section of the country became settled it has never experienced a crop failure as disastrous and as extensive as in 1930.

Our climatic conditions are such as to enable us to raise spring grain with success, also fall grain with still greater success, if fall rains appear early enough to warrant planting. Further, in connection with this, I wish to explain that in a large number of districts diversified farming can not be practiced, as that is impossible under the limited amount of rainfall which this country receives. We can only raise wheat, and only drought-resistant wheat. Experiments of diversification have been made for years, but without marked success.

Records of rainfall which have been kept for many years show that our average rainfall in past years in taking a period of 10 years, for instance, average about 11.75 inches. For the last 10 years I do not believe from the information we have that rainfall has exceeded an average of 7 inches, which means that under cultivation which was formerly practiced no successful crops could be produced, however, with the method now applied, the use of modern machinery adapted to the requirements of dry-land farming, early cultivation of summer-fallow, successsful eradication of weeds, has made it possible to even raise crops and bring fair returns to the farmer under present average rainfall, provided we do not experience extreme weather conditions during the growing season as have prevailed during the season of 1922 and 1924 and 1930.

In 1922 and also in the two years of later date, as above stated, certain districts in the Big Bend country, including part of Benton, Okanogan, western Lincoln, southwestern Whitman, Adams, Franklin, Grant, and Douglas Counties, experienced crop failures owing to the existence of abnormal conditions during those years.

As I have gained from farm supervision for over 20 years a close knowledge of existing conditions prevailing throughout the different counties, having charge of the distribution of the two seed-wheat loans, one of them made and sponsored by private interests and one by the State of Washington, I feel warranted in stating that the two seed-wheat loans were successful. Any of the losses incurred in these loans were caused by the fact that the appropriations made for the loan by the State and also by private interests were delayed in many instances to such an extent that some of the farmers got seed wheat somewhat too late in the season. To illustrate this point, a farmer operating in northwestern Franklin County had 1,280 acres to seed, but had only seed enough to seed 640 acres, which he, of course, planted as soon as soil conditions permitted. He applied for seed-wheat loan to plant the other 640 acres. His application for various reasons was delayed, but as soon as the wheat became available he, together with his neighbors, planted it with dispatch. When the crop was harvested the returns from the 640 acres planted in time averaged about 20 bushels. The other 640 acres showed only an average of about 7 bushels per acre. I could cite many instances of that kind where seed was not planted in the proper time and our losses were caused by this factor of too late planting.

Further, I wish to state that until about 10 years ago mortgage companies, banking interests, many concerns, and private individuals throughout the Eastern States owned considerable acreage of land in the affected districts. They have made every endeavor to build this country up. The percentage of land owned or controlled by the above-named interests amounted to possibly 25 per cent or more at that time, the interests of these companies and private individuals does not amount to more than 5 per cent at this time. Many interested persons who are in touch with actual conditions place the percentage of land owned at the present time by these companies and private individuals at 3 per cent of the acreage involved.

As a further reason, during the last 10 years a very large acreage has been sold to the different farmers living within and operating in the different districts under crop contracts. This movement has been brought about by the fact that the individual farmers had to increase their holdings and farmed larger acreages in order to reduce their overhead and bring down the cost of production to a minimum. The affected districts produced good crops in the past year and will produce them again. The country has been successful as shown by their expansion, purchase of large number of expensive modern farm equipment, payments made on land purchases, either under crop contract or contract or by cash. My experience of 40 years has shown and proven to us that we very seldom have a crop failure twice in succession.

The acreage in summer-fallow and to be planted in 1931 is in excellent condition to produce a crop, is in far better shape and condition as a whole than in 1923 or 1925, the years of previous seed-wheat loans, when we had to turn down applications because the summer-fallow of the applicant was not in proper condition and as our climatic condition this fall relative to rainfall and snow is considerably better than it has been in the fall of 1929. The opinion expressed by competent farmers and other sources that considering the present moisture and summer-fallow condition that we can expect fair crop returns in 1931, providing no extreme weather conditions prevail during the growing season of 1931.

Realizing the extensive calamity which is in evidence in some parts of eastern Washington, an association for seed relief has been formed at Odessa, November 19. At a meeting held by the executive board of the association on November 26, after discussing the situation thoroughly and fully as to our requirements, it was decided and concluded that the amount of help to be asked be $2.50 per acre, this amount to cover the cost of seed and the expense of preparing our usual amount of summer-fallow acreage in 1931. The amount asked for will barely cover the expense necessary for labor, other necessary items, and seed, but the members assembled felt that our demands for help should be restricted to the lowest possible minimum, forcing the farmers to practice the utmost economy, so that they would be in a position to repay their loans even if only a light or fair crop is raised in 1931. As before stated, two loans were made, one in 1923 by the State and one in 1925 by private interests, and although the climatic conditions in those particular years were not of the best and, further, to the fact that in many instances seed did not become available in time so that seed could be planted in time, the returns of these loans show that about 87 and 93 per cent, respectively, was repaid by the farmers, and having had the active management in placing these loans and supervising and collecting I feel safe and warranted in stating that no loss would have occurred at all if all of the farmers who applied for loans would have gotten their seed in time, and I can not stress this fact too much.

Further, if our request for seed and relief will be considered favorably and will be granted, then the distribution of the funds allowed to the individual farmers is an important matter, to be considered as it would not be good policy to turn over to the individual farmers the entire amount asked for and allowed them at one time, and plans will have to be made that at first only the required amount for seed be made available plus about 10 per cent of the amount asked for relief. On completion of seeding the applicant to receive then 30 per cent, 15 days later another 30 per cent, and another 15 days later the balance of the remaining allowance. I consider it imperative that a plan of payment of this kind or some other kind be followed. The point I want to bring out is that all of the money made available should not be paid out to the different applicants at one time, but practical arrangements can be easily worked out.

Further, in former seed wheat loans, after seed had been provided for to the different farmers the necessity became apparent that these loans had to be followed up, checking them over during the growing season, and preparing a campaign for collection even before harvest started, and I attribute the success of the loans made to the close supervision. From statements I have heard made, the success of the loans made in eastern Washington far exceed seed wheat loans ever made by the Federal Government. I further believe I am correct in stating that the State of Washington has never asked for any farm relief from the Federal Government.

Very respectfully yours,

BIG BEND SEED & RELIEF ASSOCIATION,
DAN KREHBIEL, *President, C. N.*

DECEMBER 6, 1930.

Senator C. C. DILL,
Washington, D. C.

DEAR SENATOR DILL: Supplementing the data we have forwarded to you some time ago I herewith inclose detailed copy of the results of the questionnaire and also of the summary and further inclose copy of another letter giving information on different points which might come up for discussion.

Our data that we have so far is not complete for the reason that the misunderstanding and misleading reports in regard to this movement, the questionnaires that had been mailed out have not been returned as early as possible so that, therefore, our summary at this time does not show the actual demands. Another cause is also that some of the farmers in the different districts have not the mail facilities and, therefore, their applications are delayed. We are receiving applications daily. We have some on our desk but could not include them in the tabulation but they will be sent in at a later date.

Dear Senator DILL, we can not urge you too much that early assurance and availability of funds is very necessary and vital so that the farmers can plant their wheat in time in order to bring successful results.

Assuring you that your cooperation in this movement is now and will be in the future very much appreciated and thanking you in behalf of the farmers in Washington to bring this movement to a successful termination, I remain

Very respectfully yours,

BIG BEND SEED & RELIEF ASSOCIATION,
DAN KREHBIEL, *President.*

Summary of applications received so far

	Applicants	Acres farmed	Acreage of summer-fallow	Amount needed for seed and expense of operating farm
Adams County	126	177,620	88,040	$151,110.00
Grant County	141	129,529	60,425	164,923.90
Lincoln County	17	20,180	9,790	25,325.00
Whitman County	1	800	300	1,050.00
Franklin County	9	22,280	10,990	27,880.00
Douglas County	256	202,715	94,080	253,097.50
Total	550	553,124	263,625	623,386.40

Estimated number of applications, 800 to 1,000.
Estimated amount of money needed, $1,500,000.

Answers in reply to the questionnaires

Name	Acres farmed	Acreage of summer-fallow to be seeded	Amount needed for seed and expense of operating farm
ADAMS COUNTY			
A. J. Hailsback	1,700	700	$2,200.00
William Schnurbush	500	250	625.00
S. L. Watkins	1,750	750	2,250.00
Elbert K. Watkins	4,000	2,000	5,000.00
Earl Fauser	960	450	1,815.00
J. B. Finkbeiner	1,600	800	2,000.00
Lucy M. Schoenrock	2,560	1,250	3,215.00
James Johnson	2,500	1,250	3,125.00
Chas. W. Nye	1,440	450	1,880.00
W. C. Johnston	2,700	1,400	3,350.00
W. L. Wenselburger	1,920	900	2,430.00
C. J. Schrenk	1,100	600	1,350.00
John Hoffman	800	300	1,050.00
P. H. Haynes	640	320	800.00
Delbert Pence	5,380	3,380	8,380.00
Frank Gering	1,500	650	1,925.00
Leon Gering	1,500	650	1,925.00
John Dammel	1,440	720	1,800.00
Gottlieb Sackman	2,480	1,200	3,120.00
J. M. Campbell	4,000	2,000	5,000.00
A. M. Rayburn	1,870	920	2,345.00
Henry Baumgart	880	400	1,120.00
Carl Baumgart	800	400	1,000.00
Franz Bros	1,000	500	1,250.00
C. A. Weaver	1,600	640	2,080.00
J. O. Campbell	2,700	1,400	2,100.00
G. H. Dyck	2,500	1,100	3,200.00
P. L. Franz	2,280	1,280	2,780.00
A. J. Van Amburgh	1,390	820	1,675.00
Walter Waltner	1,280	650	1,595.00
John Scheller	800	400	1,000.00
Henry Dyck	2,300	1,200	2,850.00
Mrs. J. F. Smith	480	240	600.00
Joe G. Schrag	960	480	1,200.00
Julius A. Franz	3,000	1,600	3,700.00
L. L. Franz	3,000	1,600	3,700.00
A. C. Jansen	200	200	200.00
Walter Johnson	2,700	1,300	3,400.00
Wm. Sackman	640	320	800.00
Ernest Heider	640	320	800.00
Zach Taylor	480	240	600.00
Harris Taylor	2,080	1,000	2,620.00
Walter Gering	1,500	650	1,925.00
Floyd S. Hudlow	1,500	750	1,875.00
L. A. Woody	1,000	300	1,350.00
Frank Dyck	1,120	640	1,360.00
C. F. Klise	310	150	390.00
Jacob Kissler	1,500	700	1,900.00
A. P. Gering	3,000	1,250	3,875.00
Gus Kison	1,280	640	1,600.00
Reinhold Roloff	1,400	800	1,700.00
Fred R. Breit	1,040	500	1,310.00
Harold E. Johnson	1,600	750	2,025.00
Dave Phillips	6,000	3,400	7,300.00
Fred Erdman	1,280	600	1,620.00
John Sauer	2,360	1,100	2,990.00
E. C. Phillips	5,000	2,500	6,250.00
J. E. Wells	800	450	975.00
Jacob Schmidt, jr	1,700	820	2,140.00
John Weis	640	250	835.00
Ben L. Schmidt	320	120	420.00
Dan Kappel	1,120	640	1,360.00
Fred Zundel	380	180	480.00
Henry Hoefner	480	240	600.00
Reinhold J. Schuh	1,280	640	1,600.00
August Schumacker	800	400	1,000.00
Fred Koch, jr	960	480	1,200.00
Chris. Engelhardt	1,280	570	1,635.00
Con S. Heimbigner	1,180	700	1,420.00
Gottlieb Hille	940	360	1,230.00
F. C. Schorzman	900	500	1,100.00
G. Roloff	1,280	640	1,600.00
R. R. Schoonover	880	530	1,055.00
Dam Link	640	340	790.00
Henry Lesser, jr	480	240	600.00
Franz Foerderer	1,600	800	2,000.00
Andreas Schaal	1,040	530	1,295.00
Carl Kiehn	480	240	600.00
Herbert Steffen	960	480	1,200.00
Fred Janke	1,100	540	1,380.00
Jacob P. Gering	1,000	400	1,300.00
August Giese	1,600	700	2,050.00
John Grienwalt	950	600	1,125.00
Paul Gering	1,900	900	2,400.00
Ernest Hardt	900	450	1,125.00
Henry W. Rieke, agent	960	480	1,200.00
Geo Iltz	560	290	695.00
Sam. Iltz	1,000	500	1,250.00
H. F. Lindell	1,080	440	1,400.00
Barto Para	3,000	1,300	3,850.00
B. H. Krug	800	370	1,015.00
John Hubner	290	160	355.00
H. W. Michel	3,250	1,650	4,050.00
T. R. Booker	2,380	1,280	2,950.00
J. B. Wilson	320	160	400.00
C. R. Wilson	480	130	655.00
T. W. Berry	2,200	800	2,900.00
J. H. Taylor	2,000	1,000	2,500.00
J. B. Gust	800	325	1,037.50
Fred Foederer	640	320	800.00
John Bischoff	1,240	700	1,510.00
Jos. G. Schrag	800	320	1,040.00
Fred Kissler	635	270	817.50

Answers in reply to the questionnaires—Continued

Name	Acres farmed	Acreage of summer-fallow to be seeded	Amount needed for seed and expense of operating farm
ADAMS COUNTY—continued			
John C. Kissler	480	240	$800.00
Wm. Weiss	960	480	1,200.00
Geo. Heimbigner, jr	800	400	1,000.00
Ewald Roloff	640	320	800.00
Henry Kiehn	680	260	890.00
Fred Uhrich	640	300	810.00
Simon Gust	800	400	1,000.00
Emil Sauer	540	220	700.00
Wm. Schwart	500	480	510.00
M. M. Pfaff	1,920	960	2,430.00
Jacob Maier	1,000	540	1,230.00
John Wornath	560	280	700.00
Miachael Pfaff	480	240	600.00
G. G. Maier	640	320	800.00
Alex Flather	960	500	1,190.00
G. E. Webb	1,280	640	1,600.00
Charles E. Moody	1,050	350	1,400.00
Albert Erdman	320	160	400.00
John Sauer, jr	2,720	1,300	3,430.00
John Maier	480	240	600.00
W. B. Kautz	4,400	2,400	5,400.00
George Melcher	1,085	585	1,335.00
Mike Leisle	720	480	840.00
	177,620	88,040	151,110.00
DOUGLAS COUNTY			
Frank B. Leahy	640	220	850.00
Bill Malone	640	120	900.00
John D. Preston	800	300	1,050.00
Wm. Snodgrass	640	240	600.00
P. F. Henniegh	700	280	910.00
J. W. Adkins	880	400	1,120.00
Jack Marlow	570	330	690.00
Mirl F. Wood	320	140	410.00
W. T. Wall	480	270	585.00
Domie Cavadini	320	160	400.00
Chris. Hansen	960	480	1,200.00
Marinus Niksen	960	500	1,190.00
Bert Peterson	480	260	590.00
R. J. Waters, jr	1,000	500	1,250.00
Orla Whitehall	480	280	580.00
George Uhrich	1,280	640	1,600.00
Harry C. Larsen	640	400	760.00
Louie Brandt	1,280	640	1,600.00
Oliver Riggs	850	450	1,050.00
William Swarat	320	160	400.00
Leslie R. Schacht	320	160	400.00
Wm. J. Weir	2,400	1,200	3,000.00
R. H. Ruhm	800	400	1,000.00
W. M. Jones	2,000	960	2,520.00
Chas. V. Slusser	1,600	800	2,000.00
H. W. Bogarth	3,600	1,400	4,700.00
A. L. Thoren	640	200	860.00
N. G. Klinkhammer	160	60	210.00
M. Stutler	1,200	600	1,500.00
Wade Troutman	800	400	1,000.00
J. G. Allen	470	240	585.00
Wm. Krueger	300	160	370.00
J. W. Brob	1,300	700	1,600.00
R. E. Miller	680	420	810.00
Albert Lamsen	180	90	225.00
J. C. Adkins	1,400	480	1,800.00
Ernest M. Logg	1,100	400	1,450.00
Fred S. Rice	300	150	375.00
John McKay	2,080	880	2,680.00
C. F. Schmidt	1,000	500	1,250.00
H. M. Painter	1,200	600	1,500.00
C. A. Nensen	1,000	600	1,200.00
H. J. Wyborney	400	240	480.00
Ed. Brandt	820	400	1,030.00
J. A. Cross	460	460	460.00
W. H. Asmussen	1,200	600	1,500.00
Jack McGrath	640	250	835.00
W. C. Rommel	640	280	820.00
John Bauderet	1,450	450	1,950.00
G. O. Thoren	640	320	800.00
J. A. Gordon	900	300	1,200.00
M. H. Snell	500	240	630.00
Forest V. Hunt	880	240	1,200.00
Fred R. Ward	720	300	930.00
C. A. Spurgean	2,000	800	2,600.00
Carl Matthiesen	600	300	750.00
John W. O'Brien	960	480	1,200.00
Jack Scott	360	200	440.00
Geo. E. Grant	500	300	600.00
Jas. Davis	100	30	135.00
J. J. Gallaher	1,000	300	1,350.00
Cecil Glessner	620	320	770.00
M. C. Summers	960	350	1,265.00
Scott Coleman	1,200	550	975.00
Joseph Bowska	840	150	1,035.00
Ray Wayburn	480	160	640.00
B. J. Baumgardener	960	500	1,190.00
R. M. Asmussen	500	200	650.00
Ira Moore	1,180	480	1,530.00
Geo. Jordan	1,200	570	945.00
Albert Preugschat	1,440	640	1,840.00
Randall Danzl	720	400	880.00
Nick Beckrich	320	160	400.00
Geo. Beckrich	1,300	650	1,625.00
Roy Wise	640	280	820.00

Answers in reply to the questionnaires—Continued

Name	Acres farmed	Acreage of summer-fallow to be seeded	Amount needed for seed and expense of operating farm
DOUGLAS COUNTY—continued			
J. L. Burgess	560	320	$680.00
Harry I. Steck	300	130	385.00
E. P. Hinderer	960	240	1,320.00
J. N. Packer	700	380	860.00
E. G. Longacre	840	420	1,050.00
Paul J. Hinderer	280	140	350.00
Einer Petersen	280	120	360.00
H. C. Suton	480	240	600.00
E. Luehring	680	360	840.00
Frank Webber	800	460	970.00
Josh Barnes	5,300	2,620	4,020.00
W. J. Marshall	1,000	500	1,250.00
Henry Peters	960	480	1,200.00
Owen Nelson	480	240	600.00
Theo. Hinderer	1,280	640	1,600.00
A. N. Gomby	1,700	660	2,220.00
Robert Jacobsen	480	160	640.00
Henry Leobsack	1,360	700	1,690.00
John Danielson	570	320	695.00
Ben H. Ludeman	720	480	840.00
Harold Petersen	960	480	1,200.00
Harry G. Ludeman	600	360	720.00
Chris. Mertens, jr	550	250	700.00
Rhea Supplee	520	200	680.00
Geo. Kinzbach	480	320	560.00
Wm. Besel	940	500	1,160.00
Here R. Ludeman	720	320	920.00
Conrad Besel, sr., and sons	1,120	600	1,380.00
August C. Koenig	860	400	1,090.00
W. J. Hawes	640	320	800.00
Carl Okland	600	240	780.00
Geo. Lassiter	450	265	542.50
Carl H. Viebrach	640	320	800.00
J. P. Jrechmus	800	360	1,020.00
Nick Petesrich	400	200	500.00
Dell P. Meies	3,040	1,600	3,760.00
Chris. Schmidt	1,120	400	1,480.00
T. S. Hedges	2,000	1,080	2,460.00
F. Rock	480	260	590.00
N. P. Nelson	1,200	640	1,480.00
R. M. Wiley	600	360	720.00
Curtis R. Carey	720	240	960.00
Jake Besel, jr	480	240	600.00
Geo. Gallagher	160	100	190.00
John Cardis	480	240	600.00
Willie Cardis	320	120	420.00
Henry Bourton	480	120	660.00
Frank Pixlee	1,500	835	1,832.50
C. W. Adams	560	200	740.00
L. J. Leander	1,200	750	1,425.00
Frank J. Pierpoint	640	320	800.00
P. L. Swank	400	240	480.00
J. E. Thoren	1,000	160	1,420.00
Jesse Pitts	800	450	975.00
G. B. Swank	480	240	600.00
P. C. Thomsen	600	200	800.00
John L. Harper	640	320	800.00
Ed. Wall	1,280	640	1,620.00
John Glessner, jr	240	100	310.00
Thomas T. Peterson	900	400	1,150.00
Carl Schilling	1,400	560	1,820.00
Johnnie Cavadini, jr	320	160	400.00
Frank Peckhorn	800	400	1,000.00
H. E. Smith	640	160	880.00
J. C. Lemley	450	350	500.00
Chas. Buckingham	400	200	500.00
John Murison	320	140	410.00
J. A. Buckingham	800	400	1,000.00
Theo. Schmidt	1,000	450	1,275.00
W. F. Ramsey	560	160	760.00
J. R. Henton	1,200	600	1,500.00
M. H. McKee	1,000	400	1,000.00
R. R. Reneau	1,300	250	1,825.00
C. T. Gollehon	320	200	380.00
Merill Nordby	1,200	800	1,400.00
E. G. Branscom	570	320	695.00
Hartzell Crosby	800	450	975.00
H. W. Matthiesen	800	320	1,040.00
George A. Murison	500	160	670.00
B. H. Greenwood	1,120	550	1,405.00
B. H. Henton	240	100	310.00
C. C. Beard	1,500	700	1,900.00
Geo. W. Hosier	500	200	650.00
Geo. Nilles	950	550	1,150.00
James Hayes	200	75	262.50
J. J. Ware	600	160	820.00
Andre V. Marchand	640	320	800.00
Valma A. Caille	640	320	800.00
Wm. Cornehl	940	350	1,235.00
Frank Harsh	800	495	952.50
Earl Rock	400	80	560.00
V. H. Taylor	280	80	380.00
D. S. Nelson	560	240	720.00
McDonald Bros	1,920	960	2,400.00
L. W. Rendell	430	190	550.00
L. F. Rendell	370	140	485.00
Thomas Meyer	180	140	200.00
Otto Jensen	600	300	750.00
S. A. Cress	250	100	325.00
W. B. Pennell	240	80	320.00
Hobert M. Price	180	40	250.00
H. G. Westerman	640	320	800.00
W. L. Gilbert	580	230	755.00
S. Rock	1,040	500	1,310.00

Answers in reply to the questionnaires—Continued

Name	Acres farmed	Acreage of summer-fallow to be seeded	Amount needed for seed and expense of operating farm
DOUGLAS COUNTY—continued			
Geo. Dark	640	210	$855.00
H. T. Suton	480	240	600.00
Henry and Carl Goll	2,000	1,000	2,500.00
Theo. Mittelstaedt	730	480	855.00
Harry R. Jones	800	400	1,000.00
George Wilcox	520	180	690.00
Ed. Jacobsen	960	480	1,200.00
R. V. Roth	800	300	1,050.00
Fred Fletcher	320	160	400.00
W. A. Fraley	1,400	700	1,750.00
Garfield Cox	640	320	800.00
F. W. Close	1,000	480	1,260.00
A. E. Halterman	900	500	1,100.00
Geo. Appel	600	300	750.00
R. V. Sylvester	640	320	800.00
Elmer Z Ford	680	200	920.00
John S. Harman	210	80	275.00
Arthur Schick	1,280	640	1,600.00
Walter McLean	1,000	280	1,360.00
Guy Moulton	640	200	860.00
W. E. Phillips	780	400	970.00
Robert Snell	330	90	450.00
S. J. Maline	1,120	500	1,430.00
D. C. Gallaher	2,000	1,000	2,500.00
Chris Jensen	1,280	680	1,580.00
John R. Jones	560	200	740.00
Fred Monk	840	360	1,080.00
Uley Pitts	400	200	500.00
James Leahy	800	300	1,050.00
V. M. Pitts	300	250	325.00
R. F. Davis	400	125	537.50
Frank Leahy	325	125	425.00
Wm. Sahrndt	390	80	545.00
Elliot R. Clart	560	250	715.00
Harry Lovejoy	390	70	550.00
Harry Willms	400	240	480.00
Henry Willms	705	305	905.00
Geo. & Hank Willms	1,080	730	1,255.00
Clifford Corderman	400	160	520.00
Herbert N. Wilcox	560	240	720.00
N. C. Nelson	570	270	720.00
S. G. Rolarts	800	300	1,050.00
W. E. Gaskill	420	280	490.00
Hayo Buse	960	500	1,190.00
L. D. Clark	300	150	375.00
C. Oliver Roued	320	100	430.00
Henry J. Willms	240	120	300.00
C. V. Ogle	400	180	510.00
S. E. Robins	750	400	925.00
C. A. Johannes	640	300	810.00
E. T. Schmidtman	1,400	700	1,750.00
Jacob Buse	700	240	930.00
C. E. Ross	640	320	800.00
Clarence Rinker	640	360	780.00
Manly Carderman	240	120	300.00
Henry McGrath	340	160	430.00
Jack Zones	480	240	600.00
Louis Berk	1,200	600	1,500.00
L. P. Hansen	1,040	280	1,420.00
Rocko Bront	130	65	162.50
Henry Witten	880	500	1,070.00
J. C. Tate	320	260	350.00
George Oppel	700	200	950.00
Arthur Arndt	350	160	445.00
J. G. Johnson	300	250	325.00
J. H. Irvine	160	60	210.00
Lawrence Doncan	3,000	1,500	3,750.00
Walter Madson	1,000	450	1,275.00
Ed. Doneen	1,280	600	1,620.00
Charles Kamholtz	685	100	977.50
Claude Estes	200	90	255.00
T. G. Dark	1,400	950	1,625.00
Clarence Kuhlman	800	150	1,125.00
Henry Kuhlman	800	150	1,125.00
C. J. Weaver	640	100	910.00
John P. Mulloy	600	200	600.00
John W. Brett	320	160	400.00
Total	202,715	94,080	253,097.50
GRANT COUNTY			
C. F. Nordhorst	560	340	760.00
E. E. Hirechel	640	320	800.00
C. C. Wanzer	370	50	530.00
Oscar Wagner	640	350	830.00
H. F. Timm	1,120	480	1,200.00
Wm. F. Stevens	480	200	620.00
J. P. Schroeder	1,560	450	2,115.00
Riley Perkins	1,036	300	1,404.00
A. I. Pflefer	640	320	800.00
Henry Melcher, jr	960	640	1,120.00
Chris. Larsen	800	360	1,020.00
Frank Helmke	720	320	920.00
Jacob Hoefner	740	360	930.00
Leonard Forster	480	240	600.00
C. E. Fiess	640	320	800.00
Archie Finney	105	105	105.00
Oscar Finney	100	100	100.00
H. A. Biggs	640	330	795.00
Fred W. Arlt	1,800	640	2,380.00
Max R. Bruhst	780	380	980.00
Jacob Adolph	900	480	1,110.00
Wm. Ramm	640	320	800.00

Answers in reply to the questionnaires—Continued

Name	Acres farmed	Acreage of summer-fallow to be seeded	Amount needed for seed and expense of operating farm
GRANT COUNTY—continued			
Fred Bohnet, sr	640	320	$800.00
Theodore Jingling	640	320	800.00
Alden Gilbert	640	320	800.00
F. G. Pooley	400	140	530.00
Thomas Gills	640	300	810.00
Geo. Bareither	800	400	1,000.00
H. L. Franz	1,280	640	1,600.00
Martin Dormaier	800	400	1,000.00
Andrew Jantz	1,280	660	1,590.00
Reinhold Zundel	320	160	400.00
Fred Bohnet, jr	600	320	740.00
C. W. Oster	1,760	960	2,160.00
Abe Jantz	1,280	640	1,600.00
Anna Lehman	480	240	600.00
Jacob Jantz	1,280	620	1,610.00
Dan Tschritter	960	460	1,210.00
Gus Olander	880	440	1,100.00
Christ Ottmar	640	320	800.00
Henry Ottmar	880	400	1,120.00
Jacob Willging	800	320	1,040.00
George Lehman	480	240	600.00
P. J. Trautman	1,500	600	1,950.00
John Jingling, sr	700	320	890.00
Arthur Jingling	640	160	880.00
John Jingling, jr	640	320	800.00
Wendel Hamburg	1,760	880	2,200.00
Fred Jingling	640	320	800.00
John W. Andreas	600	200	800.00
John Weber	640	320	800.00
Wm. Schorzman	2,040	800	2,660.00
Burlie Martin	800	470	965.00
C. F. Petrie	500	250	625.00
H. L. Franz	1,280	640	1,600.00
Anton C. Heinhart	2,400	700	3,250.00
F. H. Jansen	1,740	480	2,370.00
J. B. Morrison	1,100	400	1,450.00
Henry C. Weler	480	160	640.00
Sam Reimann	950	450	1,200.00
Emanuel Schulz	640	320	800.00
Conrad Weber	800	400	1,000.00
Geo. Weber	640	320	800.00
Weber Bros	1,600	900	1,950.00
Emanuel Knest	685	445	805.00
Johan Schulz	2,175	1,175	2,675.00
J. J. Widmer	1,600	800	2,000.00
Chris. Dormaier	900	200	1,250.00
Russell Sieg	1,800	300	2,550.00
E. A. Coley	800	480	960.00
Theo Evers	2,080	320	2,950.00
A. H. C. Nyswonger	2,560	1,280	3,200.00
Ben F. Schmidt	1,120	600	1,380.00
Jacob Ottmar	1,500	750	1,875.00
J. F. Ottmar	640	320	800.00
C. H. Ottmar	500	300	600.00
John Willging, jr	1,925	760	2,507.50
Dan Borgens	320	160	400.00
Chris. Schuh	940	480	1,170.00
Wm. Schoessler	320	160	400.00
Dills Ranch	1,450	450	1,950.00
George F. Murphy	400	240	480.00
Oscar Carlson	700	400	850.00
Clyde Shephard	960	220	1,330.00
E. I. Evans	2,080	1,070	2,585.00
John Meyer	640	320	800.00
H. W. Padgett	600	300	750.00
Chas. L. Slaten	1,400	800	1,700.00
M. E. Jolley	400	320	440.00
R. L. Ross & Son	1,280	600	1,620.00
Claude Forrey	640	300	810.00
Ed. Spanger	340	170	425.00
Paul E. Vernier	640	320	800.00
S. C. Andrew	1,240	440	1,640.00
J. C. Johnson	600	300	750.00
Boruff Bros	640	320	800.00
Joe Bartley	100	40	130.00
Sam Green	525	300	487.50
C. G. Larson	800	350	1,025.00
W. L. Dillion	600	300	750.00
J. J. Elliot	550	300	675.00
Layman Bros	320	160	400.00
Harris R. Hansen	650	250	850.00
Ed. Heer	600	400	700.00
Chas. Norton	1,050	500	1,325.00
W. H. Daniel	1,400	600	1,800.00
Paul Mayer	4,500	2,000	5,750.00
Fay Smith	900	400	1,150.00
Wm. Schempp	2,450	1,100	3,125.00
E. C. Drinkard	1,180	520	1,510.00
W. T. Meyer	425	300	487.50
Lee Pitts	300	130	385.00
J. H. Bepple	675	335	845.00
Gust Beck	640	320	800.00
Fred F. Schell	960	480	1,200.00
G. F. Spies	2,700	1,160	3,470.00
Fred Bohmet, sr	640	320	800.00
Fred Schell, jr	640	480	720.00
Dan Spies	320	160	400.00
John Ruff	800	400	1,000.00
N. Burkholz	2,000	1,000	2,500.00
Daniel Roloff	1,120	480	1,440.00
Oscar Rauter	960	480	1,200.00
Christ Jeske	2,000	1,160	2,420.00
Henry Birks	640	320	800.00

Answers in reply to the questionnaires—Continued

Name	Acres farmed	Acreage of summer-fallow to be seeded	Amount needed for seed and expense of operating farm
GRANT COUNTY—continued			
E. A. Sapp	640	255	$832.50
Sam Wheeler	600	300	750.00
A. B. French	2,300	1,000	2,950.00
Ed. Schempp	600	320	740.00
Michael Olson	520	260	650.00
M. Kugan	480	440	500.00
W. F. Jones	300	90	405.00
Ben F. Schmidt	1,120	640	1,360.00
Emanuel Jingling	640	320	800.00
John Jingling, sr	640	320	800.00
Fred Schell	800	400	1,000.00
Jacob Oster	1,440	800	1,760.00
	129,529	60,425	164,923.90
FRANKLIN COUNTY			
Frank Lamb	2,800	1,000	3,700.00
Geo. Myers	1,280	600	1,620.00
H. C. Vogler, jr	7,480	3,800	9,320.00
W. S. Moore	2,000	1,000	2,500.00
Roy Kemp	1,120	640	1,360.00
Mettelstaedt Bros	4,400	2,000	5,600.00
Clifton Dougherty	800	450	930.00
L. E. Robinson	800	500	950.00
Thos. McNicholas	1,600	1,000	1,900.00
	22,280	10,990	27,880.00
LINCOLN COUNTY			
Fred Krell & Son	1,280	540	1,650.00
Henry Hardt	260	200	290.00
Chester H. Bruesch	1,020	560	1,200.00
E. M. Witt	240	120	300.00
Conrad Hein, jr	480	240	600.00
Otto Kallenberger	600	280	760.00
George Wacker	960	480	1,200.00
Charles Friedrich	630	300	795.00
David Kik	490	260	595.00
Morris S. Etter	1,280	340	1,750.00
F. D. MacMaster	500	260	620.00
Walter Waddell	450	160	595.00
Edd. Kruger	950	470	1,190.00
Herbert Doerring	1,000	600	1,200.00
Gus C. Schorzman	400	160	520.00
Joe Herman	640	320	800.00
L. P. Turner	9,000	4,500	11,250.00
Total	20,180	9,790	25,320.00
WHITMAN COUNTY			
Chas. A. Potter	800	300	1,050.00

Mr. THOMAS of Oklahoma. Mr. President, I submit an amendment to the pending joint resolution.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 1, line 7, after the word "food" and the comma, add the word "fuel" and a comma.

Mr. THOMAS of Oklahoma. Mr. President, if the amendment can be accepted, I do not care to discuss it. Otherwise I shall make a statement.

Mr. HARRISON. Let the amendment be again read.

The amendment was again read.

Mr. McNARY. Mr. President, may I apprise the Senator of my views on that subject?

Mr. THOMAS of Oklahoma. Certainly.

Mr. McNARY. I urge the same objection to this amendment that I urged a moment ago to the amendment offered by the Senator from Georgia [Mr. HARRIS], which was rejected by the Senate. There has been a very large expansion of these generous acts, and there is a time when we must set our faces against further enlargements.

The Senator is a member of the Committee on Agriculture and Forestry and helped frame the joint resolution. He knows that we have for the first time included food in such a measure, and I should dislike to see any enlargement of the uses which might be made of the money appropriated for these distressed sections of the country. I think amendments of any kind are calculated to prevent the legislation from being enacted and that they would destroy the possibility of the relief intended.

Mr. THOMAS of Oklahoma. Mr. President, perhaps I should state that when this joint resolution was considered by the committee I was not present. I was attending a

meeting of a subcommittee of the Committee on Indian Affairs, to which I had assented before I had notice of the particular meeting to which the Senator refers. For that reason I did not offer this amendment in the committee. Had I been present I most certainly would have offered the amendment.

This amendment, if agreed to, would entail but very slight expenditure out of the Federal Treasury. It would have no application to Virginia, because there fuel is plentiful. It would have no application to any Central Western State. But there are four counties in Oklahoma, in the southwestern part, adjoining the drought-stricken area of Texas, where during the past year the people have raised nothing. There is no timber in that section. Even if there were timber there it would be so expensive it could not be used for fuel. But in these particular counties, and in the northwestern part of Texas, fuel in the form of timber is not available. It would have to be hauled for a distance of 50 to 75 or 100 miles, or transported by rail. There is no natural gas in that section. As a result, the farmers in those communities are forced to use coal. While it does not take a great amount of coal, occasionally there are blizzards or "northers" coming across the prairies which make it necessary to have a supply of fuel on hand.

The report submitted by the chairman of the committee contains one sentence to which I desire to call attention, on page 2, as follows:

> The depleted income of farmers from reduced crop production, coupled with the necessity of making unusual purchases of hay and feed, has exhausted the resources of many farmers in the drought area.

To my certain knowledge that is true; and in the particular section to which I have referred, unless the drought-stricken population can have some help, perhaps the greatest suffering will occur during the periods of extreme cold which come occasionally in winter.

It is on behalf of four counties of the southwestern part of my State, and some counties in northwestern Texas, that I submit this amendment. It will not lead to a drain upon the Treasury, but it might in a number of cases relieve distress which would be most acute.

At this time I ask for a vote upon the amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Oklahoma.

The amendment was rejected.

The VICE PRESIDENT. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated.

The LEGISLATIVE CLERK. A bill (S. 255) for the promotion of the health and welfare of mothers and infants, and for other purposes.

Mr. JONES. Mr. President, I ask unanimous consent that the unfinished business may be temporarily laid aside.

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

Mr. HARRISON. Mr. President, may I ask the chairman of the Committee on Agriculture and Forestry a question? I am in receipt of a letter from a gentleman who has given great study to this question and who has analyzed the various measures. He has propounded to me a question which I now wish to propound to the chairman of the committee. He quotes the language of the joint resolution on page 2, beginning in line 9, as follows:

> All such advances or loans shall be made through such agencies as the Secretary of Agriculture may designate, and in such amounts as such agencies, with the approval of the Secretary of Agriculture, may determine.

The question put to me is, "Do you think this is sufficient authorization to allow the Secretary of Agriculture to take stock in local agricultural corporations who establish an agency for the distribution of the fund?"

Mr. McNARY. That question is addressed to the matter of agencies. I think the language sufficient to include the proposal made by the author of the letter.

Mr. CARAWAY. As I understand the Senator, it is his thought that the Secretary of Agriculture under the provisions of the joint resolution may take stock in agricultural corporations?

Mr. McNARY. Oh, no; not to take stock. The question is as to the distribution of the fund.

Mr. CARAWAY. That was not the question, and I was afraid the Senator from Oregon did not understand it.

Mr. McNARY. He could not acquire stock in an agricultural organization. I thought we were to use these organizations for the purpose of distribution and other acts necessary to administer the provisions of the joint resolution.

Mr. HARRISON. My correspondent quotes from the joint resolution the following language:

> All such advances or loans shall be made through such agencies as the Secretary of Agriculture may designate, and in such amounts as such agencies, with the approval of the Secretary of Agriculture, may determine.

That is the language of the joint resolution.

Mr. McNARY. That is the employment of the agencies for the execution of the joint resolution.

Mr. HARRISON. Then the Senator does not think that the Secretary of Agriculture in his discretion could subscribe, say, $2 for $1 that might be subscribed by local interests to organize agricultural-relief corporations?

Mr. McNARY. Not for the purpose of affecting an organization, but he could employ their activities in the matter of distribution of the feed, fertilizer, or what not.

Mr. HARRISON. Has the Senator given any thought to the proposition to give to the Secretary of Agriculture the power to subscribe—and if this amount is not sufficient to make it larger—for stock in the agricultural-relief organizations provided the local community can raise a certain amount?

Mr. McNARY. I do not think the Secretary of Agriculture could employ this fund for subscribing to stock in agricultural corporations of any kind or in cooperatives, but he could use those agencies for the purpose of administering the joint resolution.

Mr. HARRISON. The Senator does not think it would be advisable to employ the department fund for that purpose?

Mr. McNARY. Oh, no; it would get away from the purpose which the committee had in mind and would not aid in the execution of the law for the relief of the people in the distressed areas.

Mr. SMITH. Mr. President, in connection with the suggestion of the Senator from Mississippi [Mr. HARRISON], under the appropriations for the relief of the storm-stricken regions of the Southeast, there was set up an independent organization for the distribution of the money under the Bureau of Economics in the Department of Agriculture. They had their own agencies and are still employing them in connection with the fund.

I want to say in this connection that there has been quite a discussion about the amount of $60,000,000. I do not think the Government ought really in an emergency of this kind to ask for interest on the investment, but that the cost of the distribution should be sufficient. They have collected, including interest, and turned back into the Treasury something in excess of 87 per cent of the fund, and still have some equities in properties not yet disposed of. In spite of the fact that in my State and in the adjoining States we had in 1928 the hurricane and in 1929 the flood, and in spite of the comparative failure of the crop, they have been able to pay back the percentage which I have just stated.

Mr. President, this distressing situation of agriculture, as a matter of course, is intensified in the drought-stricken region. I, as a member of the committee, was glad indeed to have an opportunity to vote for this amount. The chairman of the committee said to-day, that out of the $6,000,000 previous fund there was something like $4,000,000 only used. I know the $6,000,000 could have been used to the great relief of numbers who did not get any relief. I do not doubt that of the $60,000,000 fund nothing like the total amount is going to be used, but I want to call attention to the language of the proposed legislation in order to have set

forth in the RECORD my interpretation of it and what I think the administrators of the measure should do. The joint resolution reads:

That the Secretary of Agriculture is hereby authorized, for the crop of 1931, to make advances or loans to farmers in the drought and/or storm stricken areas of the United States, where he shall find that an emergency for such assistance exists.

I want to state frankly that in my State, perhaps, we have made the best crop this year that has been made in 11 years. I see by the press that South Carolina is the third State in crop production this year; that is, the third best. On account of the debts incurred in 1928 and 1929 and on account of the failure of the crops in 1928 and 1929, and on account of the absurd prices which were obtained for the cash crop the producers of this good crop are left in almost as destitute, if not quite as destitute, a condition as they were on account of the flood and hurricane.

As an illustration, in the midst of what is known as the bright-leaf or flue-cured tobacco section, producing an aggregate of 750,000,000 pounds of tobacco, the crop this year brought a little less than half of what the average price was last year. Last year cotton brought an average of about 18 cents a pound and this year an average of about 8 cents a pound. This means a loss of from $6.50 to $60 per bale. The cottonseed, which was a by-product but very valuable, has brought about one-half price, so that on account of the accumulated debts carried over from the previous two years, those in the storm-stricken region who made the crop have had it taken away to settle that debt, and they are about as destitute as those whom the drought has hit and caused to have a crop failure.

I hope, and I shall insist, that in the administration of this measure, wherever it is found that the producers of our crops have suffered by virtue of the storm and flood and the disaster of the drought, they shall be given consideration. My State is not mentioned, Florida is not mentioned, and yet there are areas in both of those States where absolute distress is being endured to-day. I wanted to take occasion to call attention to this fact for the reason that I am afraid that the administrators of the joint resolution might interpret it to apply to the certain States named in the report of the committee and in the intimation that it is purely a drought-relief measure.

Mr. McKELLAR. Mr. President, may I ask the Senator from Oregon a question? Did the committee consider the question of the Secretary of Agriculture making any report to anyone in reference to the distribution of this fund? I see no such provision in the joint resolution.

Mr. McNARY. There is a general statute requiring the administrators of all laws to report annually. It is never customary to specify or respecify such a provision in a measure of this kind.

Mr. McKELLAR. I remember when we appropriated $100,000,000 to be used for the suffering in Europe that such a provision was incorporated. It seems to me it would be better. I merely wanted to call the attention of the Senator to it.

Mr. McNARY. If there is any unusual neglect by the Secretary of Agriculture promptly to report to the Congress or the President, then a resolution may be passed calling for such a report.

Mr. FRAZIER. Mr. President, I think the need for a seed and feed loan is much greater this year than it has ever been before. The fact that we have had continued depressions in all agricultural States in the South and in the West makes it more imperative than ever before that we have sufficient funds to help the farmers put in a crop somewhere nearly normal this next spring. A year ago we were very late in getting the little farm-relief measure through, and in many of the Northern States at least the help came practically too late. We were the last ones to be taken care of, and the help came too late.

At the beginning of this session I sent out a questionnaire to each of the county auditors in North Dakota. I have received replies from county auditors or county agents in 40 of the 53 counties. All but two of those counties say that they will need quite a lot of assistance for their farmers. The number they give amounts to about 16,000, and it probably will run higher than that, because some of the counties I have not heard from I am sure will need some assistance from the Government. I believe I am safe in saying that North Dakota will need out of this fund at least $3,500,000 to properly take care of the situation there. One county auditor stated that they had a pretty fair crop in his county, but owing to the low prices and the general bad condition the bulk of their farmers were compelled to sell every bushel of grain they had, including anything they had planned to keep for seed, in order to pay the debts that were necessary to be paid and to keep their families through the winter. Therefore, practically all the farmers in that county would need assistance in order to get seed and also feed for their livestock, so as to enable them to put in a crop next spring, and that is the situation in a great many cases.

So, Mr. President, personally I am doubtful whether $60,000,000 is going to be enough to go around, but I am satisfied that at least that much is needed in order to take care of the emergency. Of course, however, if the joint resolution shall be passed very soon, and the work proposed by it be started, and it shall be found that more money is needed, I presume another measure authorizing a further appropriation may be passed later on. I certainly hope, however, that the joint resolution will be passed with the authorization of the appropriation for $60,000,000.

The VICE PRESIDENT. The joint resolution is before the Senate and is open to amendment. If there be no further amendment, the joint resolution will be read a third time.

The joint resolution was read the third time.

The VICE PRESIDENT. The question is, Shall the joint resolution pass?

The joint resolution was passed.

WELFARE OF MOTHERS AND INFANTS

Mr. JONES. Mr. President, I ask that the unfinished business may be laid before the Senate and proceeded with.

The VICE PRESIDENT. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (S. 255) for the promotion of the health and welfare of mothers and infants, and for other purposes.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House had passed a bill (H. R. 14804) making supplemental appropriations to provide for emergency construction on certain public works during the remainder of the fiscal year ending June 30, 1931, with a view to increasing employment, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the amendment of the Senate to each of the following bills of the House:

H. R. 1759. An act for the relief of Laura A. DePodesta; and

H. R. 1825. An act for the relief of David McD. Shearer.

HOUSE BILL REFERRED

The bill (H. R. 14804) making supplemental appropriations to provide for emergency construction on certain public works during the remainder of the fiscal year ending June 30, 1931, with a view to increasing employment, was read twice by its title and referred to the Committee on Appropriations.

THE PRESIDENT'S STATEMENT ON RELIEF LEGISLATION

Mr. CARAWAY. Mr. President, I wish to have printed in the RECORD a letter, the writer of which sets forth the conditions in his county in Arkansas as being typical. I should have liked to have discussed the joint resolution which has just been passed. The Senate, however, was so anxious to have a vote on it that I refrained from doing so. I ask to include a letter from Judge E. A. Rolfe of my State.

The VICE PRESIDENT. Without objection, the letter will be printed in the RECORD.

The letter referred to is as follows:

FORREST CITY, ARK., *December 6, 1930.*

Senator T. H. CARAWAY,
Washington, D. C.

DEAR SENATOR: I have got to the place I don't know what to do. If we don't get some help at once people and stock will starve. No work and no bread, no meat. Conditions are bad and no cause of the people. They have worked, raised one-half to one-third of crop of cotton and half price. All the farmer had to pay for the man to gather his crop so the cropper could live, and in many cases the landlord never collected any rent and the cropper never paid half what he was furnished to make the crop. Hundreds of head of stock will starve and will not be long about it. More corn was planted this year, more than had been for years. Not 1 out of 20 have any corn, little hay. We need help at once. Cotton is all out, nothing to do, nothing to pay for work on account of drought.

Yours truly,

E. A. ROLFE.

Mr. CARAWAY. Now, Mr. President, a great humanitarian paper has just come from the White House. I shall read it.

I observe—

Says the President—

that measures have already been introduced in Congress and are having advocacy, which, if passed, would impose an increased expenditure beyond the sums which I have recommended for the present and next fiscal year by a total of nearly $4,500,000,000 and mostly under the guise of giving relief of some kind or another. The gross sums which I have recommended to carry on the essential functions of the Government include the extreme sums which can be applied by the Federal Government in actual emergency employment or relief and are the maximum which can be financed without increase in taxes.

No matter how devised, an increase in taxes in the end falls upon the workers and farmers, or alternatively deprives industry of that much ability to give employment and defeats the very purpose of these schemes. For the Government to finance by bond issues deprives industry and agriculture of just that much capital for its own use and for employment. Prosperity can not be restored by raids upon the Public Treasury.

The leaders of both parties are cooperating to prevent any such event. Some of these schemes are ill considered; some represent enthusiasts, and some represent the desire of individuals to show that they are more generous than the administration or that they are more generous than even the leaders of their own parties. They are playing politics at the expense of human misery.

Many of these measures are being promoted by organizations and agencies outside of Congress and being pushed upon Members of Congress. Some of them are mistaken as to the results they will accomplish, and they are all mistaken as to the ability of the Federal Government to undertake such burdens. Some of these outside agencies are also engaged in promoting political purposes. The American people will not be misled by such tactics.

The reputation, whatever he has, Mr. President, of the President of the United States rests upon administering a relief fund which never cost him a cent. It rests upon extending relief to destitute humanity. If it were not for that, there would not have been anything to his biography except the date of his birth and a blank left for that of his death; and yet, without having done anything, Mr. President, or having made one recommendation that would at all relieve the conditions that confront this country, the President now lectures the Congress of the United States and those organized agencies for relief outside of Congress which are unwilling to sit down and see human beings starve because of maladministration and overwhelming misfortunes caused by natural agencies.

As to what is included, Mr. President, by the declaration that the leaders of both parties are cooperating with him in keeping down these expenditures, everyone will have to answer according to his own belief; but the societies outside of the Congress which are intended to be lectured I presume are quite well known. For instance, the American manhood who represented all that we offered in defense of American liberty from 1917 to 1918 is behind measures to have paid now the certificates of adjusted compensation. Therefore if the President is undertaking to say to the representatives of these 4,500,000 sons of America, who offered to die in order that American liberty might live, that they are unpatriotic, and that they are engaged in "playing politics at the expense of human misery," he will find no sympathetic response from the American people in that indictment of the American soldier.

If he is talking about societies representing the idle, who are not idle because they are not willing to work, but are idle because favoritisms have been extended to certain industries at the expense of the entire American citizenship until they can find no employment; if he is talking about the women who have come here and asked that food be given to the babies to keep them from starving, the President will find no sympathetic response in the American heart for an indictment of those who prefer that the Government should give something of its great wealth rather than that babies and their mothers shall starve.

If he is indicting those who speak for agriculture, the men who know something about the depressed condition of agriculture, who know, as I know, that there are thousands of farmers in my State who have not enough left of the last 12 months' labor of themselves and their families to care for them for a single week, his statement will strike no responsive chord in the hearts of the farmers of America.

Mr. President, although it may sound, I presume, to one with the President's viewpoint as entirely without merit, as good a farmer as any I know, a man who has been a member of the church and a supporter of its institutions for a generation, who is looked upon by the community in which he lives as an exemplification of what a good citizen ought to be—sober, industrious, honest, without a single extravagant habit, a man who has devoted a lifetime to creating wealth, is, as I learned the other day while talking with him, going through this winter without a rag of underwear. Yet I presume if anybody says that such a man, who has created the very things we eat and provided the material out of which the clothes we wear are manufactured, should have any kind of relief he is "playing politics."

Mr. President, who "played politics" at the expense of human misery? Every man who knew anything about the conditions that confronted the American people knew before the last election that millions of honest workingmen were walking the streets looking for jobs and could not find them. They knew a great disaster had fallen upon agriculture; but the man who now charges that people are "playing politics at the expense of human misery" for political reasons minimized the disaster that had befallen the American people. He was unwilling to admit, until after the election, that great numbers of American citizens, who, as I have said, had created the wealth of this country, were without the means of livelihood; there was no public acknowledgment of that fact by the President and no effort to relieve the situation, but, on the other hand, a suppression. Who, then, was "playing politics at the expense of human misery"?

Some indictments, Mr. President, ought to go unanswered, either because of the source from which they emanate or because of the general knowledge that the man who brings the indictment is without information and therefore excusable; but here is an indictment. At whose head aimed I do not know; I do not know whether it is aimed at the chairman of the Committee on Agriculture, who disregarded the President's recommendation for $25,000,000 and said that in this great disaster $60,000,000, in his judgment, represented a very moderate sum to be appropriated, or whether it is aimed at other members of the committee. I wish to say, however, Mr. President, with reference to this particular legislation that when the Committee on Agriculture came to consider it nobody "played politics." There were bills before the committee introduced by different Senators, but there was only one measure considered, and that was considered because it best met what it was thought the situation required. That measure received a unanimous report from the committee, a committee composed, if I may be permitted to group its members, of progressives, of regular Republicans, and of Democrats. Not one word, Mr. President, of political significance was uttered by either one of the groups. Everyone thought that the situation demanded relief and in demanding relief nobody "played politics."

I do not know whether the lecture was aimed at my distinguished friend the Senator from Massachusetts [Mr.

WALSH], who wears no man's collar and who on yesterday dared raise his voice in behalf of people who needed employment and for whom it was thought employment might be procured.

I wish the President would give us a bill of particulars; I wish he would say who are unpatriotic, and, incidentally, I wish he would say who are the leaders who are cooperating with him to deny people in distress the means the Government can supply. It would be interesting, Mr. President, to have that information.

Mr. BINGHAM obtained the floor.

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield to an observation on the matter just under discussion?

The VICE PRESIDENT. Does the Senator from Connecticut yield to the Senator from Massachusetts?

Mr. BINGHAM. I yield.

Mr. WALSH of Massachusetts. Mr. President, in order that we may fully understand the meaning and spirit of the statement issued by the President to-day, I should like to recall what happened in this Chamber yesterday that in all probability inspired it.

The first Member of this body yesterday to raise any question about relief other than that recommended by the President was a Republican, the junior Senator from Michigan [Mr. VANDENBERG], who dared to suggest that he favored cash payments being made out of the Treasury upon the adjusted-service certificates held by war veterans. This proposal was favored by other Senators. Later I proposed, by introducing a bill, that the Congress of the United States consider the feasibility and the practicability of putting all Government civilian employees upon a 5-day-week basis, with the hope that it would find employment for thousands of unemployed and in order that the Government might set an example to private industry that might result in spreading out the number of jobs that would be available for the unemployed.

In the course of my discussion of the merits of that bill I called attention to another relief measure, namely, that the Federal Government should pay back to the several States and municipalities 50 per cent of the increased burdens placed upon them by reason of the extraordinary demands upon the public treasuries of the States and municipalities in giving relief during this year and the next year.

Mr. President, all these proposals are "playing politics"! The right to petition the Congress for relief to the war veterans, to the unemployed, to the overtaxed municipalities—all these proposals by the Members of the Congress are for a "political" purpose! I would not charge the President with playing politics in declaring that there shall not be one dollar more levied in tax increases in order to furnish employment and to extend relief. I give him credit for honestly and sincerely believing that refraining from levying upon the income-tax payers of the country one dollar more in taxes is, in his judgment, the sanest and soundest course to pursue in this emergency. But why are we who dare to propose something additional to what he has proposed charged with playing politics?

Let us consider the bill for the relief of the drought sufferers, just passed and which was recommended by the President.

Mr. President, this joint resolution we have just passed was a measure to extend relief to those who are the victims of the recent drought. Is that playing politics? What, in Heaven's name, is the difference between asking relief for the men and women who have no work and the relief which is granted to those who are the victims of a want of water? The only logical difference is that some human beings are given preference because they are suffering by not being able to obtain water, while in other sections of the country human beings must be charged with "playing politics" because they seek relief when they are unable to obtain work. It is nonpolitical to relieve those who suffer from want of water but political to ask relief for those out of work.

Mr. President, let us at least be grateful that the President has in unmistakable terms, that he who runs may read, let it be known what the Chief Executive of this country contemplates doing in this hour of need and distress and misfortune. The language is clear. No emergency exists that necessitates further indebtedness. Whatever the emergency, whatever the appeal, whatever the cry that comes up from the suffering people of this country, he does not propose to levy one dollar more in increased taxes. That is one thing that is unmistakable about the statement that he makes. We know finally the yardstick he is to apply to the situation. He clearly chooses the safeguarding of the Treasury of the richest country in the world against all demands to relieve human suffering.

I challenge the President to name any Democrat in the United States of America, wherever he is, who will say that he agrees with the policy he has outlined for himself. I want that Democrat or Republican marked, and I want the American people to know all their fellow servants who propose to take the position that there will be no increase in taxes or loans made to help the unemployed or to bring relief to alleviate the present economic distress.

Mr. President, there would have been long before this revolution, and you know it, in some of the States and municipalities of this country, had governors and mayors taken that position. What would have become of our country if every governor in the United States and every mayor of a municipality had said, during the past year, "Not a dollar of relief if it means increase in taxes? Hungry? Yes; but no increase in taxes. Suffering? Yes; but no increase in taxes." What would have become, I say, of the people of this country?

The country should ever be grateful to those executives and officials who have not hesitated to spend millions of dollars of public funds to make less poignant the distress and the unfed less numerous. How will they enjoy the characterization of the President—they are "playing politics"? It is more patriotic to think of the Public Treasury than the alleviations of human suffering, to entertain zeal and enthusiasm for the possessors of wealth than to plead and petition for funds to relieve the voiceless millions who are suffering from want of the comforts of life in silence in every hamlet in America. And yet because the unemployed dare to petition the Federal Government—which in 1919, after the World War, appropriated a hundred million dollars for starving people in far-off Russia—because duly elected representatives of the people in the Senate dare to stand here and ask for a hundred million dollars to help lift the burdens off the municipalities and the States of this country who are forced to increase the taxes of the poor landowners and the small farmers, we are "playing politics"! It is an astounding statement. It is unbelievable that a President of the United States would close his ears and be unwilling to open his mind and his heart to helpful suggestions—to say, whatever is proposed, whoever proposes it, "No increase in taxes!"

The patience of the American people is to be commended.

What does government exist for? To serve. Whom? The people. When? When the people need to be served. Ordinarily the people do not need the special aid of government; but we do need the strong, helping hand of the Government, and sympathetic, constructive leadership, when there is need in an emergency to serve, and to help the people; and if there ever was a time in this country when the people needed their Government to help them, it is to-day and at this hour.

Mr. President, I now call particular attention to this sentence:

> The leaders of both parties are cooperating to avert any such event.

As I understand that sentence, they are cooperating to prevent any increase in taxes to help relieve unemployment and to help relieve distress other than what the President has recommended. I think we are agreed upon what he has recommended, namely, that there should be no further appropriations than those that are necessary to carry out

and expedite the work which was authorized during the period when Congress was not confronted with the emergency that now confronts us.

I desire to close by saying that the President can continue to assert and insinuate that those who propose remedial measures here are "playing politics"; but I propose to leave nothing undone to focus public attention upon the need more than ever of constructive efforts and of expenditures of money—all that may be needed; all and more than Russia's hungry people had in 1919.

I regret keenly to find the great President of the United States, in this hour of sorrow and distress, when millions of human beings do not know where their next meal is coming from, taking this attitude of saying, "No matter what is suggested it will not receive any attention from me if it increases taxes by $1; and those of my fellow countrymen who suggest relief to you that will affect the Public Treasury are engaged in playing politics.

It is always unpleasant to differ with the President, but there can be no compromising when the question is between aiding or denying relief to the unfortunate victims of an economic system that saps their vitality for making profits. I am against giving mere lip service to the destitute of America in this dire emergency.

WELFARE OF MOTHERS AND INFANTS

The Senate resumed the consideration of the bill (S. 255) for the promotion of the health and welfare of mothers and infants, and for other purposes.

Mr. BINGHAM. Mr. President——

Mr. HARRISON. Will the Senator from Connecticut yield to me?

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

Mr. BINGHAM. I should like to speak for a few minutes on the business now before the Senate. I shall not speak at great length. I yielded to my friend from Massachusetts for five minutes; and I should like to proceed now to discuss the matter before us.

Mr. HARRISON. Will the Senator yield for one sentence?

Mr. BINGHAM. For what purpose?

Mr. HARRISON. For the purpose of stating that when the Senator from Connecticut finishes I desire to speak on the same subject upon which the Senator from Massachusetts has spoken.

Mr. BINGHAM. I am glad to yield for that purpose. I was afraid the Senator was going to ask me to yield for one of these questions that are asked for an hour.

Mr. President, there is probably no more disagreeable task that a member of a lawmaking body can take upon himself than that of opposing legislation obviously intended to relieve suffering and to prevent disease. The bill now before us, sometimes referred to as the maternity bill, introduced by the distinguished Senator from Washington [Mr. JONES] and reported from the Committee on Commerce without hearings—somewhat to the disappointment of a number of organizations that were anxious to be heard—is one which on its face is intended to promote the public welfare. Those who oppose this legislation are accused of gross materialism. Only yesterday my good friend, the distinguished senior Senator from Texas [Mr. SHEPPARD], in a fervid peroration in which he referred to the fact that the mother and child comprise the foundations of our civilization, and that when the first mother gave the first life from her own the first home began, and quoted that touching poem about children being the idols of hearts and of households, stated that the Federal Government was expending millions of dollars for information services relating to the health of cattle and hogs, and then said:

> In our intense and mad materialism we are placing cattle above mothers and hogs above children.

Mr. President, it is obvious that when one is going to be accused and by opposing this legislation is accused of placing cattle above mothers and hogs above children there are a great many people in the country who think that this legislation ought to be passed immediately, and resent any delay in its passage.

The history of this legislation has been referred to by previous speakers. When it was first brought on the floor of the Senate by the distinguished Senator from Texas [Mr. SHEPPARD]—the bill was known at that time as the Sheppard-Towner bill—it was proposed that for five years the people of this country should be informed about the diseases connected with motherhood and with infancy in order to prevent deaths in maternity and deaths in infancy. As that legislation drew near its close an effort was made to continue it for three years. The bill, when it came over here, was referred to the Committee on Education and Labor. That committee, after giving it considerable consideration, reported it with an amendment which reduced the length of time for the continuance of the legislation from three years to one year.

On the strength of that amendment we had a prolonged debate. We endeavored to call the attention of the country to the fact that although this bill purported to be in the interests of the future citizens of this country and their mothers, actually it was aimed at a destruction of that very system of sovereign States on which our prosperity depends. We pointed out that it created a bureaucracy which went from Washington into the several States and took away from those States the right of deciding matters themselves, and bribed them to adopt the decision of bureaucrats in Washington as to what ought to be done on the question of maternity and infancy.

We pointed out that three or four States, including the State of Connecticut and, if my recollection serves me, the State of Illinois and the State of Massachusetts, declined to accept the Federal bribe and preferred to pay for this service out of their own pockets and run their services in connection with welfare legislation their own way, at the same time contributing their quota in taxation to the money which went into the pockets of people in the other States who accepted the bribe of Federal aid to run their welfare activities as the bureaucrats in Washington wanted them run.

The very distinguished Senator from Missouri, Mr. Reed, no longer with us, presented at length the arguments of those who were opposed to this legislation. On the other side of the aisle former Senator Bruce and former Senator Bayard were also opposed and presented arguments against it, in addition to some on the other side of the aisle who are still in the Senate.

On this side of the aisle, among those who are no longer with us who took an active part in fighting this legislation, were the distinguished Senator from Wyoming, the late Mr. Warren; the Senator from New York, Mr. Wadsworth, one of the ablest legislators this Chamber has ever seen; the distinguished Senator from Pennsylvania, Mr. Pepper, and others no longer here, who felt that it was unwise legislation.

We organized our forces to try to educate the country and also to prolong the debate so as to discourage the proponents of the measure. We were charged with conducting a filibuster. Be that as it may, around midnight on one of the nights when this matter was being discussed the proponents of the legislation came to those of us who were fighting the legislation and said, "If you will give us two more years instead of one"—as provided in the bill which came out of the committee—"we will then agree that this thing shall terminate."

We were a little in doubt as to what to do. The Senator from Utah [Mr. KING] had the floor at the time, and while he was making a very able speech against the legislation, we called over from the House of Representatives Judge TUCKER, of Virginia, former president of the American Bar Association, and one of the most distinguished constitutional lawyers in either branch of Congress, who had for many years fought the ideas beneath this legislation, although as kindly an old gentleman, as sympathetic, as well intentioned toward the welfare of his country and his State as anyone who ever sat in Congress. He was called over here at midnight to see whether it was wise to accept this

compromise, or whether we would better go ahead and defeat this bill.

Questions were asked. The telephone was used. I do not know to whom the messages went, because they were to sponsors of the bill on the outside of the walls of Congress. Satisfactory reply was received that if this legislation were allowed to pass and this service could be continued for two years, no further effort would be made to keep the service alive, and that the end would come.

In order that the matter might be drafted by a skilled lawyer and legislator in such a manner as to achieve that for which we were fighting, Senator Lenroot was called into conference, and he drafted an amendment, which satisfied those who were in favor of the bill that it gave them what they wanted, and they claimed that it gave us what we were fighting for, namely, an end of this kind of Federal bribery of the States and interference in their affairs on the part of Federal bureaucracy.

When that amendment had been brought back to the floor, it was indicated to the junior Senator from Utah [Mr. KING], who had the floor, that an agreement had been arrived at which would cause an end to this legislation, whereupon he yielded the floor, and others who were intending to speak on the measure gave up their privilege of speaking, and the following colloquy took place:

Mr. SHEPPARD—

He was in charge of the bill on the floor—

Mr. SHEPPARD. I offer the amendment which I send to the desk.

The VICE PRESIDENT. The clerk will read the amendment.

The LEGISLATIVE CLERK. It is proposed to amend the bill by inserting, after line 2, on page 2, a new section, to read as follows:

"SEC. 2. That said act entitled 'An act for the promotion of the welfare and hygiene of maternity and infancy, and for other purposes,' approved November 23, 1921, shall, after June 30, 1929, be of no force and effect."

Mr. BINGHAM. Mr. President, I should like to ask the Senator from Wisconsin for an explanation of the amendment.

Mr. KING. I should like to have an explanation made in order that it may appear in the RECORD.

Mr. LENROOT. Mr. President, this amendment is a compromise reached between the two opposing sides upon this question. It was stated that a compromise might be reached if an agreement could be made for the entire repeal of the maternity act of June 30, 1929. I was then requested to draft language that would accomplish that purpose, and I think the amendment does so.

Mr. BROUSSARD. Mr. President, how can the amendment accomplish the purpose when the bill itself fixes the time for 1929?

Mr. LENROOT. That has only to do with the appropriations.

Mr. BROUSSARD. I understand that; but that is all it could do. I do not think there is any compromise at all. The amendment merely states a conclusion which the bill itself sets forth.

Mr. Lenroot then explained that the bill did not provide for its own termination, but merely for the termination of the appropriation.

Mr. BROUSSARD then asked that the amendment be read again.

Mr. KING then took the floor and said:

Mr. President, as I understand the Senator from Wisconsin and as I understand the position of the Senator from Texas, the purpose of the amendment is absolutely to repeal the existing law, so that at the end of two years——

Mr. LENROOT. On June 30, 1929?

Mr. KING. Exactly; so that at the end of that time there will be no legislation whatever upon this subject.

Further colloquy took place. It is not necessary for me to read it at this point, although I shall ask to have all this printed in the RECORD. I do not desire to take up the time to read it, except the final statement made during the course of the debate, which apparently was made by Mr. SHIPSTEAD, who said:

Mr. President, I simply wish to state that I agreed to the amendment at the solicitation of the distinguished Senator from Texas [Mr. SHEPPARD]. My understanding was that it was acceptable to both sides of the controversy. That is the reason I agreed to it. I take it that the amendment is proposed in good faith and that the spirit of the amendment will be carried out.

(The rest of the debate referred to by the Senator from Connecticut is printed in full, as follows:)

Mr. LENROOT. Mr. President, may I say to the Senator from Louisiana that the act of November 23, 1921, as it stands is permanent legislation? The only thing that is limited is the authorization of appropriations to carry it out, and, of course, the act stands. In the absence of the amendment it would be in order hereafter to enact legislation such as is now proposed merely authorizing additional appropriations under the act. If this amendment be adopted and the bill becomes a law in that form, the entire act will be gone; there will be no legislation upon the subject to which appropriations could attach after June 30, 1929, unless new legislation is enacted authorizing such appropriation.

Mr. BROUSSARD. Mr. President, may I ask that the amendment be again read?

The VICE PRESIDENT. The clerk will read the amendment.

The amendment was again read.

Mr. KING. Mr. President, as I understand the Senator from Wisconsin, and as I understand the position of the Senator from Texas, the purpose of the amendment is absolutely to repeal the existing law, so that at the end of two years——

Mr. LENROOT. On June 30, 1929?

Mr. KING. Exactly; so that at the end of that time there will be no legislation whatever upon this subject.

Mr. LENROOT. We can not bind a subsequent Congress, of course.

Mr. KING. I understand, of course, if the Senator will pardon the suggestion, that the amendment is offered in good faith, and it is understood by the proponents of this legislation, outside of Congress as well as in, that the adoption of the amendment will end the legislation. When Congress passed the original bill it limited its operation to five years, and everybody then understood that it would not have gone through except for the provision that at the end of five years the legislation would terminate.

Mr. LENROOT. I will say to the Senator that I can not speak for any understanding, but I am entirely clear that if this amendment shall be adopted it will end the legislation, and that there can be no further appropriation for this purpose under any existing law after June 30, 1929.

Mr. MCKELLAR. Mr. President, I desire that it shall be understood that I am not bound by any understandings or agreements. I do not believe that as a legislator I ought to make such agreements, and I shall not do so.

Mr. BROUSSARD. Mr. President, I do not know that this amendment, if adopted, would improve the situation which existed before the expiration of the 5-year period. We are merely extending the act for two years more. Naturally, when we passed this legislation, against which I entered my protest, it was understood that it was to be effective for five years. It was then proposed to extend it without any new legislation for two more years. The Senate committee reported a measure restricting the operation of the original act to one additional year; and should this amendment be adopted, we should be no better off than we were under the original act, which limited the legislation to five years. I shall not give my consent to this amendment unless it is proposed to insert in the bill that no further appropriations will be asked for, nor will Congress be bound to appropriate anything at all.

Mr. LENROOT. That is the effect of the amendment, I will assure the Senator.

Mr. BROUSSARD. But we are now acting upon a law which just as effectively limited its operation to five years, and we are now going to extend it for two years more.

Mr. LENROOT. May I again say to the Senator that there is no termination of this law that is now proposed to be repealed? It stands on the statute books as an existing law until repealed. The only thing which we propose to extend for two years is the appropriation to carry out the act.

Mr. BROUSSARD. If we are going to have a compromise here, I should want to insist that the law shall be repealed in 1929.

Mr. LENROOT. That is exactly what this amendment proposes to do.

Mr. BROUSSARD. It will not do that, as I understand.

Mr. LENROOT. That is exactly what it will do.

Mr. BINGHAM. The friends of the measure believe that it will do that.

Mr. BROUSSARD. It merely puts an inhibition under the present statute of appropriating further money.

Mr. LENROOT. Oh, no; it provides that the entire act shall be of no force and effect after June 30, 1929.

Mr. BROUSSARD. If that is the effect of the amendment I am willing to subscribe to it, although I shall vote against it.

Mr. KING. I think the statement which has been made by the Senator from Wisconsin is correct. As I understand, the amendment is a complete repeal of the act.

Mr. BROUSSARD. That is the statement that I wanted to have put into the RECORD.

Mr. KING. I think the Senator from Wisconsin stated it exactly.

Mr. BROUSSARD. My only purpose was to put into the RECORD the admission that the amendment provided such a repeal.

Mr. KING. I agree with the Senator from Louisiana. I am opposed to the act; I shall vote against the amendment anyway; but I shall not object to taking a vote on it.

Mr. SHEPPARD. Mr. President, of course, the work of the Children's Bureau relating to child welfare, maternity, and so forth, here in Washington will continue. That is authorized under another act, not under the act of November 23, 1921.

Mr. LENROOT. It is authorized under another act.

Mr. SHEPPARD. The act of November 23, 1921, will be repealed on and after June 30, 1929, and the cooperative work authorized by that act will then cease.

Mr. TRAMMELL. Mr. President, I do not know that we are going to have a yea-and-nay vote on the amendment, and for that reason I desire to state for the RECORD that I am opposed to any amendment which will work a repeal of the existing law.

Mr. MCKELLAR. Mr. President, I wish to say that I also am opposed to the amendment.

Mr. SHIPSTEAD. Mr. President, I simply wish to state that I agreed to the amendment at the solicitation of the distinguished Senator from Texas [Mr. SHEPPARD]. My understanding was that it was acceptable to both sides to the controversy. That is the reason I agreed to it. I take it that the amendment is proposed in good faith and that the spirit of the agreement will be carried out.

Mr. BINGHAM. Mr. President, all of us thought that the amendment was proposed in good faith, and I believe it was. All of us thought that the spirit of it would be carried out. The spirit of it has not been carried out, and persons on the outside of the Halls of Congress have tried persistently since that day to renew that legislation.

Mr. JONES. Mr. President——

The PRESIDING OFFICER (Mr. KEAN in the chair). Does the Senator from Connecticut yield to the Senator from Washington?

Mr. BINGHAM. I yield.

Mr. JONES. In view of the statement of the Senator I think I should state what my position was at the time, as I expressed it on the floor, that I would not be bound by the agreement entered into, as far as this legislation was concerned.

Mr. BINGHAM. Does the Senator remember when he made that statement?

Mr. JONES. I do not remember the day or the hour. I made it as soon as I learned of the action. I remember very distinctly making it.

Mr. BINGHAM. I have a recollection that the Senator made some such statement, but I have been unable to find it in the debates held at that time. The only reference I can find in the index of the volume of those debates when the Senator from Washington referred to this bill was when he raised a point of order against a motion that was made by the Senator from Missouri, Mr. Reed, in regard to some other business. I have a recollection of what the Senator says he stated; that he did make such a statement. I was looking to see just what the statement he made was, but I can not find it in the debate or any reference in the index to his having made the statement. However, I do not charge him with bad faith. I said persons on the outside of Congress. It would be the last thought I would have in mind to charge the Senator from Washington with bad faith in this matter.

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

Mr. BINGHAM. I yield.

Mr. KING. I recollect the occasion to which the Senator is referring. I certainly would not have yielded the floor under the circumstances, because the bill would have been defeated if there had not been, so far as I was concerned, an understanding entered into in good faith, after full discussion between the opposing parties, that the law was to be repealed and that no such legislation was to exist and none to be further offered, so far as those who were in the agreement were concerned, after its repeal. To such a degree were those upon this other side of the aisle committed, at least those with whom I have talked, to the proposition, that when an effort was made in the Democratic convention in Houston subsequent to this event to have a plank inserted in the platform in favor of this legislation, those who were upon the committee, and who were Members of the Senate at the time and were familiar with the agreement, declared that a solemn agreement had been entered into with respect to this matter, and they were unwilling even to put it into the platform, and it was not inserted in the platform.

That was the understanding. What was the good of the agreement if it was understood that immediately afterwards some Senator could come upon the floor and offer the same legislation?

Mr. BINGHAM. Mr. President, there was one thing I might say with regard to this debate which I skipped, and that was that the Senator from Tennessee [Mr. MCKELLAR] and the Senator from Florida [Mr. TRAMMELL] are both on record as being opposed to any amendment which would work a repeal of the existing law.

There is one other remark of the Senator from Texas, in charge of the bill, which I did not read, in which he said:

The act of November 23, 1921, will be repealed on and after June 30, 1929, and the cooperative work authorized by that act will then cease.

There was nothing in the debate or in the conference which took place that night between those who were opposed to the legislation and those who were in favor of it which led those of us who were fighting to get the legislation repealed to believe for one moment that the legislation would be brought up again and favored by the same people who were then favoring it.

As I said, this legislation is extremely hard to speak against, because it has such a worthy object. It is always implied that we should not provide money for making investigations into the diseases of horses and cattle if we do not provide money for looking into the diseases of women and children. As a matter of fact, however, this type of legislation leads constantly to the building up of the power of a bureau in Washington; it leads constantly to the taking away from the States of the responsibility which rests upon their citizens of enacting proper legislation for their own citizens, and lets them say, "Well, the bureau in Washington said so-and-so. We will do it that way." It merely puts them in the position of subjects faithfully carrying out the orders of persons in Washington and paying one-half of the bill.

Mr. President, I have received a very interesting petition addressed to the United States Senate, signed by the board of directors of the Woman Patriot Publishing Co., Mary C. Kilbreth, president, the directors being Mrs. Randolph Frothingham, Boston; Mrs. Rufus M. Gibbs, Baltimore; Mary G. Kilbreth, Southampton, N. Y.; Mrs. Lewis C. Lucas, Washington, D. C.; and Mrs. B. L. Robinson, Cambridge, Mass. It is too long to read, though I would like to do so were it not that I might be accused of endeavoring to filibuster against this bill, which, as everyone knows, would be a very foolish thing to do, as it is the unfinished business. It is my desire that there be no effort to prolong debate on this question. I ask unanimous consent that this petition may be printed at this point in my remarks without being read.

The PRESIDING OFFICER. Is there objection?

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

A PETITION TO THE UNITED STATES SENATE

DECEMBER 8, 1930.

To the Honorable Members of the United States Senate.

GENTLEMEN: The United States Senate is hereby respectfully petitioned to resume and safeguard its character as a deliberative body by recommitting to the Committee on Commerce, for full public hearings and investigation, S. 255, Calendar No. 368, Report No. 369—the "Jones maternity and infancy bill"—now the unfinished business of the Senate.

Your petitioners, the board of directors of the Woman Patriot Publishing Co. (consisting of Mrs. Randolph Frothingham, Boston; Mrs. Rufus M. Gibbs, Baltimore; Mary G. Kilbreth, Southampton, N. Y.; Mrs. Lewis C. Lucas, Washington, D. C.; and Mrs. B. L. Robinson, Cambridge, Mass.) respectfully show:

1. There have been no Senate hearings on Federal maternity and infancy legislation since April, 1921. That was seven months before the enactment of the Sheppard-Towner Act of November 22, 1921, and upon a bill that was entirely revised in the House. No Senate hearings have ever been held on the present bill or the former act.

2. The Jones bill (S. 255) is in conflict with—

(a) The Constitution of the United States.

(b) The State-rights planks of both party platforms of 1928.

(c) The "gentleman's agreement" made in the Senate in January, 1927, at the request of advocates of the Sheppard-Towner Act, who not only declared it "proposed in good faith" and that "the agreement will be carried out" but made it a part of the statute itself—section 2, act approved January 22, 1927—to "end" and "cease" and "repeal" such legislation.

(d) President Hoover, in his message to Congress, December 3, 1929, which he reaffirms in his message of December 2, 1930, approved Federal aid for maternity and infancy, but recommended that "such outlay should be positively coordinated with the funds expended through the United States Public Health Service." Therefore, the Jones bill is in conflict with the President's announced plans and recommendations.

(e) Two bills were introduced in Congress since the Jones bill was reported April 9, 1930, to carry out the President's plans:

H. R. 12995, by Representative COOPER, June 16, 1930.

S. 4738, by Senator ROBSION, June 18, 1930.

These bills are identical, revive Federal supervision of State "health" and "welfare" work, but under a "Federal health coordinating board."

To rush through the Jones bill without hearings, report, or consideration of the President's bills, plans, and recommendations is manifestly unfair to the President.

(f) The President appointed a commission of some 1,200 persons more than a year ago to consider "child health and protection." The subcommittee on Federal health organization of that conference recommended with only one dissenting vote—that of Miss Grace Abbott, Chief of the Federal Children's Bureau—the transfer of some of the "health" activities of that bureau to the supervision of the Public Health Service.

The President, in opening the recent White House conference on child health and protection, expressed the wish that this point of controversy be referred to a continuing committee of the conference for further consideration. (See official proceedings, supplement to United States Daily, November 28, 1930, p. 52, column 3, Transfer of Divisions, and Preliminary Reports of the White House Conference on Child Health and Protection, pp. 77, 78, 80.)

Miss Grace Abbott, Chief of the Children's Bureau, and Mrs. Florence Kelley (communist translator and chief American lieutenant of Frederich Engels, whose long communist record appears at length in the CONGRESSIONAL RECORD of May 31, 1924, and July 3, 1926), despite the President's wishes, took this controversy to the floor of the conference and to the newspapers, organized "pressure" through letters and telegrams from certain women's organizations, and secured the repudiation of the preliminary report, and an indorsement of their demand for continuation of "health" administration of maternity and infancy legislation by the Children's Bureau.

Miss Grace Abbott made a socialistic speech without the socialist label concerning "distribution of wealth," saying, "If our national income were equally divided, we should all have $3,000 a year and $15,000 invested," implied that the average American family does not receive enough for "a minimum level of health and decency," urged unemployment doles—something that both the President of the United States and the President of the American Federation of Labor have vigorously condemned—and made several charges against her colleagues that the proceedings show unfair. (See official proceedings, United States Daily, November 28, 1930, pp. 18, 30, 33.)

Mrs. Kelley herself, who issued a "challenge to the conference" before it met (signed article, New York World, November 16, 1930), demanding its revival of the maternity act and the child-labor amendment, and asking, "Will this change come soon and peacefully?" protested to the White House conference on behalf of "the organized womanhood of this country." (Proceedings, United States Daily, p. 35.)

Nevertheless, despite the newspaper headlines, the pressure, and the propaganda engineered by Mrs. Kelley and Miss Abbott, it appears, from page 52, official proceedings, United States Daily, column 3, that the entire controversy "is subject to further consideration by a continuing committee as proposed by the President."

The final reports of the President's conference on child health and protection are not expected to be ready until February, 1931.

Manifestly, therefore, the present effort to rush the Jones bill through Congress is an attempt to foreclose the issue and carry out the plans of Mrs. Florence Kelley, the communist, and Miss Grace Abbott, Chief of the Children's Bureau, before the final report of the President's commission is available.

3. The arbitrary action of the Senate Commerce Committee in reporting out S. 255 without hearings is unfair to the Senate and the public for the following reasons:

(a) The report (No. 369) misrepresents the Jones bill as a measure "to amend the maternity act" without informing the Senate that there is no such act to amend and without mention of its repeal.

(b) The report of the Senate Commerce Committee itself (No. 369) consists of 11 lines, the remainder being made up of a letter from the Secretary of Labor (now the Senator from Pennsylvania), dated May 31, 1929, and House reports of 1926.

(c) No statistics of infant or maternal mortality later than 1924 are furnished in the report.

The letter of the former Secretary of Labor, dated May 31, 1929, expressing fear that the end of the Federal maternity act in June, 1929, would mean loss of mothers' and children's lives, is quoted in the report, notwithstanding available reports of the Census Bureau showing a decrease of infant mortality in almost every week since July 1, 1929. (See Weekly Health Index, issued by the Division of Vital Statistics, Bureau of the Census.)

The neglect of the report to furnish the Senate accurate and timely information as to the administration of the former maternity act and its results, if any, upon infant and maternal mortality after nearly eight years of operation, and now a year and a half since its repeal, implies failure of the committee to find such statistics favorable. Hence, the reliance upon a House report of 1926 (ignoring later House reports) is evidence that later and more complete information that a Senate committee itself might collect to-day would not tend to promote the adoption of the Jones bill.

(d) On the part of the Senate, bills are obviously referred to committees so that fair and adequate information may be assembled in one public record, after competent testimony on all points has been heard—under oath if necessary. A 4-year-old report with 11 new lines—on a subject that has occupied 1,200 specialists of one of President Hoover's commissions for more than a year—is manifestly useless to the Senate.

(e) On the part of the public, hearings furnish the only adequate opportunity for expression of public opinion to legislative bodies. Neither petitions nor memorials to the Senate at large, nor personal "lobbying" with individual Senators, nor "letters and telegrams" to individual Senators, can take the place of a public hearing—any more than they would, if allowed, take the place of a "day in court" in a legal case.

Resident lobbyists can pour ex parte pleas into the ears of legislator after legislator until sometimes enough are "pledged" in advance to vote for a bill, regardless of debate on the floor.

But that is not representative government. That is not deliberative action. It is lobby government by coercion or persuasion of individual legislators, who are asked to abdicate their functions as members of a deliberative body, and to "pledge" and cast their votes as an outside lobbyist may direct or request, without regard to the deliberations of the legislative body.

Every lawyer in the Senate knows that the courts have repeatedly held that even the stockholders of a commercial corporation are entitled to the deliberations of a board of directors; that a meeting of directors already "pledged" in advance, regardless of discussion, has often been held illegal and void.

Moreover, "the act of any corporation beyond its charter powers is called in law ultra vires," and Herbert Spencer, pointing out that the majority in a corporation can not control where the original purpose is departed from, well says:

"And I contend that this holds of an incorporated nation as much as of an incorporated company." (See Losing Liberty Judicially, by Thomas J. Norton, p. 36.)

Surely American citizens should have as many safeguards of their right to representative government by deliberative bodies, in enacting the laws under which they live and for which they are taxed by all the coercive powers of government, as investors and stockholders in regard to the security of their money.

What is the fundamental purpose of representative government unless it is to secure discussion by a picked body of honest, informed, and able men, chosen by the people themselves, and accountable only to the people, before laws are passed.

Lawmaking alone can be done by the edicts of a despot.

Voting alone may be done by mail, machine, a word, or a mark.

The only reason for actual assemblies of deliberative bodies is to secure to the people joint discussion by their representatives—in place of arbitrary rule by one individual, or a mere poll of many.

This fundamental purpose of representative government utterly fails if members cast their votes, not according to the outcome of joint deliberation, but according to the ex parte pleas of some outside lobby, group, or bloc, to individual members. We submit that a legislator owes the moral duty of deliberation to the people no less than a director of a corporation owes it legally to stockholders.

4. Opposition sought hearings in February: Representatives of three distinct groups of citizens, who have all thoroughly studied this legislation, and have opposed it since 1921, appealed to Senator JONES, then chairman of the Commerce Committee (who introduced S. 255) for hearings thereon on or about Lincoln's Birthday. Typical of these groups are:

(a) The American Medical Association and various State, county, and city medical societies, opposing so-called State medicine and socialized medicine, particularly when practiced by amateurs and laymen with only political qualifications, if any, to advise physicians, nurses, and mothers on maternity and infancy care.

(b) Such organizations as Sentinels of the Republic, consisting largely of lawyers opposing unconstitutional legislation tending to destroy local self-government and individual freedom.

(c) Organizations and publications conducted by women, many of them having had experience in public-health matters, who oppose supervision of local medical practice and domestic relations by a distant Federal bureaucracy. Among these are your petitioners. These women are also determined to resist the entire socialist-communist program to make women and children wards and dependents of the State—of which revolutionary program this legislation is a repeatedly proved part, originated and still being engineered and promoted chiefly by a disciple of Friedrich Engels himself.

5. The excuse for refusal of hearings: When asked by Senator WALSH of Massachusetts "for an explanation of the position of the committee" in reporting out the Jones bill (S. 255) without hearings, the chairman, Senator JOHNSON, replied concerning this high-handed denial of the Senate's right of investigation through committee hearings, in part, as follows:

"* * * When the bill came before the Commerce Committee as at present constituted it was referred to a subcommittee. That committee subsequently reported favorably to the Commerce Committee. Thereupon the Commerce Committee reported the bill favorably. In its initial stages before this law was put upon the statute books there were elaborate hearings, as I recall, all parties in interest were heard; and it was deemed, I assume, by the subcommittee of the Commerce Committee—certainly it was my opinion—that no additional or further hearings were necessary." (CONGRESSIONAL RECORD, April 21, 1930, p. 7305.)

What Senator would hold that no hearings were necessary on the tariff act of 1930 because "elaborate hearings" had been held prior to the tariff act of 1922? Or that no hearings were necessary on the London naval treaty of 1930 because "elaborate hearings" were held prior to the Washington naval treaty of 1922?

Senator JOHNSON himself, in an eloquent public appeal explaining his insistence upon all possible information, including secret diplomatic correspondence, before Senate action on the London naval treaty, declared:

"It is nonsense to deny a people the right of investigation of what may affect their future welfare," etc. (CONGRESSIONAL RECORD, June 19, p. 11189.)

Senator JONES also, speaking on a joint resolution (H. J. Res. 367) to substitute the word "specified" for "specific" and to change a date by two weeks, declared:

"As a general rule I am opposed to considering bills and joint resolutions without reference to committees. * * * I do not like the procedure of passing bills from the House without their having had any consideration by a Senate committee or anything of the kind." (CONGRESSIONAL RECORD, June 23, 1930, p. 11506.)

We agree entirely with these principles thus set forth by Senator JOHNSON and Senator JONES. But we maintain that they must also apply to such bills as S. 255 if they are principles at all. Otherwise if "the right of investigation" and "consideration by a Senate committee" is urged only upon such measures as a Senator desires to defeat and arbitrarily denied upon measures he desires to put through without such investigation and consideration, it is mere special pleading, not principle, that demands hearings on one measure and refuses them on another.

Thus the excuse for refusal of public hearings on the Jones bill, which have been respectfully and repeatedly requested in vain since Lincoln's birthday, will not square with the principles of Senator JOHNSON and Senator JONES themselves, if they are principles.

What is the real reason for refusal of public hearings on the Jones bill? Is it because it could not stand the strain of a complete investigation? If not, why not? Why does the Kelley-Abbott lobby desire darkness rather than light, "quick action" rather than fair investigation?

We proceed to cite some evidence that is not contained in the report on the Jones bill, but that might be brought out much further if the bill were recommitted and fair hearings held.

6. Mrs. Kelley, communist, leading Jones bill lobby: A documented history of the original "drive" to establish the Children's Bureau and of the leadership of all its subsequent "drives" for "a full grant of power" over American homes and children by Mrs. Florence Kelley (formerly Florence Kelley Wischnewetzky) was published in the CONGRESSIONAL RECORD May 31, 1924, and July 3, 1926, and in House hearings on H. R. 14070—the Newton maternity bill—January 24–25, 1929, pages 248–290.

These facts—which have never been refuted—need no repetition here. But it is significant that the present "drive" also for the Jones bill—and against the Robsion-Cooper bill and the recommendations of President Hoover and his Child Welfare Commission—is also being led by the communist, Mrs. Kelley.

Mrs. Kelley is probably the only living communist leader personally trained by Friedrich Engels himself. Engels was the financial backer and coauthor with Karl Marx of the Communist Manifesto, Das Kapital, etc., and was called by the communists "sole guardian of the world revolution after the death of Marx."

Engels was the author of The Origin of the Family, Private Property, and the State—a ruthless attack upon marriage and morality as well as property—and Mrs. Florence Kelley was his chosen American translator and chief lieutenant.

Mrs. Kelley was receiving detailed instructions from Friedrich Engels about working communism "deeper into the flesh and blood" of Americans by "hiding" the label at about the time that Lenin and Trotzky, Debs, Berger, and Hillquit were mere schoolboys—and before most of the present communist agitators were born!

Yet so important to communists was the Engels-Kelley correspondence that the Moscow communists themselves are still taking lessons in the art of promoting "revolution in America" from the Engels-Kelley correspondence of 40 years ago! (See Little Red Library, No. 6, Marx and Engels on Revolution in America, issued by Communist Party of America, and Workers Monthly, November, 1925, December, 1925, and the Communist, May, 1928, for text of this correspondence, which was republished under Moscow orders for the instruction of present American communist agitators.)

The May, 1928, issue of The Communist, official monthly organ of the Communist Party of the United States of America, declares:

"The correspondence between Engels and his translator (Mrs. Kelley) connected with the entire project are of the utmost importance to present-day Marxists in America (p. 308).

"It is 40 years since Engels gave this advice to American Marxists; it might just as well have been given to us to-day" (p. 311).

The following extract is a sample of the strategy Engels taught Mrs. Kelley, then Florence Kelley Wischnewetzky:

"I think all our practice has shown that it is impossible to work along with the general movement of the working class at every one of its stages without giving up or *hiding our own distinct position and even organization.*

"The less it [communism] will be knocked into the Americans from without and the more they test it by their own experience, assisted by the Germans, *the deeper it will go into their flesh and blood*" (Friedrich Engels to Florence Kelley Wischnewetzky, January 27, 1887; The Communist, May, 1928, p. 313). (Italics ours.)

In other words, Engles told Mrs Kelley that all their practice had shown the necessity of hiding the communist label at times to work communism "deeper into the flesh and blood" of Americans.

Four months after receiving these instructions from Engels Mrs. Kelley opened her campaign, May 14, 1887, with a lecture to college women entitled "The Need of Theoretical Preparation for Philanthropic Work," in which she admitted that her purpose was to "find the point of least resistance" to "make an end" of the capitalist system, and indorsed Engels's book The Origin of the Family, Private Property, and the State as one of the "fundamental works" which is "warmly to be recommended." (Full text of Mrs. Kelley's lecture is attached.)

It will be observed that in that lecture, 43 years ago, Mrs. Kelley declared that "one great hope of a peaceful transition" was to show the workers "where to find the point of least resistance" and that "welfare work" (then called "philanthropic work") was then and is now the "point of least resistance." Forty-three years later, Mrs. Kelley, in her recent Challenge to the Conference (New York World, Nov. 16, 1930), asks, "Will this change come soon and peacefully?"

The plain implication of these statements, although the Engels trick of "hiding" it somewhat is obvious, is that unless America adopts communism by fraud and "welfare" legislation "soon and peacefully" it will come by "force and violence!"

Why should not the United States Senate—that excludes all the little amateur communist agitators, with red banners and labels, from Capitol Hill—stand up and meet this public challenge by Mrs. Kelley, which was directed as much to the American people and their Congress as to the President's recent White House conference?

7. Mrs. Kelley's lobby fighting Hoover-Cooper plan: President Hoover served at Washington as Secretary of Commerce from 1921—during all the agitation of what Vice President Dawes once called "the maternity block" in 1921, 1926, and 1927—and went through the presidential campaign of 1928 without once being quoted in favor of the maternity act.

After his inauguration President Hoover appointed a Child Welfare Commission, but allowed the maternity act to expire June 30, 1929, without a single public statement in its favor.

The Jones bill (S. 255) was introduced April 18, 1929. No interest by President Hoover was publicly indicated. On October 17, 1929, a delegation of women called upon President Hoover "to enlist his support" for the Jones bill. (New York Times, October 18, 1929.)

But President Hoover in his message to Congress December 3, 1929, wrote:

"The organization of preventive measures and health education in its personal application is the province of public-health service.

"I recommend to the Congress that the purpose of the Sheppard-Towner Act should be continued through the Children's Bureau for a limited period of years; and that the Congress should consider the desirability of confining the use of Federal funds by the States to the building up of such county or other local units; and that such outlay should be *positively coordinated* with the funds expended through the United States Public Health Service * * *," etc. (Italics ours.)

This recommendation of the President of the United States received no consideration whatever by the Commerce Committee, as the report shows.

Instead of considering the President's recommendations and investigating the merits of his suggestion for "coordinated" maternity legislation, the Commerce Committee reported out the Jones bill—introduced six months before the President's message of 1929—"without amendment" as well as without hearings.

Manifestly President's Hoover's recommendations of a revival of Federal maternity work through the Children's Bureau—but "positively coordinated" with the Public Health Service—was in the nature of a compromise.

From our point of view that compromise is unwise, but made in good faith by the President, who undoubtedly hoped that the Child Welfare Commission would find some solution of the problem, satisfactory to everybody, by "conferences"; just as the President has appointed other commissions in the hope of finding some basis of agreement on other great public controversies.

But Mrs. Florence Kelley and Miss Grace Abbott refused to agree with the President.

They have been fighting his recommendations ever since they were made.

And soon after Representative COOPER introduced his second bill (H. R. 9888), February 14, 1930, to carry out the President's plan for "coordinated" maternity work, they assembled their lobby at Washington to fight the President and the second Cooper bill. (See feature article, New York World, March 9, 1930, entitled "Women Rally to Aid Children's Bureau.") The article consists almost entirely of statements by Mrs. Kelley, showing her continued leadership of this propaganda, along with a few echoes of Mrs. Kelley's remarks by Miss Grace Abbott.

The Children's Bureau is fighting the President and supporting Mrs. Kelley and her lobby on this issue, quite as much as Mrs. Kelley herself.

Last March, two Boston women, Mrs. William Lowell Putnam, originator of the first scientific prenatal care in the world, and former president of the American Child Hygiene Association, and chairman of the Women's Coolidge-Dawes Republican clubs of 1924, called upon President Hoover, accompanied by Mrs. Francis E. Slattery, of Boston, to tell the President that the "silent women" of the country were opposed to the communistic activities and propaganda of the Children's Bureau.

The President did not agree with them that the bureau should be abolished, and urged them to "work constructively," calling

their attention to the new Cooper bill (H. R. 9888), but admitting that the Children's Bureau was opposed to it.

This admission of the President (March 3, 1930) that the Children's Bureau was fighting his "coordination" plans and the second Cooper bill, was soon confirmed by Miss Grace Abbott, Chief of the Children's Bureau, who, in the New York World feature article of March 9, 1930, previously mentioned, after the real leader, Mrs. Kelley, was quoted at great length, is reported to have said:

"Mr. COOPER has not discussed his new measure with me * * *. The whole question as to whether or not the administration of the work should be intrusted to the Children's Bureau or to some other agency was thoroughly discussed when the Sheppard-Towner Act was passed."

In short, Mrs. Kelley and Miss Grace Abbott insist that the question is foreclosed—that neither the President, the President's Child Welfare Commission, nor Congress, shall alter by a comma their own "expanding program" for power!

On May Day, 1930, Mrs. Kelley, after using the headlines and a few misled women's organizations against the President's plans, took to the air, and over the Socialist radio station (WEVD) at New York, denounced the second Cooper bill, demanded the adoption of the Jones bill, and urged her auditors to "bury" their Senators and Congressmen under letters and telegrams for the Jones bill. (See New York Times, May 2, 1930.)

The agitation organized and conducted by Mrs. Kelley and Miss Abbott at the recent White House conference against the President's plans, has already been cited.

8. Mrs. Kelley also led "maternity bloc" in 1921; the communist, Mrs. Kelley, who is now leading the propaganda lobby to "put over" the Jones bill before the White House conference continuing committee can make its final report, was also the leader of the 1921 "drive" for the Sheppard-Towner Act.

Mrs. Maud Wood Park, then chairman of the women's joint congressional committee and president of the National League of Women Voters, in a signed letter to the Woman Citizen, official feminist organ, March 11, 1922, wrote:

"May I ask you to make clear in your columns the great service rendered in the passage of the Sheppard-Towner bill by the organizations represented in the women's joint congressional committee? When this subcommittee was organized *Mrs. Florence Kelley*, representing the National Consumers League, *was made chairman*. * * * Through the membership of these organizations and their united efforts there was recorded in the Congress such an overwhelming demand for the bill * * *," etc. (Italics ours.)

Of this lobby, thus led by the communist, Mrs. Kelley, Charles A. Selden, in his article, The Most Powerful Lobby in Washington, wrote in the Ladies Home Journal, April, 1922:

"After repeated attempts in both branches of Congress to let that Sheppard-Towner bill die of neglect or delay or evasion, after the most violent opposition, it was passed in the Senate by a vote of 63 to 7; in the House by 270 to 39.

"Senator Kenyon (who had charge of the bill in the Senate) told me that if members could have voted on that measure secretly in their cloakrooms it would have been killed as emphatically as it was finally passed in the open under the pressure of the joint congressional committee of women."

Thus it was admitted and proclaimed that lobby pressure—organized and led by the communist, Mrs. Kelley—secured the enactment of the Sheppard-Towner Act in 1921.

In 1921 Senator MOSES introduced a bill for Federal aid in establishing local maternity hospitals and training schools for nurses and midwives under the public health authorities. The Moses bill of 1921 was somewhat similar to the "coordination" plans of President Hoover and his Child Welfare Commission.

The communist Mrs. Kelley, however, turned thumbs down on the Moses bill in 1921—just as she is to-day fighting the Hoover-Wilbur plans and the Robsion-Cooper bills—and declared:

"You can not imagine anything worse than the strewing of the counties with unstandardized little hospitals." (Senate hearings, Apr. 25, 1921, pp. 136-137.)

In 1930 Dr. Ralph W. Lobenstine, in the Baltimore Sun, May 11, 1930, discussing "the toll of maternity in America" (which nearly eight years of Sheppard-Townerism did not reduce, but which has been reduced since the end of Sheppard-Townerism) offers as a current "constructive suggestion" practically the same plan as Senator MOSES proposed—and the communist Mrs. Kelley with her lobby killed—in 1921, namely:

"First, institution of special training courses in obstetrics for a high type of graduate nurse * * * in connection with an institution where a sufficient number of maternity cases would be available to provide instruction under competent obstetricians.

"Second, the creation of more small county hospitals in the rural districts, each to have at least one ambulance and one or more trained nurses working under a first-class obstetrician." (Baltimore Sun, May 11, 1930.)

President Hoover also wants "county or other local units," with the outlays "positively coordinated" with the United States Public Health Service. (Annual message, 1929.)

But the communist Mrs Kelley, confident of her "dictatorship" by lobby pressure, will have none of these things. She demands the Jones bill, "without amendment," under which not a cent can be spent for a hospital bed or a taxicab for any mother or a bottle of milk for any baby, and practically the entire fund goes to pay salaries of social workers, or else the complete original Engels-Kelley-Kollontay-Lathrop-Abbott "expanding program" for Government care of mothers and children.

9. The Engels-Kelley "child welfare" schemes:

Friedrich Engels, in his Origin of the Family, Private Property, and the State, which Mrs. Kelley declared one of the "fundamental works" which is "warmly to be recommended," ruthlessly attacked the family as an institution, and in particular held the support of wives and children by men as the original cause of private property and the chief obstacle to its abolition. That is the thesis of his book. The following example will suffice:

"Monogamy was the first * * * victory of private property over primitive and natural collectivism (p. 79) * * *. Monogamy arose through the concentration of considerable wealth in one hand—a man's hand—and from the endeavor to bequeath this wealth to the children of this man to the exclusion of all others * * *. With the transformation of the means of production into collective property the monogamous family ceases to be the economic unit of society. The private household changes to a social industry. The care and education of children becomes a public matter. Society cares equally well for all children, legal or illegal. This removes the care about the 'consequences' which now forms the essential social factor—moral and economic—hindering a girl to surrender herself." (P. 91-92.)

Mrs. Kelley led the campaign for the establishment of the Children's Bureau in 1912 and has led every one of its drives for more power since.

The Woman's Journal, official feminist organ, April 6, 1912, a few days after the bureau was established, declared:

"This is the outcome of seven years of indirect influence by Mrs. Florence Kelley and many other earnest women."

Among the other leaders of that original "drive" it may be noted that Dr. Anna Louise Strong (who conducted propaganda meetings throughout the country in 1911 for the establishment of the Children's Bureau), after serving as "exhibit expert" of the Children's Bureau until 1916, afterwards led the great Seattle "general strike" and is now editing the only communist organ in English published at Moscow!

Mrs. Kelley herself admits her leadership of the maternity act drive and her dictatorship of Children's Bureau activities, in part, as follows:

"My own modest share in this life-saving measure is an abiding happy memory. When the Children's Bureau bill passed in 1912 I was consulted among its advocates as to the order in which the subjects assigned to the bureau should be taken up. I urged immediate study of infant mortality." (Signed article by Mrs. Kelley, Survey, October 1, 1926.)

These "Income and Infant Mortality" investigations of the Children's Bureau, made at Mrs. Kelley's suggestion, were shown by former Senator Reed of Missouri, in 1921, from reports by Miss Julia C. Lathrop (then chief of the Children's Bureau) to have included inspections of pay rolls to determine if husbands were "holding out" from their wives the amount of their salaries, and were not at all "health" studies, but selected "surveys" in the slums of certain cities to build up a socialistic dogma, as follows:

"The infant-mortality studies of the Children's Bureau show that an adequate income earned by the father of the family is the *sine qua non* of safety for babies. * * * There is a question, however, now pressing for attention which affects *not only the lowest income groups, but the greater share of American mothers;* it is how to make promptly and uniformly available *for all mothers and children, irrespective of income*, in town and country alike, the services of nurses, doctors, conference centers, and hospitals. * * * Is it not evident that *the public must assume this responsibility* and that the duty can not be discharged with cash allowances alone, but that a nation-wide program, which must embrace many activities, is neded?" (Children's Bureau Fifth Annual Report, 1917, pp. 44, 47.) (Italics ours.)

In other words, the "infant mortality" studies made by the Children's Bureau at the suggestion of Mrs. Kelley in the slums of eight selected cities were used as a basis for the communist doctrine that "the public must assume this responsibility" for the care of maternity and infancy, through a "nation-wide program," including not only "cash allowances" (childbirth doles or "maternity benefits" for mothers), but also the socialization and nationalization of "nurses, doctors, conference centers, and hospitals" for maternity and infancy care, "irrespective of income." That was the original scheme behind the original "maternity bill" drafted by the Children's Bureau and introduced by Miss Jeannette Rankin, July 1, 1918.

That scheme was launched in the Children's Bureau report for 1917, simultaneously with the similar scheme on the same subject, proclaimed by Alexandra Kollontay at Moscow!

10. The Kollontay-Lathrop "Maternity System" program: A comparison of the Children's Bureau Fifth Annual Report, of October, 1917, pages 44-48, proclaiming "public responsibility" for "maternity and infancy" in America, with the proclamation at the same time (October, 1917) by Alexandra Kollontay, then soviet commissar of social welfare at Moscow (who had previously made two visits to the United States in 1915 and 1916) for "protection of mothers and children" as a "duty of the Government" and maternity as a "service to the state" under communism, will demonstrate to any honest investigator that the bolshevik program and the Children's Bureau program for "public responsibility" were either drawn up in collusion or else both programs derived from a common communist source. (See Senate Bolshevik Propaganda Hearings, 1919, p. 1258, for text of Kollontay's proclamation of October, 1917.)

It will also be noted that the language quoted above from the Children's Bureau Annual Report of 1917 expresses exactly the same idea of state responsibility for the care of maternity and infancy as set forth more frankly by Friedrich Engels himself.

Moreover, the Rankin bill of July 1, 1918 (H. R. 12634) provided free "medical and nursing care" for "all residents" (married or unmarried mothers, legitimate and illegitimate children), but lodged *in the Labor Department* the selection of mothers to receive the free service, as well as the terms upon which other mothers would be furnished Government "maternity and infancy" care. Truly a "proletarian measure." The Rankin bill was admittedly drafted by the Children's Bureau—but the hearings upon it, as usual, were under the leadership of Mrs. Kelley.

By 1919 the Children's Bureau Annual Report for that year, after discussing the maternity dole systems of Europe as inadequate and commending "the new international sense of responsibility for child welfare" (p. 15) declared:

"In many European countries—as in England—experience indicates the need of *basic governmental responsibility for maternity and infancy.* * * *

"As applied to the United States, it may be said with certainty that any public provision for safeguarding maternity and infancy *must be universal.* It must afford a dignified service which can be utilized with the same self-respect with which the mother sends an older child to the public school." (P. 27; italics ours.)

In describing the British maternity-dole system, the same report states:

"It is * * * clearly an expression of a belief that no provision already in existence is adequate." (Ibid.)

In short, the Children's Bureau proposed for the United States not only a maternity system as communistic as that of Friedrich Engels and Alexandra Kollontay, but as extensive a "service" as that of the public-school system.

Also, the Children's Bureau publication No. 57, "Maternity Benefits Systems in Certain Foreign Countries," issued in 1919, declared Alexandra Kollontay's book, "Society and Motherhood":

"The most comprehensive study of maternity benefits and insurance which has yet appeared in any language" (p. 175, bureau publication No. 57).

Moreover, Miss Julia C. Lathrop, then chief of the Children's Bureau, testified:

"As to Madam Kollontay's book, which has been referred to, it was published in 1916 at Petrograd. * * * Indeed, there was a reuest that the Children's Bureau should republish, but after our translator had looked at the material it did not seem advisable to undertake so costly a piece of work, because we could in more brief manner present all that was necessary and from more original sources." (House hearings on H. R. 2366, July 12, 23, 1921, p. 235.)

Could there be any clearer testimony that the Children's Bureau booklet on "maternity benefits" was inspired by and a condensation of Kollontay's "Society and Motherhood"—the bureau denying the admitted request for republication of Kollontay's book only on account of the expense, and because it could "in more brief manner" cover the same ground—while recommending Kollontay's own book as the "most comprehensive study" of the same subject.

While Mrs. Kelley seems clearly responsible for most of the "drives" of the Children's Bureau, it appears that the "maternity benefits" scheme—of which the Jones bill is the present fruit—came straight from Alexandria Kollontay.

Mrs. Kelley, in 1914, wrote an article on "Women and Social Legislation in the United States" published in the annals of the American Academy of Political and Social Science, November, 1914.

In that article, Mrs. Kelley admits that she was seeking "to standardize the wages and working hours of women and girls," urged old age pensions, minimum-wage legislation and various other measures, but made no mention of maternity legislation.

That scheme was undoubtedly brought to the United States by Alexandra Kollontay in 1915 and 1916, the feature of Kollontay's book Society and Motherhood, of 1916, and it was launched simultaneously by Kollontay at Moscow and by Miss Lathrop, then Chief of the Children's Bureau at Washington, in October, 1917.

11. A CAMPAIGN FOR POWER, NOT HEALTH

The Children's Bureau was established under the act of April 9, 1912, merely as a fact-finding or statistical agency, with no administrative powers. That was the intention of Congress. But its outside backers had no such intention. The Women's Journal, official feminist organ, a month after its establishment, declared:

"The women * * * must prepare to back Miss Lathrop up in the very near future. * * * We shall not be willing to let the establishment of the Children's Bureau mean simply investigation; it must mean power to change things. * * * In other words, we shall soon want to demand some very drastic legislation in behalf of the children of the Nation." (Women's Journal, May 11, 1912.)

That program—not the program of Congress or the Constitution—has been followed ever since. Administrative power to control children, irrespective of constitutional limitations, was sought by every means.

These drives of the Children's Bureau for a "full grant of power" over American homes and children have led to four suits in the Supreme Court—the Child Labor cases and the Maternity Act cases—and to one proposed constitutional amendment—which was overwhelmingly rejected by 36 States and ratified only by 5—after the Kelley-Abbott lobby had misled Congress to believe that the "organized womanhood of this country" wished to turn over control of their children—and persons under 18 years—to the Children's Bureau.

There is no more reason to believe the women of the United States favorable to the Jones bill—or favorable to the communist Mrs. Kelley and the bureaucratic Miss Abbott, as against the plans of President Hoover and everybody else for child welfare—than there was in 1924 to suppose them favorable to the extreme and revolutionary child labor amendment.

Many women's organizations, in fact, are on record vigorously against the communistic schemes and propaganda of the Children's Bureau. Copies of resolutions passed by such representative women's organizations as the American War Mothers, the Daughters of 1812, and the Daughters of the American Revolution are attached herewith.

Representative DENISON, of Illinois, who voted for the Sheppard-Towner Act, declared in 1921:

"This view * * * has been expressed to me in communications received through the mail that, rather than have the administration of this bill taken from the Children's Bureau, they would rather have no legislation at all on the subject." (House hearings, July, 1921, p. 262.)

The testimony of Miss Lathrop, then Chief of the Children's Bureau, at that hearing, also shows they regarded it as "not a health measure."

The Senate has three questions, rather than one, before it in considering this legislation:

1. The Senate can uphold the Constitution, the State rights planks of both great parties in 1928, and keep the "gentleman's agreement" made in the Senate in 1927, and incorporated in the act of January 22, 1927, as section 2 thereof, and approved by President Coolidge on that "understanding."

2. The Senate can carry out the plans of President Hoover and his Child Welfare Commission for further Federal subsidies for maternity and infancy, but "positively coordinated with the funds expended through the United States Public Health Service"—and in that case hold hearings on the entire subject, or await the final report of the President's Child Welfare Commission in February, 1931.

3. Or the Senate can throw overboard all other considerations, and without hearings or investigation, pass the Jones bill in the exact terms that the Kelley-Abbott lobby demands!

The present "drive" is another example of the "legislative technique" which Miss Grace Abbott teaches certain women's organizations for the final "assault upon the legislature or the Congress" by lobby pressure! (See address of Miss Grace Abbott on Legislative Technique, General Federation of Women's Clubs, May 27, 1926 (official proceedings, pp. 117-124).)

In conclusion, we respectfully appeal to the Senate to recommit the Jones bill (S. 255) for public hearings and complete investigation of the background, lobby backing, and communist philosophy and connections beneath this "drive" to restore a repealed administrative power to the Children's Bureau.

This petition, long as it seems, is but a bare outline of the evidence available, accompanied by original documents on every point, which the office of this one women's publication could furnish at public hearings on this subject. The doctors, the constitutional lawyers, and many eminent women who utterly oppose the Children's Bureau schemes—such as Mrs. William Lowell Putnam, originator of the first scientific prenatal care in the world, and Mrs. Frederic Schoff, former president of the Congress of Mothers, who presided over President Roosevelt's first White House Conference on Child Welfare in 1909—could furnish the Senate with much additional information.

In the words of the old town of Milton to its ancient representatives in the days when the rights of the American home to freedom from interference by petty officers was the greatest issue in America—and the issue from which our independence was born:

"We depend upon your steadiness, prudence, and firmness, and that you give not up one jot or tittle of our rights, but dispute every inch of ground with the enemies of our liberties and freedom."

Respectfully submitted by—

THE BOARD OF DIRECTORS WOMAN PATRIOT PUBLISHING CO.,
By MARY G. KILBRETH, *President.*

Mr. BINGHAM. I should like to call attention to one or two important points in the petition, in which it is explained, in the first place, that there have been no Senate hearings on this subject since July, 1921, more than nine years ago.

In the second place, the representatives of three distinct groups of citizens, who have all thoroughly studied this legislation and have opposed it since 1921, appealed to the Senator from Washington [Mr. JONES] for hearings thereon on or about Lincoln's birthday, including the American Medical Association, the Sentinels of the Republic, and other organizations. The petition sets forth that when the bill was reported out the Senator from Massachusetts [Mr. WALSH] referred to the fact that there had been no hearings, and he asked the then chairman of the committee, the Senator from California [Mr. JOHNSON], regarding the denial of the Senate's right of investigation through hearings, and that Senator replied that the bill had been referred to a subcommittee and the subcommittee subsequently had re-

ported it favorably and that he did not think the hearings were necessary.

I understand a motion has been or will be made to refer the legislation back to the committee in order that hearings may be held. I should like to inquire whether such a motion has been made?

The PRESIDING OFFICER. Such a motion has not been made.

Mr. BINGHAM. In that case, I move that the bill be referred back to the Committee on Commerce with instructions to hold hearings on it, since hearings were denied to several reputable organizations at the time the bill was before the committee, and since hearings have not been held in the Senate on the subject since 1921.

Mr. KING. Mr. President, will the Senator permit an inquiry?

Mr. BINGHAM. Certainly.

Mr. KING. In view of the fact that legislation of this character was before the Committee on Education and Labor, and it seems to me that measures of this kind should go to that committee, I ask the Senator if it would not be proper to move a reference of the bill to the Committee on Education and Labor? The Senator will recall that the Senator from Colorado [Mr. PHIPPS] was chairman of that committee which reported out the bill which later became the law and which was later repealed, and that committee is somewhat familiar with the subject because of the fact that they did report out a bill limiting the duration of the act to one or two years. It occurs to me that it is that committee to which the measure should be referred.

Mr. BINGHAM. I entirely agree with the Senator from Utah that that committee is the proper committee to which the bill should have been referred. It had always considered this type of legislation. The original bill came from that committee. The amendment which came in 1926 and 1927 was referred to that committee. I was a member of the committee at the time, when we held long discussions on what to do in the matter, and the bill was finally voted out with an amendment limiting the time of the continuance to one year. Naturally I supposed when an effort was made, as I had heard it would be made, to continue the legislation that the bill would be again referred to the Committee on Education and Labor, which had had the bill or similar measures before it at various times during the previous eight or nine years.

But I did not question the right of the Senator from Washington [Mr. JONES] to ask reference of the bill to his own committee, the Committee on Commerce, although I expressed the opinion the other day that it did seem to me, in view of the fact that the Committee on Commerce deals largely with navigation and with problems of water-borne commerce, that it was not exactly the committee to which this legislation should have been referred; that it was more appropriate to refer maternity legislation to the Committee on Education and Labor. But I appreciate the fact that the Senator from Washington was entirely within his rights in asking that it be referred to his committee, and therefore, since it was so referred and was considered by that committee and a subcommittee, I have moved that it be referred back to the same committee in order that hearings may be held on the subject, although I agree with the Senator from Utah that it would be more appropriate to refer it to the committee which has always considered the legislation. As a matter of fact, in the House of Representatives the legislation has usually been referred to the Committee on Interstate and Foreign Commerce and therefore that might be said, I presume, to establish a precedent for the action taken by the Senator from Washington.

Mr. President, there is no body of men or women in the country which is more seriously and faithfully engaged in promoting human health and happiness, and often rendering it at great expense of strength and time and money, services for which no compensation is received, than the body of physicians of the country, who give such a large part of their time to charity and whose whole lives are devoted to efforts to relieve suffering and promote health.

It is a very significant thing that that body, the official body of physicians in this country, constituting the American Medical Association, has repeatedly protested against this legislation. Also, I have before me communications and resolutions from various State organizations of physicians opposing the legislation.

Mr. President, as I said, there is no body of men in the country who labor more unselfishly for the health of the community than the physicians of the United States and the members of the American Medical Association. I have been repeatedly told by friends in that profession that they give more than half their time without any cost to caring for the poor in our hospitals and dispensaries. That fact is perfectly well known. Why should they be opposed to this legislation if it, indeed, accomplishes or will accomplish the purpose for which its proponents are introducing it? If it will accomplish the objects which they desire to have accomplished, why should the physicians oppose it? Why should their official organization go on record opposing it? Why should they in their conventions pass resolutions opposing it? Why should State organizations oppose the legislation? It is because the legislation does not do that which it aims to do and because it does harm to the promotion of health and hygiene in the States themselves by taking away from the States their responsibilities and placing them in a bureau in Washington.

Mr. President, I should like to offer a few remarks in an effort to clear away certain misunderstandings that may have been created by the report of the Committee on Commerce with respect to this legislation. The report which I hold in my hand—Calendar 368, Report No. 369—is entitled "To Amend the Maternity Act." The bill is for no such purpose. There is no maternity act in existence. The act which we passed, to which I made reference earlier in my remarks, was repealed in the middle of last year and is not in existence. There was no maternity act in existence when the report was made.

The maternity act—by which it is presumed it is meant the so-called Sheppard-Towner Act—was specifically repealed by an act approved January 22, 1927 (Public, No. 566, 69th Cong.). The report of the committee, dated April 9, 1930, was obviously based on a letter from the Secretary of Labor, dated May 31, 1929, and made a part of the report. In pleading at that time for the enactment of this bill the Secretary of Labor, now the junior Senator from Pennsylvania, said:

> I hope that the bill may be passed at an early date, so that projects now being supported jointly by National, State, and county funds may not be interrupted, and the trained personnel that the States have developed during the past seven years may not be lost through a lapse in the appropriation.

As a matter of fact, after that letter was written and many months before the committee made its report, the appropriation had lapsed, the trained personnel had presumably been scattered, the projects referred to had been interrupted—and all without any discoverable harm to the mothers and infants of the country. Finally, the statistics embodied by the committee in its report in support of the bill are so far out of date as to be practically worthless for the purpose of enabling anyone to pass judgment on it. They cover only three out of the seven years during which the Sheppard-Towner Act was in operation, showing nothing after 1924.

Proceeding now to a consideration of the bill itself, it will be recalled that an effort has been made in the course of this debate to justify or excuse its enactment by claiming that it is an educational measure, and that the dissemination of information for educational purposes is a legitimate function of the Federal Government. If that claim is sound and if the ends sought by the bill are meritorious, there is no reason or excuse for making the accomplishment of the ends desired by the Federal Government dependent on the consent of State legislatures or on State appropriations.

We appropriate money every year in considerable quantities for the Bureau of Education in the Department of the Interior. That money is spent widely in its investigations all

over the United States, but it is never done on the 50-50 basis, nor is there any effort made to the end that the money which is spent shall be used as a bribe in consideration of somebody in some State changing his mind to accord to the wishes of a bureau in Washington.

But even if we admit that it is a proper function of the Federal Government to disseminate information concerning health among mothers and infants and concerning other matters, we do not necessarily admit that the Federal Government is at liberty to use any and all means toward that end. The establishment of Federal dispensaries, clinics, and health centers in a State by the Federal Government may be a very effective means of disseminating information. But if the Federal Government can, without the consent of a State, establish dispensaries, clinics, and health centers within its boundaries for educational purposes, then the Federal Government can in like manner establish police departments, fire departments, schools, assessment offices, tax-collection offices, and so on indefinitely, for the purpose of educating the people of the State how they and their officers should run their State governments in the interest of the people. To state the case is to show the absurdity of the effort made to justify the pending legislation on the ground that it is merely a proposal to exercise the authority of the Federal Government to engage in educational activities.

Moreover, if the purpose of the service that is to be established under this bill is on the one hand educational, as claimed by its proponents, and on the other hand medical, as the record and the debate clearly show, why do the proponents of the bill undertake to intrust its administration to a bureau that is neither educational nor medical and not to the established educational bureau of the Federal Government, the Bureau of Education, or to the established health service of the Federal Government, the Public Health Service, either or both? The claim that the bill is primarily educational in its purpose clearly requires better support than has yet been offered, if it is to be accepted.

Incidentally, at the request of the President of the United States, there was held recently in Washington a conference on child welfare to which more than 1,000 delegates came from all over the United States. Those of us who followed its activities through the newspapers will remember that the question of whether the infant-maternity welfare bureau should be taken out of the Department of Labor and placed in the Public Health Service received a good deal of attention, and there was considerable activity one way or another. Finally the matter was referred to a committee for study. But without waiting for the report of that committee of this important conference called by the President, we are asked by the friends of the President to rush ahead and enact this legislation, which will continue this work not for two years or three years or five years but indefinitely and indefinitely leave it in the Department of Labor under its present bureaucratic head.

Mr. President, it has been argued in support of this bill that because the Federal Government has paid subsidies to the States on other occasions and for other purposes there is no reason why it should not now pay subsidies for protecting and promoting the health of mothers and infants. If that argument is sound, there is no reason why the Federal Government should not pay Federal subsidies to any State for any purpose whatever. It might mulct the taxpayers of the country of any amount that a bare majority in Congress might see fit to approve in order that officers of the Federal Government could, through Federal subsidies, buy from the several States the right to control within their borders all matters of police, fire protection, traffic control, waste disposal, school management, and so on. Viewed in this light, the system is obviously subversive of our dual system of government, and yet the plan that we are now urged to adopt differs from the enlarged plan just outlined not one iota in principle but only in extent.

Obviously some of the Federal subsidies that have been paid to the States have been clearly justifiable on constitutional grounds, but no constitutional ground can be found for the encroachment of the Federal Government on the right of the States to control their own internal affairs in so far as relates to the protection and promotion of the health of mothers and children. When the direct issue was presented to the United States Supreme Court in the suit instituted by the Commonwealth of Massachusetts to prevent the carrying of the Sheppard-Towner plan into effect, the court discreetly avoided deciding the question. The same court had, however, previously held two child-labor laws enacted by Congress to be unconstitutional, because they invaded the rights of the States to look after the welfare of their own children; and yet those laws were based on constitutional authority much stronger than any semblance of authority that can be found in the Constitution for the support of legislation of the Sheppard-Towner type, for one was based on the constitutional authority of the Federal Government to regulate interstate and foreign commerce and the other was based on its constitutional authority to levy taxes.

That there is adequate constitutional authority for Federal subsidies for road building no one can deny, although one may well question the wisdom of exercising that authority in particular instances. The Federal Government is authorized to establish and maintain post roads. It must maintain roads for military purposes. If, then, it finds it more economical to establish such roads through State cooperation than through independent Federal action, there is no reason why it should not adopt that course, and every reason why it should. The Federal Government alone has authority to supervise and control interstate and foreign commerce. The communicable diseases of man and of animals and of plants may be spread through interstate and foreign commerce. If in order to prevent their spread the Federal Government finds it expedient to go into a State in order to get at the source of contagion instead of quarantining the entire State at its boundary line, there would seem to be no reason why it should not do so, even without the consent of the State, and therefore certainly no reason why it should not do so in cooperation with the State, through subsidies or otherwise. Hence Federal subsidies and cooperation for the suppression of communicable diseases, such as hog cholera, tuberculosis, and foot-and-mouth disease, rest on a sound constitutional basis. The Federal Government owns vast forests. If by virtue of that ownership it finds it more economical and efficient to join hands with the several States in establishing patrols for the prevention of forest fires on Federal property, that course would seem to be merely good business.

The fact, however, that there are certain fields within which Federal subsidies and Federal cooperation are proper does not justify Federal subsidies and cooperation when there is no justification for them in law and when their immediate effect is to build up a Federal bureaucracy that will enable a small group of Federal administrative officers to dominate and control the activities of the States within fields that belong primarily and exclusively to the States themselves. By the system of Federal subsidies and control provided for in the pending bill, a Federal bureau, in cooperation with a triumvirate created especially for that purpose, is given control over maternal and infant hygiene within the States. By the same method, the same group or any other group of Federal officers can be given control of the hygiene of the entire population. If by that method Federal officers can obtain control of the hygiene of the entire population it is evident that by a simple extension of the process Federal officers can be given control of all matters pertaining to the safety, morals, property rights, and other matters of public policy within the States—and our dual form of government will be swallowed up in a bureaucracy pure and simple.

Mr. President, I should like at this point to call the attention of those who are interested in this subject to the history of legislation regarding the welfare of bodies and souls, religious legislation, sumptuary legislation, which can be found in the pages of such countries as Spain, for instance, where during the fifteenth, sixteenth, and seventeenth centuries a body of very earnest, conscientious people were determined, if they possibly could, by law to make people good, to save their souls from eternal damnation, to make them

wear the right kind of clothes, not to spend too much money on their clothes, to make them eat the right kind of food, and drink the proper kind of drinks wherever they might be. That legislation, Mr. President, as every student of Spanish history knows, failed utterly, although no government ever had more secret agents, more open agents, and more power to carry out its measures than did the Spanish Government of those days. Through such institutions as the inquisition it was enabled to go into homes, to find out what the people were drinking and eating and wearing and what they were saying about the salvation of their immortal souls. Nevertheless the legislation failed, as similar legislation has always failed in the history of the world whenever a great central government has attempted to apply to sumptuary matters laws enacted by it.

Mr. President, proponents of the Sheppard-Towner Act claim that one of its purposes was to stimulate the States to provide on their own account for the welfare of the mothers and infants within their respective borders. I claim that there is no evidence that it did so, notwithstanding the figures that have been read on the floor during the debate.

On the contrary, there is very strong evidence that the Federal subsidies provided by the act led many States, possibly all of them, to withhold State appropriations that they would otherwise have made so long as the Federal Government was paying a part of the cost. There is no other explanation to the fact that immediately on the discontinuance of subsidies from the Federal Government 15 States and the Territory of Hawaii each appropriated an amount equal to the combined State and Federal funds of the preceding year. The States referred to are Delaware, Maine, Maryland, Michigan, Missouri, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, South Dakota, Tennessee, Vermont, and Wisconsin. There is no reason to believe that these States could not have made such enlarged appropriations before the withdrawal of the Federal subsidy quite as easily as they did after it was withdrawn. Moreover, the pending bill proposes to give further subsidies to each of the States named. If the combined Federal and State funds previously allotted these States were adequate, clearly the present State appropriation is adequate and no further Federal subsidies are needed. What, then, is to be done? Are these States to lose such advantage as may be thought to be inherent in Federal subsidies because they themselves have made adequate appropriations? Or is the Federal Government to match the enlarged appropriations made by these States and thus establish a precedent for matching all future appropriations? What is to be the limit of Federal subsidies for maternal and infant welfare work in the several States, or is there any limit? Is the Federal Government going to provide subsidies for the States that are obstinately holding out for Federal aid, holding out even to the supposed detriment of the mothers and infants within their borders, while paying no subsidies to the States that have enlarged their appropriations, and thus allow the recalcitrant States to profit by their obstinancy and callousness?

Whether the States that have not increased their appropriations since Federal subsidies were withdrawn have failed to do so because of the poverty of the State or because of a lack of interest in the saving of the lives of mothers and infants, or whether they are merely holding out in the hope of forcing the Federal Government through popular clamor to appropriate for the State needs in the field of maternal and infant hygiene so as to allow the States to use their own money for other purposes should certainly be determined before Federal aid is extended to them. If a State is so poor that it can not through taxation or bond issues provide the money necessary for safeguarding the lives and health of its citizens, an audit of the State's accounts should demonstrate that fact. Only after it has been demonstrated, and not before, should Federal aid be extended. Then it should be definitely extended as a matter of charity, as an outright gift or as a loan, and not as the purchase price for the surrender of State rights.

Mr. President, I think that it will be seen by all unprejudiced persons that the charge that those who are opposed to this bill are acting only through considerations of gross materialism is confuted by the fact that the medical societies of the States and the greatest medical association of the United States are opposed to this legislation and are antagonistic from no materialistic motives whatever, since their members give their lives to promoting health and to preventing disease. Those of us who are fighting this legislation on the floor of the Senate are interested chiefly in preserving to the States the rights which were preserved to them under the Constitution. Many of us come from States which were loath to give up their rights as sovereign States, but they did so in order to promote the national prosperity and strengthen the National Government. However, the powers given to Congress were restricted; they were specified; and under an amendment to the Constitution it was clearly stated that any powers not granted to the Congress were reserved specifically to the States and to the people thereof.

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

Mr. BINGHAM. I will yield in just a moment. I realize that under the general-welfare clause of the Constitution the pending legislation has been proposed; that similar legislation and other legislation of like character has been enacted heretofore. Students of the debates on the general-welfare clause are divided, but the great mass of the opinion of constitutional lawyers, so far as I have been able to ascertain, is that the words "general welfare" refer to the general welfare of the States and not the general welfare of the citizens thereof, who are naturally supposed to depend on their States to look after their general welfare. Now I yield to the Senator from New York.

Mr. COPELAND. Does the Senator believe, Mr. President, that the Federal Government is actually going into the States to do something when this appropriation shall be made? Does the Federal Government have anything to do with the administration of the fund or with the way in which it is applied in the individual States?

Mr. BINGHAM. If the Senator will read the act carefully he will see that there must be an agreement in order to carry out the measure in the way in which the bureau wishes it to be carried out before the money shall be used.

Mr. COPELAND. Are those regulations carried out by the State or by the Federal Government?

Mr. BINGHAM. If the State does not carry them out, it does not get the money. It is a bribe to the State to do something that it otherwise might not want to do. May I say to the Senator from New York that there are a few States that are so anxious to preserve their own way of doing things, and take such pride in the way they do things, that they have been unwilling to be bribed even though they have to pay the taxes to see to it that the measure is put into effect in other States?

Mr. COPELAND. In my State we had a distinguished Republican governor, who opposed the use of the funds for the reasons which have been so ably set forth by the Senator from Connecticut, but under later governors the fund was used. In my State, of course, a very large portion of this tax will have to be paid.

Mr. BINGHAM. That is true.

Mr. COPELAND. There is not any question about that; but, to go back to the point the Senator has in mind, I can not see how there is the slightest interference with the freedom and liberty of the State and the sovereignty of the State in the administration of the fund. That is a matter which I shall be glad to hear the Senator discuss at some time.

Mr. BINGHAM. Mr. President, in an effort to minimize the arbitrary, bureaucratic character of the pending bill, it has been asserted that if the plans submitted by any State health agency to the Children's Bureau are disapproved by the board of maternity and infant hygiene, the State health agency may appeal to the President for a review. So far as the obnoxiousness of bureaucracy is concerned, it is probably not material whether a State be subject to domination by a Federal bureau or a Federal board or by the President. The fact is, however, that section 7, which requires the submission of plans and requires their approval

by the triumvirate established to pass on them, provides for no appeal to the President; the decision of the board is final. The protagonist of the bill who alleged that there was an appeal to the President has presumably confused the provisions of section 7, with respect to the approval of plans in the first instance, with the provisions of section 10, which provide for an appeal to the President if the board of maternity and infant hygiene interrupts the State in the execution of projects that the board has previously authorized. Bureaucracy is one of the outstanding characteristics of the bill, and obviously it must not be hampered in its course by appeals to anybody.

In urging the enactment of the pending bill an effort has been made to show the wonders that were accomplished under the previous bill, the Sheppard-Towner Act. It has been pointed out repeatedly that as the result of seven years' labor and the expenditure of $11,000,000 of Federal and State moneys an elaborate organization was built up, a vast organization made up of a few doctors, many nurses, some social workers, an assorted variety of clerks and other employees, child-health centers, clinics, conferences, and other things too numerous to mention. The size and complexity of that organization will readily be admitted. If the end and object of the Sheppard-Towner Act was to build up a fearful and wonderful machine such as has been described, the act was undoubtedly a glorious success. When the act was being passed, however, it was not claimed that its purpose was to build up a great bureaucratic organization but that its purpose was to reduce maternal and infant mortality; and of the accomplishment of that purpose there is certainly no evidence.

The fact is, Mr. President, that infant mortality rates fell more slowly after the Sheppard-Towner Act was passed than they did before. Let the proponents of the legislation account for that fact if they can. The Sheppard-Towner Act movement itself seems to have had its inspiration in the wonderful work that was being done by State, municipal, and county health agencies toward the prevention of infant mortality. The facts that there were not in the several States, when the Sheppard-Towner Act was passed, health organizations known specifically as bureaus of child hygiene, and that in many States there are now agencies so designated, are entirely beside the mark. Long before the Sheppard-Towner plan was even dreamed of, infant and maternal life were being protected and promoted by the regularly organized health forces within the several States, counties, and municipalities.

Mr. President, I do not wonder that people do not like to listen to this, because it is contrary to what so many people believe. It has been stated here repeatedly that the passage of this legislation increased health in the United States, diminished the number of deaths of mothers, and diminished the number of deaths of infants. That has been stated so often that no one has thought to look up the facts and see whether or not it was true.

As a matter of fact, Mr. President, under the influence of agencies which existed prior to the passage of the Sheppard-Towner Act, which it is now intended to resurrect, the infant-death rate in the birth-registration area in continental United States fell from 100 in 1915 to 76 in 1921, or 24 points. That was before the Sheppard-Towner Act was passed. Then came the Sheppard-Towner period; and between 1922 and 1929 infant-death rates in the registration area fell from 76 to 68, or 8 points. This record of the failure of the Sheppard-Towner Act to accelerate in the slightest degree the decline of the infant-death rate in the birth-registration area as a whole is matched by the record of its failures in many of the States that did adopt the act.

For instance, let us take the State of Kentucky: In Kentucky, between 1917 and 1921—years prior to the passage of the Sheppard-Towner Act—the infant death rate was reduced from 87 to 62. Then Kentucky accepted the bribe of the Federal Government and came in under the Sheppard-Towner Act in 1922, and its infant death rate promptly went to 69. After eight years of labor and expense under the influence of the Sheppard-Towner Act Kentucky, in 1929, found its infant death rate to be 71.

What a dreadful thing this act is, Mr. President—what a dreadful thing! Here was a sovereign State which, prior to 1921, had reduced its infant death rate all by itself from 87 to 62; and then, thinking that the wisdom of the Congress of the United States was so great that it ought to adopt something that would help it still further to reduce this death rate, it accepts the Sheppard-Towner aid, and the death rate goes from 62 up to 71. What a dreadful thing this act is!

Virginia, in the 5-year period immediately preceding the Sheppard-Towner era—1917 to 1921—reduced its infant death rate from 98 to 79, a decrease of 19 points. When it adopted the Sheppard-Towner Act in 1922 its infant death rate was 77. The net change in the death rate of Virginia in 1921 was a rise to 79, an increase of 2 points.

During three of the intervening years, while the Sheppard-Towner plan was in operation, the infant death rate in Virginia stood at 81, 84, and 84. Here again, Mr. President, if figures do not lie, is testimony to the fact that this act is a very dreadful thing. It would appear from this—although I do not say that it is the cause—that the passage of the Sheppard-Towner Act, and its adoption by the State of Virginia, caused an increase in infant mortality, because before they took the act their infant death rate had fallen from 98 to 79; and then, in the years when they had it, it went up to 81, 84, and 84; and finally, in 1929, it went down to 79 again, which was the point at which it was when they first accepted the Sheppard-Towner Act.

Of course, in some States it has worked the other way. Undoubtedly, the reason why the Senator from Washington introduced the bill is that it apparently has helped in the State of Washington. In the State of Washington the infant death rate in 1917 was 69. In 1922, when the Sheppard-Towner bill was passed, it was 62. In 1923 the infant death rate fell to 57, and in 1929 it fell to 49. In the six years preceding the Sheppard-Towner period the death rate fell seven points. That was before they got the benefit of this marvelous legislation; and in the seven years during which they have enjoyed it the death rate fell eight points. They gained one point by adopting the legislation and adopting the rules set forth by Washington.

A comparison can profitably be made between the improvement effected in infant death rates in States that never adopted the Sheppard-Towner Act as compared with the improvement made in States located near by, and therefore made up of populations more or less similar, and subjected to similar influences of climate and other external conditions influencing health.

Connecticut did not adopt the Sheppard-Towner Act. We preferred to spend our own money in our own way in looking after the welfare of mothers and children. In 1922, the first full year during which the Sheppard-Towner Act was in effect, but not in effect in Connecticut, our death rate in Connecticut was 77. In 1929, without the aid, domination, or control of the Sheppard-Towner forces then in operation, we in Connecticut had reduced the death rate to 64.

(At this point a message was received from the House of Representatives, which appears under its appropriate heading.)

Mr. BINGHAM. Mr. President, at the moment of the interruption by the message from the House I was endeavoring to point out how infant mortality had diminished in States which did not adopt the benefits of the Sheppard-Towner Act and compare what happened in those States with States adjoining thereto, with similar climatic and racial conditions, which did adopt it.

The first State to which I referred which did not adopt this legislation was Connecticut. When the Sheppard-Towner Act went into effect in other States the Connecticut infant death rate was 77. In 1929, seven years later, without any aid from the Sheppard-Towner Act, the death rate in Connecticut had fallen to 64—13 points. In two of the intervening years it was even as low as 59.

The neighboring State of Rhode Island adopted the Sheppard-Towner Act in 1925, when the infant death rate was 73. In 1929, four years later, the death rate was 72, a

diminution of 1, with a record in one of the intervening years of a death rate of 82.

In New Hampshire, a not-far-distant New England State, the Sheppard-Towner Act was adopted in 1922, when the infant death rate was 80. The death rate in 1929 was 68. In one of the intervening years it was 93. There is certainly no evidence of any advantage being derived by Rhode Island and New Hampshire through the adoption of the act. Connecticut, which did not adopt it, did better.

In other words, Mr. President, it does not appear as though one can lay to the credit of this act any diminution in infant mortality. I have given examples of States where the mortality rate actually increased under the provisions of the act, when it had greatly decreased prior to the passage of the act; and I have given the example of a State which did not adopt it where the infant mortality rate decreased very considerably.

The State of Illinois never adopted the Sheppard-Towner Act. In 1922 its infant mortality rate was 76. In 1929, when the act went out of effect, it had fallen to 61, or 15 points. That is what Illinois did without any benefit at all from the act. Its neighboring State, Indiana, which adopted the act in 1923, when its infant death rate was 71, reported an infant death rate in 1929 of 64, a diminution.

The infant death rate in Illinois, without the influence or help of the Sheppard-Towner Act, fell 15 points in eight years, while in the neighboring State of Indiana, with the help of the Sheppard-Towner Act, it fell only 7 points. If one wanted to base an argument on figures, one might claim that this proved that the Sheppard-Towner Act actually did harm to the women and children whom it is supposed to benefit. That, however, is not the object of my argument, but rather to show that it does not do that which it pretends to do, but actually does harm in taking away from the States certain responsibilities which are theirs.

The Commonwealth of Massachusetts refused to adopt the act, and in fact instituted suit to prevent it from being carried into effect. Between 1922 and 1929 its infant death rate fell from 81 to 62, 19 points.

Its neighboring State, New York, whose Senator just spoke to us about the advantages of this legislation, adopted the act of 1923 when its infant death rate was 72. In 1929, after having enjoyed the advantages of the act for six years, it was 61, a fall of 11 points in seven years, as compared with a fall of 19 points in the same length of time in the neighboring State of Massachusetts, which did not enjoy the benefits of the act. If New York had only followed the example of Massachusetts and not adopted the act, they might have had their infant mortality rate fall as it fell in Massachusetts.

The Sheppard-Towner Act was never in effect in the District of Columbia. Its infant death rate fell from 85 in 1922 to 71 in 1929. In the neighboring State, Virginia, the act was adopted in 1922, when its infant death rate was 77. Having lived under the Sheppard-Towner Act during the entire time when the act was in effect, the State of Virginia found itself at the expiration of that period with a death rate of 79, two points higher than when it started.

The comparison of infant death rates for the purpose of determining the efficiency of sanitary measures is difficult. It was on such comparisons, however, that the proponents of the Sheppard-Towner Act relied in the first instance to procure its passage and on which they have relied since to justify its existence.

Judged by their own standards, however, there is nothing to show that the Sheppard-Towner Act ever accelerated anywhere, even to the slightest degree, the rate of decline in the infant death rate that was under way when the act was passed. Neither is there any evidence to show that the States that adopted the act made more rapid progress in reducing their infant death rates than in those States that maintained their independence.

The claim that the States that did not adopt the act were enabled to make the progress that they did in reducing their infant death rates because of knowledge that they acquired through conferences held under the authority of the Sheppard-Towner Act is without the slightest evidence to support it. In fact, there is not the slightest evidence to show that the seven years' labor and the $11,000,000 expenditure under the Sheppard-Towner Act ever developed one new fact or one new method looking toward the more effective prevention of infant and maternal sickness and death. As has been pointed out with respect to some of these States, and as is equally true with respect to others, the rate of decline in the infant death rate was even more rapid before the days when the Sheppard-Towner plan was developed than it was afterwards.

Vermont did not adopt the Sheppard-Towner Act until 1925, and in the 5-year period 1925-1929 its infant death rate fell only 6 points, from 72 to 66. In the 5-year period immediately preceding, 1920–1924, Vermont's infant death rate fell 26 points, from 96 to 70.

In New York the infant death rate under the influence of the Sheppard-Towner plan between 1923 and 1929 fell only 11 points, from 72 to 61, while in the 7-year period immediately preceding, 1916–1922, it fell 17 points, from 94 to 77.

I appeal to my good friend the Senator from New York to know why he claims that they benefited by adopting the act, when the death rate had fallen 17 points in the preceding six years and fell only 11 points after they adopted it.

Mr. COPELAND. Mr. President, I assume, according to the logic of the Senator, then, that if we would stop all of our public-health work, all of our efforts in that regard, the death rate would become nil.

Mr. BINGHAM. No, Mr. President, I made no such statement. I am merely asking that the Federal Government get out of the business of telling the States how to raise their babies.

Mr. COPELAND. Mr. President, I utterly disagree with the Senator that the Federal Government is telling the States how to raise their babies. They are assisting the States to carry out the States' own programs on how to raise babies. That is the way I understand the bill.

Mr. BINGHAM. The assistance they gave to New York caused the rate, which had been decreasing, to slow up in its decrease.

Under eight years of the Sheppard-Towner plan—1922–1929—the infant death rate in Maryland fell 14 points, from 94 to 80; but in the preceding six years—1916–1921—it fell 27 points, from 121 to 94. To believe that any State learned anything from the Sheppard-Towner plan that assisted it in the reduction of its infant death rate that could not have been learned if the act had never been passed is without evidence to justify it and calls for a considerable stretch of the imagination.

A discussion of maternal mortality rates fails to reveal any evidence of any benefit derived from the Sheppard-Towner Act. The maternal mortality rate for 10,000 live births in the birth-registration area in 1915 was 61. In 1921, before the Sheppard-Towner Act was effective, it was 68.2. In the first year of the Sheppard-Towner period—1922—it was 66, and in the last year of the Sheppard-Towner period—1929—it was 70.

In view of the claim that the failure of the Sheppard-Towner Act to cause any decrease in the maternal mortality rates as shown by the census figures was due to the addition to the birth-registration area from time to time during recent years of States in which maternal mortality was high, it seems proper to compare the maternal mortality rates in individual States before and after the adoption of the Sheppard-Towner plan, and to compare the rates in States that did adopt the plan with the rates in States that did not do so.

I think it will be seen that what I am trying to do is to show that our opposition to this legislation not only is not materialistic but is based on the advice of the leading medical societies of the United States, and also backed up by the figures which fail to prove the advantage derived from the expenditure of this money, which is a very small amount, a very small matter, in our National Budget; but, what is far more important is putting into effect this system of bribery of the States, telling them what to do instead of letting them find out what to do and become self-reliant through doing it in their own way.

Let us go to Kentucky. In that State the maternal mortality rate for 10,000 live births in 1917 was 60. In 1921 it had risen to 63. The following year the Sheppard-Towner Act was adopted when the maternal death rate was 61. The death rate in 1929 was 66. In 1929, after seven years of the benefits of the Sheppard-Towner Act, the rate had risen 5 points and was 66. What did Kentucky gain in seven years under the Sheppard-Towner Act?

In Virginia the maternal mortality rate was 82 in 1917 and 70 in 1921. The Sheppard-Towner Act was adopted the following year when the maternal mortality rate was 70, and in 1929 the rate was 71.

Let us admit that there might have been an additional amount of illness of some sort or other; surely, in seven years, if the thing had been worth anything at all, we might have seen a diminution instead of a slight increase.

Connecticut did not adopt the Sheppard-Towner Act. The maternal mortality rate in the State fell from 57 in 1922 to 54 in 1929.

The fact is that a study of maternal mortality rates in the United States yields very little direct evidence to justify or to discredit the Sheppard-Towner Act. The figures stand, however, definitely to the discredit of the act, not only because they fail to justify it, but because of the absence of evidence to show that seven years' labor and $11,000,000 expenditure under the act have reduced maternal mortality in any way or have pointed to any way in which it can be reduced.

Mr. COPELAND. Mr. President——

The VICE PRESIDENT. Does the Senator from Connecticut yield to the Senator from New York?

Mr. BINGHAM. I yield.

Mr. COPELAND. The Senator has spoken of bribes. I think he said the maternal death rate in his State dropped from 57 to 54. Of course, the Senator takes into consideration the fact that in his State there has been a very active campaign on the part of a very efficient group of public-spirited men to lower the death rate. I am sure he would not consider that if the State of Connecticut had had this additional aid, there would have been any increase in the mortality because of that aid. I am sure that the logic of the Senator is not convincing, because in his progressive State there is not the same need of this important work. In a State less favored in a financial way the work proposed by this legislation would accomplish in a measure what has been accomplished in the State of Connecticut. That is the way it strikes me, and I am sure that the figures the Senator has given are not convincing as regards the effect of the Sheppard-Towner Act upon the mortality rate in maternity cases.

Mr. BINGHAM. I hope that if we had adopted it we would not have had any increase in our death rate, but we certainly would have had that much less satisfaction in governing our State. The Senator has referred to the fact that a group of public-spirited citizens are active in reducing the death rate. That is the very thing which the Senator from Utah and others opposing this legislation want to promote in other States. We want to give some encouragement to a group of public-spirited citizens to go about and develop their pride in their States by doing these things for themselves instead of leaning on a crutch in the form of aid from the Federal Government.

The Senator has referred to the State of Connecticut as a wealthy State. A few moments ago he told us that the State of New York paid a far larger share of Federal taxation, and that is true, because the State of New York, as everybody knows, is the richest State in the Union.

On the other side of the State of New York is the State of New Jersey. I hold in my hand a communication signed by the executive secretary of the Medical Society of New Jersey addressed to the Members of Congress, in which the statement is made:

We are informed that the Jones-Cooper maternity and infancy bill (S. 255) has been reported out of committee and is now before the Senate for action, and that a similar bill (H. R. 1195) is pending in the Committee on Interstate and Foreign Commerce of the House of Representatives.

May we take advantage of the occasion to again advise you that the Medical Society of New Jersey, comprising nearly 2,500 practicing physicians of this State, is opposed to the enactment of either of these proposed laws. We believe that control and direction of such public-health matters rest with the individual States and should not be taken over by the Federal Government. We respectfully direct your attention to the fact that New Jersey was properly and satisfactorily caring for maternal and infant welfare years before the old Sheppard-Towner Act was adopted; that the conditions in New Jersey were not benefited or improved by acceptance of the terms of the Sheppard-Towner law; and that seven years' experience with that law did not help the Nation one particle. It is true that there has been some slight improvement in maternity and infant mortality during the past 10 years, but a careful study of the records will convince you that such improvement was just as marked in States that did not accept the provisions of the Sheppard-Towner Act as in States that did; in fact, the showing is better in Connecticut, which rejected the Sheppard-Towner plan, than in New Jersey since the plan was accepted.

We object to reenactment of the Sheppard-Towner Act—and that is what the pending measures amount to—because:

(1) Such legislation constitutes Federal encroachment upon States' rights.

(2) Such laws would establish a bureaucracy in Washington, where purely medical matters will be directed by medically untrained laymen.

(3) Seven years' experimentation with the Sheppard-Towner Act proved absolutely fruitless—save to a small group of officeholders.

(4) The $7,000,000 (approximately) expended by the National Government added to a like sum from the several States was largely wasted. Neither the Nation nor the States can afford to repeat such wastefulness.

(5) It is unfair to tax progressive States, that do look after the health interests of their people, to give to backward or careless States that do not show active interest in the welfare of their own citizens.

(6) It is unwise, if not beyond the constitutional privileges, for the National Government to enter into the practice of medicine in the States; just as unwise and as wrong as it would be to interfere with the public schools or the police force.

We trust you will use your influence in opposition to the acts above mentioned.

Mr. President, it is obvious that States on both sides of the great State from which the Senator comes, Massachusetts, Connecticut, and New Jersey, all feel that there is nothing to be gained from this legislation; that those who primarily are interested in the health of mothers and children believe that it is a waste of money; and that it does not accomplish that for which it is intended.

One word may be said with reference to comparisons that are frequently made between infant mortality rates and maternal mortality rates in the United States as compared with infant mortality rates and maternal mortality rates in foreign countries. In the United States it is recognized that mortality rates of any kind are not fairly comparable until it has been shown that the registration laws of the several jurisdictions whose rates are to be compared are effective laws; that they are efficiently administered; and that the statistics based thereon are fairly and properly compiled according to standard and approved methods. Nevertheless, we are served continually by proponents of the Sheppard-Towner plan with figures purporting to show that maternal and infant life in the United States is deplorably neglected as compared with maternal and infant life in certain foreign countries. No effort is made by those who disseminate such figures to show that the various countries from which they have come have effective registration laws or effectively enforce them or compile their figures according to United States standards. The figures are misleading and worse than useless.

Moreover, even if it could be shown that the mortality and infant death rates in some foreign country—for instance, New Zealand—were lower than those in the United States, it would not follow that the advantage was due to better sanitary control in the foreign country or the adoption of foreign methods would yield similar results in the United States. Population, climate, and economic and social conditions are commonly controlling factors, and frequently it would be impossible to duplicate them in the United States even if it were deemed desirable to do so.

The whole situation may be summed up by saying that however great an appeal the pending measure may make to the sympathies of this body, its proponents have as yet not

produced one fact to justify its enactment. On the other hand, its enactment is clearly an encroachment by the Federal Government on the traditional and constitutional rights of the State and one that forebodes no good to our dual plan of government. In the words of Chief Justice Hughes:

Paradoxical as it may seem, not only the security but the efficiency of the Union lies in the appropriate maintenance of the authority of the States within the proper spheres of local government and local policy. Despite all the economic changes and the intimacies of closely related activities, notwithstanding the vast expansion of interstate commerce in novel forms leading to unanticipated applications of the national authority, which was granted with extraordinary wisdom in a very general formula, the States continue as reservoirs of power reserved, not conferred, by which they deal with a multitude of particular concerns and enjoy differentiations congenial to local sentiment.

However difficult it may be in constitutional interpretation to maintain perfectly and to the satisfaction of all this balance between State and Nation, it is of the essence of American institutions that it should be preserved so far as human wisdom makes this possible, and that encroachments upon State authority, however contrived, should be resisted with the same intelligent determination as that which demands that the national authority should be fully exercised to meet national needs.

It will be remembered, I will say for the benefit of those who are here now and who were not here when I made the motion, that I have moved to refer the measure back to the committee for hearings in order that the great American Medical Association, the Sentinels, and others may be heard on this new measure.

Mr. President, I have received some characteristic letters from several physicians which I should like to read, but shall not take the time to do so. There is one, however, which I shall read, as follows:

FARMINGTON, CONN., *April 11, 1930.*

Senator HIRAM BINGHAM,
Washington, D. C.

DEAR SENATOR BINGHAM: I dislike to run to my representatives in Congress about matters that come up off and on of comparative unimportance, but I have been interested in the past in a bill which has been reported out of committee recently with favorable recommendations.

If you want to get a slant on how your constituents stand, I think you would find that most of them are against it. It is known as the Jones maternity bill, and is like similar bills which have been proposed in the past. I am given to understand that this bill was reported out of committee without any public hearing, although the American Medical Association and others wished to be heard and had written the committee.

May I as one of your constituents request you to carefully consider the matter before voting for it, and if you can see your way clear to voting against it it will be in line with the feeling of a large number of thinking people.

Sincerely yours,

HEYWOOD H. WHAPLES

I have also a communication from the Connecticut State Medical Society. I prefer to read this to reading the opinions of individuals, because I think we are all agreed that State medical societies generally contain, if not all, most of the physicians who are most highly regarded in their communities, the wisest and most faithful and most self-sacrificing group of men in their States. That is certainly true of the Connecticut State Medical Society. The secretary, Dr. Charles W. Comfort, jr., was one of the most distinguished surgeons of the World War, repeatedly decorated and given the distinguished-service cross for great heroism at the front. He is one of the leading physicians in New Haven. He writes as follows:

THE CONNECTICUT STATE MEDICAL SOCIETY,
New Haven, Conn., April 19, 1930.

The Hon. HIRAM BINGHAM,
Senate Office Building, Washington, D. C.

DEAR SENATOR BINGHAM: It again becomes necessary for the Connecticut State Medical Society to recall to you protests previously filed regarding the Sheppard-Towner Act and similar legislation, and to protest again against the enactment of the Jones-Cooper maternity and infancy bill (S. 255 and H. R. 1195) and several allied bills pending before the present Congress.

A copy of the letter sent you early in 1929 regarding this matter is inclosed for your convenience. Inclosed also are pamphlets from the American Medical Association which summarize the situation regarding this type of legislation, and with the conclusions of which this society is in complete accord.

We agree with you absolutely upon the advisability of preserving the rights of the several States, upon which Connecticut has always been steadfast. The subject of the present proposed legislation differs no whit in principle from schools, police and fire departments, etc. The platforms of both political parties opposed this type of legislation, as shown in the pamphlet. The opinion and recommendation of the President of the United States has in no way changed the opinion of this society in this respect.

If, after thorough study, it is considered necessary to legislate after this fashion, the medical profession is convinced of the wisdom of centering the control of these activities in the United States Public Health Service rather than under the lay organization of the Children's Bureau of the Department of Labor. It is our belief that all public health and hygiene, and "welfare" measures apparently associated therewith, should be under the direction of professionally trained medical men and sanitarians, who certainly can best evaluate the problems of such work. The Public Health Service has proven itself a most capable and efficient organization, worthy of any trust which might be imposed upon it; its programs and efforts have been severely hindered through serious lack of necessary appropriations; it certainly deserves more sympathetic consideration on the part of Congress for the furtherance of its well-planned and wisely visioned work. If Federal paternalism and bureaucracy must be had, place it where it will be least obnoxious and where there will be assurance of intelligent administration. The representatives of the American Medical Association have appeared and will appear at hearings to further detail this phase, and should be accorded most thoughtful consideration.

We look to you, as one of our representatives in the Congress, to primarily oppose this type of legislation. The efforts of Mr. MERRITT in 1929 were especially effective, and the society's appreciation of the efforts of all of the State representatives was sent you last October. May we again have your assistance?

Sincerely yours,

CHARLES W. COMFORT, Jr.

The inclosure is a copy of an official letter sent from the Connecticut State Medical Society in January, 1929, at the time when a similar bill was before Congress, and reads:

In behalf of the Connecticut State Medical Society we ask that you will use your earnest endeavors in opposition to the bill H. R. 14070, "A bill to provide a child welfare extension service, and for other purposes."

This society is opposed to this type of Federal legislation because it has seen the failures of such efforts originating and sponsored outside the field of application. It takes time and effort to correct the actual harm done in the community. We believe this is so because the principle is wrong.

The bill has so many bad features that it should not be enacted even if the principle was right. Some of these are referred to in an editorial in the Journal of the American Medical Association, dated December 1, 1928, a copy of which will be furnished you if you desire.

Your attention is called to the fact that Governor Lake issued enabling authority to the State department of health to avail itself of the provisions of the original Sheppard-Towner Act, but that the legislature subsequently acted to reject all benefits under, or any participation in, the Sheppard-Towner law. Therefore, Connecticut has never accepted the financial assistance under the law, but has handled the problems concerned within itself, as is believed proper.

As this protest is from a body of over 1,300 of your constituents, and the action of this committee has to be reported to the society, may we ask the courtesy of a reply.

Mr. President, I have never on this floor heard any adequate reply whatever to the objections made by the most distinguished physicians of the country, through the officials of their societies. I shall not take the time to read from any other medical society. I have referred to the New Jersey and Connecticut societies and the great American Medical Association. I am sure no one on this floor will accuse those societies of gross materialism. No one will accuse them of attempting to kill this legislation in order that they may fatten their pocketbooks. We know that the doctors who belong to these societies give more than half their time to the poor without price and without considering their time. The most distinguished surgeons belonging to those societies go to the hospitals in their cities and in their communities, day after day, week after week, and year after year, operating to save the lives of poor people without charging one cent for their services.

If there is any body of men in the community, if there is any body of men in the United States, which is interested in health and welfare, it is the body of these physicians and surgeons, who give of their time freely to the poor people of their cities and towns. It is they who are appealing to us not to pass this legislation. It is they who point out to us the fact that infant mortality was decreasing at a more rapid rate before this legislation was enacted than after it was enacted. It is they who point to the record in several States that after the legislation was enacted the infant and maternity mortality rate went up instead of down; that in some

States it went up and in some States it went down; in other words, it had no really good effect.

In view of the appeal of these physicians, who ought to be trusted to know more about the welfare and health and mortality of the people in the States from which they come than the rest of us, in the name of those who are interested in maintaining the dignity of the sovereign States and the rights of the States to decide their own matters and look out for the welfare of their own people, I ask that the bill may be sent back to the committee which reported it with instructions to hold full hearings in the matter before they report it back to the Senate.

Mr. JONES. Mr. President, of course I could not keep track of all the figures which the Senator from Connecticut [Mr. BINGHAM] presented. However, I was struck with reference to the figures he gave relating to Kentucky, which apparently show that the infant mortality and maternity mortality had increased. I have here a statement which is official. I do not know from what source his figures came, but I have here a statement from the Government child bureau, and here is what is said about Kentucky.

This is a comparison of the infant mortality prior to the operation of the maternity and infancy act and during its operation in specified States, showing the State, urban and rural, rates per thousand live births. In Kentucky, 1917 to 1921, the State rate was 7.5, while for 1922 to 1928, while the law was in operation, the rate was 6.8, a decided reduction. The urban rate of mortality from 1917 to 1921 was 90.9, while from 1922 to 1928 it was 80, or a reduction of nearly 10 per cent. Then in the rural population from 1917 to 1921 the rate was 73 per thousand, while from 1922 to 1928 it was 66.

Also from the same authority is a comparison of maternal mortality prior to the operation of the maternity and infancy act and during its operation. From 1917 to 1921 the rate was 62.6 for the State, while from 1922 to 1928 under the operation of the act it was 58.5, or a decided reduction. Urban, 1917 to 1921, the mortality rate was 94.4, while from 1922 to 1928 it was 80, or a decided reduction. In the rural population from 1917 to 1921 the rate was 57.6, while from 1922 to 1928 it was 53.9. Those are the official figures.

THE PRESIDENT'S STATEMENT ON RELIEF LEGISLATION

Mr. HARRISON. Mr. President, I dislike to occupy the time of the Senate at this late hour in the afternoon, but if anything is to be said by me touching the subject matter to which I shall address myself it is better to be said this afternoon than to-morrow.

We have been getting along beautifully during this session of Congress. All of us appreciate the gravity of the situation throughout the country and that we have only a very short time during this session in which to press for the passage of certain legislation that is necessary in the orderly administration of the Government. There has not been the slightest quiver of politics in this Chamber or in any of the committee rooms so far as I have heard, and no discussion precipitated of a partisan character. Why the President to-day should precipitate a partisan discussion and accuse men in this Chamber as well as in the other body of improper motives is beyond my understanding. What is it that has so aroused the President? Why is it that he has, at least as appears to some of us, lost his usual equilibrium and has said to the newspaper men that we are "playing politics at the expense of human misery" down here?

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

Mr. HARRISON. I hope the Senator will wait until I can proceed a little farther and then I will yield to him. I have said nothing yet at which the Senator ought to take umbrage. He may later on.

Mr. REED. No; I am not taking umbrage.

Mr. HARRISON. I hope some one over on his side of the Chamber will take umbrage, and will attempt to give some excuse for the President's course, because I can not understand that even the Senator from Pennsylvania, who is always fair, would indorse the statement which the President made to-day, would he?

Mr. REED. The Senator from Mississippi——

Mr. HARRISON. Would the Senator indorse the statement the President made to-day?

Mr. REED. I want to ask the Senator from Mississippi a question. As I read the statement to which he refers, there is nothing partisan in it, and I do not interpret it as an attack upon the Senator's party any more than as an attack upon my own party. I do not think there was anything partisan in it, however much it may have reflected upon the Senate as a whole.

Mr. HARRISON. Of course, it reflects more upon certain Senators on that side of the aisle than upon Senators on this side of the aisle. Some Senators on the other side of the Chamber have become so accustomed to having rebukes administered to them by members of the group of the Republican Party to which the Senator from Pennsylvania belongs, and to having names applied to them, such as "pseudo-Republicans" and "sons of the wild jackass" and various other expressions of that kind, that they are used to them.

The President says:

They are playing politics at the expense of human misery.

"Playing politics at the expense of human misery"! No one ever charged the President of the United States when he was going through the South and the Mississippi Valley at the solicitation of the then President of the United States, Mr. Coolidge, that he was "playing politics at the expense of human misery" at that time. I did not so believe; and yet afterwards we read in the Republican campaign textbooks and speeches by Republican orators of the great accomplishments of Mr. Hoover along that line, and statements to the effect that his activities at that time qualified him, in great part, to be President of the United States. "Playing politics at the expense of human misery." I did not believe when he was selected to go abroad and distribute $100,000,000 worth of food to the Belgian people that Mr. Hoover was "playing politics at the expense of human misery"; yet there were some gentlemen in this country, some of them in the Republican Party, speaking from the hustings in order to win votes for the Republican ticket and to obtain the nomination of Mr. Hoover for the Presidency, who said that that qualified him greatly to become the President of the United States. "Playing politics at the expense of human misery."

There is no man in the history of this country who has won more political favor upon the miseries of people than has the present President of the United States. Is it an obsession with the President? Is that what was in his mind when he volunteered the statement to the newspapers to-day, uncalled for, unwarranted, and without justification, that those gentlemen in the House and in the Senate who have seen fit not to accept his views with reference to all legislation, and who have sought to give to the soldiers of the country some pittance, some measure of relief to the drought-stricken sections so that they might get food during the cold winter months, "are playing politics at the expense of human misery"? Am I to be so charged because, for instance, last week in the discharge of my duty I introduced a bill designed to meet a situation which calls for action? As one of the Senators from my State, I had visited in my section and found a certain condition to exist, and from investigation I had come to believe that a similar condition existed in other sections, that the Federal land banks were pressing down upon the farmers, who, because of floods or because of drought conditions or because of economic depression in the country, whether arising from world conditions or domestic policies, had been wiped out; their prices had declined, and they were unable not only to pay the installments upon their loans, not only not able to pay the interest upon the borrowings which they had made, but they were unable to obtain enough money to buy food for their livestock or food or clothing for their children. Inspired by the board up here, may I say the Federal land banks were foreclosing throughout this country and taking homes and lands away from the people who are honest, who are industrious, who are seeking by every appeal that is

possible to be given an extension of time to enable them to carry on a little while longer in the hope that prices may increase, that their condition may be bettered, and that they may meet their obligations to their Government. The voice of the Government speaks, however, and says, "No; we are going to clamp down; we are going to take your land; we are going to put additional costs upon you through foreclosure proceedings"; and to-day the Government is vested with title to millions upon millions of acres of farm lands throughout the country. Knowing that condition, I introduced a bill to give to those Federal land banks the power to grant extensions to those people, and, if necessary, in order to meet the interest upon the bonds that had been issued, that the Federal Treasury might make certain advances. It might go into several million dollars, yes; but what of it? We have an exceptional condition facing us; there is distress in the country; and it does seem to me that the great, strong Nation of which we are a part, in this emergency, could well make advances out of the Treasury to keep those people in their homes and give them an opportunity to meet their obligations and the interest on the bonds. In the long run it would be saving to the Government.

Because I did that, am I to be placed by President Hoover in the category of those who are "playing politics at the expense of human misery?" I believe now that my bill is a constructive piece of legislation; I believe that it ought to appeal to the heart of America; and, of all legislation that I have ever proposed, I have never received so many letters from those who are interested in it commending it and asking me to press it as I have in behalf of that bill. Yet because, if enacted, it would take some money out of the Treasury merely for the time being, not for all time, I, in the definition of Mr. Hoover, am "playing politics at the expense of human misery."

The President says in this remarkable statement that the leaders of the two parties have agreed that no more appropriations shall be asked for than are embraced in his budget or in his recommendations to Congress. That is the substance of what he has stated. If what he has stated shall be followed through, he states that no increase in taxes will be needed and that the leaders have agreed upon such a policy. What are the facts, Mr. President? President Hoover is trying to put Democratic leadership in a hole and he is doing it deliberately. He is trying to compel Democratic leadership to assume responsibilities that it should not assume; that the President should have the courage to assume.

Now, let me refer to the joint resolution which was passed to-day for the relief of the drought-stricken areas of the country. President Hoover sent his agents, various economists, men in whom he had confidence, to make a survey all over the country and to determine, if possible, what it would cost to meet the existing emergency. Those men went to my State; they went throughout the West; they went to other sections; and submitted their report. The report showed that it would cost $60,000,000. If I misstate the facts, I want the distinguished chairman of the Committee on Agriculture and Forestry [Mr. McNary], the distinguished assistant leader of the Republican Party in the Senate, who now sits before me, to contradict my statement. The report showed, as I have said, that $60,000,000 was necessary. Yet what did President Hoover and his Secretary of Agriculture ask that Congress appropriate? Mr. Hyde, the Secretary of Agriculture, who probably does not know the difference between a trace chain and a turnip, gave out a statement this morning in connection with which he got his picture on the front page of the great Washington Post. He got in the favor of the official organ of the Republican Party in Washington by giving out that statement; and what was it?

On the eve of consideration by both branches of Congress of relief measures Secretary Hyde last night issued a statement warning that the loaning of money for human food came perilously near a dole and was a move in the wrong direction.

He advocated an appropriation of $25,000,000 for drought relief; more than that, he said, would be a dole.

Mr. Hoover says the leaders of the two parties have agreed with him. Does the distinguished Senator from Oregon, whom his party has honored as one of the leaders of his party, assistant leader of the distinguished Senator from Indiana [Mr. Watson], agree with the Secretary of Agriculture and with the President? On the contrary, he is the author of and championed the joint resolution which we have passed appropriating $60,000,000 for drought relief. He knows that amount is necessary. Is he to be classed by the definition of his President as "having played politics at the expense of human misery"? This Senate has just passed the $60,000,000 authorization unanimously. It differs from the President. Is this body as a whole playing politics at the expense of human misery?

The distinguished leader on this side of the aisle [Mr. Robinson of Arkansas] knows as much, perhaps more, about existing conditions than any man in this Chamber or elsewhere, for no State was hit harder by the drought than was Arkansas. Mr. Hoover says the leaders have agreed upon a program. Did the Senator from Arkansas [Mr. Robinson] agree to it? He did not, because he introduced a bill, quite similar to the measure introduced by the distinguished assistant Republican leader [Mr. McNary], seeking an appropriation of $60,000,000 for relief work. He appeared before the committee and insisted upon a $60,000,000 appropriation; and yet the President of the United States, with whom the distinguished leader on this side has been willing to try to cooperate, throws him down and castigates him, as he castigated the Senator from Oregon, and says that he is "playing politics at the expense of human misery." The distinguished Senator from Arkansas has tried to cooperate, but this soon in the session the President breaks the bond of cooperation and accuses him of "playing politics at the expense of human misery."

What excuse, pray tell me, did the President of the United States have for giving utterance to this kind of expression which was sent over the country to-day? Was it to prejudice the country against the Senate of the United States and the Congress? Was it to belittle us? Ah, Mr. President, "playing politics at the expense of human misery!" If there is one man who ought to be careful in his expressions about other people, it is the distinguished President of the United States, for he ought to know what it is to be sometimes referred to in a harsh way, no doubt in his own opinion wrongly, because, as is familiar to Senators and to the country, it was not so long ago that the present distinguished President, then occupying another position, applied for $100,000,000, as I recall, to be expended abroad, on which occasion the Senator from Idaho [Mr. Borah], one of the great leaders in the Senate, said that he was unwilling to trust such a sum in the hands of the gentleman who is now the President of the United States.

Nor was it so long ago—just about the time the distinguished Senator from Idaho was giving expression to that thought, in which many people in the country believed—that the present chairman of the Appropriations Committee of the House [Mr. Wood] had some remarks to make also about the spending ability of the present distinguished President of the United States. Mr. Wood is now the chairman of the Republican Congressional Campaign Committee. Of course, when this reference to the President is again called to the attention of the President, how long Mr. Wood will be able to hold his head and retain that position I will not venture to say. In 1919—and I read from the Record—Mr. Wood said:

They are organized all through that country—

Referring to the Red Cross. But Mr. Hoover did not want the money spent through the Red Cross; he wanted it spent through his organization.

Mr. Wood says—

They are organized all through that country which they say is affected and where they say the starvation exists. We have had

no report for our edification gathered by the Red Cross. There has come no word from this great agency that they are not able to cope with the emergency. There has come no cry for relief from them.

Where does it come from? It comes, if you please, from a new organization that has been formed within a month. And who is at the head of that organization? Mr. Hoover. It is Mr. Hoover that is asking for this appropriation and not the President of the United States.

* * * * * * *

Now, then, gentlemen may differ with me with reference to Mr. Hoover. I think he is the most expensive luxury that was ever fastened upon this country. I think he will continue to be the most expensive luxury with which we have to do if we still continue to give him unlimited power.

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

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

Mr. HARRISON. Yes; I yield.

Mr. BARKLEY. It ought to be stated in that connection that at that time Mr. WOOD thought Mr. Hoover was a Democrat.

Mr. HARRISON. Yes. That is not the only reason, though, why he gave expression to that thought.

The Secretary of Agriculture, Mr. Hyde, who wants only $25,000,000 spent for relief—and it is a pity that he entertains such views, because he is the one to be clothed with the power of expending the money included in the authorization to-day—took occasion to make a speech in the last campaign. He is a great talker; and in reading that speech I find this expression from one of your own great Republican leaders. You may not agree with me about his being a great Republican leader. He says, speaking of President Hoover:

I have seen him, when venom and malice were falsest, bending himself, without outcry, loyally to his task. At such times the lines of Kipling's "If" have involuntarily come to mind.

And then he quotes Kipling:

If you can keep your head when all about you
Are losing theirs and blaming it on you,
If you can trust yourself when all men doubt you
But make allowance for their doubting, too.

That is a strange impeachment of the President by his own Secretary of Agriculture, "that all about you are blaming it on you."

That he must trust himself, because all others doubt him. Strange, yet appropriate lines for the Secretary to employ. "Playing politics upon human misery!"

Mr. President, I can not believe that the President of the United States does not realize the terrible situation that exists in the country. It may be that he is still suffering from the thoughts and ideas that he entertained when he was speaking in New York City in the campaign of 1928, because this is the character of expressions he employed at that time:

The slogan of progress—

Says Mr. Hoover—

is changing from the full dinner pail to the full garage. Our people have more to eat, better things to wear, and better homes. We have even gained in elbow room, for the increase of residential floor space is over 25 per cent with less than 10 per cent increase in our number of people. Wages have increased, the cost of living has decreased. The job of every man and woman has been made more secure. We have in this short period decreased the fear of poverty, the fear of unemployment, the fear of old age; and these are fears that are the greatest calamities of humankind.

I am wondering if to-day, when he said that those who were trying to obtain some appropriations to meet present conditions were merely "playing politics upon human misery," he entertains the same views respecting the economic conditions in this country that he did in 1928.

He said, further:

Our hours of labor are lessened.

Well, he visioned that right.

Our leisure has increased.

He was certainly right in that prophecy.

We pour into outdoor recreation in every direction.

That is true. He was right. They are parts of that speech that were most prophetic. He hit the nail on the head. Every bench in every park throughout the country is now filled with the idle and unemployed. Their only vocation now is to seek recreation in the parks and outdoors.

The visitors at our national parks have trebled, and we have so increased the number of sportsmen fishing in our streams and lakes that the longer time between bites is becoming a political issue.

That is the idea of President Hoover's political mind.

Mr. President, it is unfortunate that the President spoke to-day. He needs a political chaperone. We are not playing politics. We are trying to meet the present-day problems. If Mr. Hoover makes suggestions that are wise and constructive and will aid in this situation, we will accept them without murmur or hesitation. He ought to be big enough, and the Republican Party ought to be sufficiently patriotic, that if suggestions come from this side that will relieve the distress in this country and help the country back to economic healthfulness, they will cooperate.

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

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

Mr. HARRISON. I yield to the Senator.

Mr. WALSH of Massachusetts. In my judgment, one of the most serious things in the statement made by the President is what the Senator has referred to as an attempt upon the part of the President to misrepresent Democratic leadership. That is a serious allegation. I should like to inquire of the Senator if he knows of a single Democratic leader in this country who is in sympathy with the policies and sentiments expressed in the statement of the President of the United States.

Mr. HARRISON. I will go further and say that I do not believe there is a Republican Senator on the other side of the aisle who is in accord with that statement; and I will pause for interruption if one of them will stand up and say he will indorse it.

Mr. WALSH of Massachusetts. I think we ought to exclude Secretary Mellon. I think he probably is in accord with the President's view.

Now, I should like to ask the Senator if he does not think the President, in fairness to the country, ought to name the Democratic leaders who are cooperating with him in a policy of refusing to increase taxes to extend relief to the unemployed and distressed in this country?

Mr. HARRISON. I do not think the President can name anyone, because there are none. He talks about the leaders of both parties cooperating to prevent "any such event," and he says:

No matter how devised, an increase in taxes in the end falls upon the workers and farmers.

He expresses much concern for the farmers and the workers; and yet the President of the United States only last year, when the question was put up to him whether or not taxes should be increased upon every worker and upon every farmer in this land, sided with the increased taxes and signed the most indefensible and nefarious bill ever written in the Congress of the United States, and one that it is estimated has added a billion dollars annually in increased costs to the American consumer. He did not lift his voice when those taxes were increased in this country.

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

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

Mr. HARRISON. Yes.

Mr. BARKLEY. The test of whether any increase of taxes would be paid by the farmers and laborers might be what happened to the farmers and laborers as a result of the $160,000,000 reduction made in last year's taxes. Can the Senator state whether any farmer or any laboring man participated in that $160,000,000 reduction, which was rushed through here as an emergency measure following the crash in the stock market?

Mr. HARRISON. That reduction was given in the main in the higher brackets and also to the corporations of the country; and, of course, the men who had no income or corporate taxes to pay received no relief from it.

Mr. BARKLEY. That included all the farmers and all the laborers.

Mr. HARRISON. Yes.

If I understand the position of the Democratic Party, we are more concerned now with meeting the conditions that confront this Nation. We want to bring it back to a healthy economic condition. We want to restore prosperity, if possible. We want to take care of the distress and suffering in the country as far as possible. We want to see people employed in every section of the land. We propose to vote for such appropriations, large though they may be in the estimate of the President, as are required to meet this situation; and if increased taxes are necessary to do that, then let us have the courage and the statesmanship to meet the issue at that time.

I do not believe it will be necessary to increase taxes. I believe that we can employ some other method. If we had followed the thought that was suggested by the Democratic minority in 1922 in writing the Fordney tariff law, of fixing the sinking fund at a certain amount and estimating over a period of years as to when we wanted to pay off the war debt, and had stopped this policy of piling up too much taxes upon the people and creating surpluses and applying them to the payment of our debt, we could then meet this situation without any increased taxes. What is the harm of compelling future generations to help pay off this debt and applying some of these payments to meet present conditions? Let us give our attention first, however, to meeting the condition and taking care of the emergency. Let the arm of the Government be extended to give employment, if possible, to the millions of men and women who are out of employment, and to relieve the distress that is rampant. If only a crumb, let us give them that.

If we will make the appropriations in this Congress so large as to take care of every authority of law for the construction of public buildings, sailors and soldiers' homes, highway construction, river and harbor improvements, and every other piece of public work that necessity demands, and not do it over a period of three or four years, but put our shoulders to the wheel and say that it must be done now in order to take care of the unemployment situation, and appropriate the amount needed to carry it through, we will do more, in my opinion, to help solve the unemployment problem than anything else that we can do.

For one, I do not propose to try to cooperate with the President of the United States if, when the country is in distress, and the facts show that $60,000,000 should be appropriated to relieve the drought-stricken areas, he proposes to appropriate just $25,000,000. If that is unpatriotic, if that is "playing politics upon the miseries of the people," then I will plead guilty to it.

That is all I desire to say.

Mr. LA FOLLETTE. Mr. President, I submit a resolution and ask for its immediate consideration.

The resolution (S. Res. 363) was read as follows:

Whereas millions of American citizens are in destitute circumstances due to unemployment and face privation and suffering; and

Whereas the President of the United States, in a public statement, has indicated that consideration for the interests of income-tax payers necessitates restriction on governmental relief measures necessary to aid the jobless and their dependents: Now, therefore, be it

Resolved, That it is the sense of the Senate of the United States that the relief of human suffering in this emergency should take precedence over the consideration of the interests of wealthy income-tax payers.

The VICE PRESIDENT. The Senator from Wisconsin asks unanimous consent for immediate consideration. Is there objection?

Mr. REED. I ask that it may go over.

The VICE PRESIDENT. The resolution will go over under the rule.

Mr. COPELAND. Mr. President, I have been much distressed about the statement made by the President of the United States. I fear that the President is more sensitive to the charge of playing politics than he is to the human misery which exists in our country to-day. I can not refrain, even at this late hour, from saying just one more word.

I want Senators to know how serious those of us who come from the Eastern States are about the situation. It is terrible beyond description, and I fear that the President does not recognize what the problem is. It must be dealt with.

I referred yesterday to the statement of Dr. Nicholas Murray Butler, and I want to give his exact words. He said:

When the world presents its population with a problem of difficulty in making a living, then it is time for the existing social order to beware.

That is what we are facing. No man on this side who is finding fault because of the failure of the administration to act is playing politics with misery. Our aim is to have some definite program of relief instituted and put into operation at once, and it is in that spirit that we take the stand we do, and regardless of what may come from the White House, so far as I am concerned—and believe I reflect the attitude of other men on this side—I intend in season and out of season to do my best to impress upon the country that we are facing a serious economic social problem, and it must be solved if our order is to be preserved.

Mr. McNARY obtained the floor.

Mr. McKELLAR. Mr. President, if the Senator from Oregon will yield to me, I desire to ask the Senator whether it is his purpose to have the Senate take a recess or to adjourn at this time. I want to address the Senate, but if the Senator desires to have a recess taken——

Mr. McNARY. It is my desire to have a short executive session, and then ask for a recess until to-morrow.

Mr. McKELLAR. I am perfectly willing that that shall be done, but I want to give notice that I shall make an address to-morrow morning as soon as I can get the floor.

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

Mr. McNARY. I yield to the Senator from Pennsylvania.

Mr. REED. I shall take but a moment. I think in fairness to the President of the United States it ought to be noted that the interview which he appears to have given out contains no partisan attack whatsoever. It reflects upon the Senators on this side of the aisle as much as upon Senators on the other side of the aisle.

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

Mr. REED. For all I know, it reflects upon me as much as it reflects upon the eloquent Senator from Mississippi [Mr. HARRISON], who has been so busy denouncing it as a partisan attack. I have read it carefully, and I can find nothing whatsoever in it which can be construed as a partisan attack.

Mr. McKELLAR. Mr. President, if the Senator will yield, assuming that that be true, does not the Senator feel that when the President of the United States says of the Senate, of Members of Congress indiscriminately, that they are engaged in making raids upon the Public Treasury, it is a most serious reflection on every Member of this body?

Mr. REED. That may be, Mr. President, but it is as much an attack upon us as it is upon the other side.

Mr. McKELLAR. I agree with the Senator; I think that is true, if the Senator will yield, but I just want to say that it seems to me the President of the United States owes this body, and the body at the other end of the Capitol, an apology for giving out such a crude and improper statement as was given out to the newspapers to-day.

Mr. REED. All very well, Mr. President, but the point I am trying to make, first, is that there is nothing partisan in it. Whether it is wise for one branch of the Government to indulge in criticism in that tone of other branches is a question on which men may differ. Personally, I do not think that I would make such criticism, nor should I criticize

the President or the judiciary or our coordinate body in the Congress, although I must confess that efforts were made in the last session to criticize the House for some action which it was within its rights in taking.

I think we must say, however, in fairness to the President, that there is nothing in the statement which implies an intention on his part to impinge upon the use of our judgment in the handling of the legislation before us, and I do not construe it in the least as reflecting upon the action of the Senator from Oregon [Mr. McNARY] in offering and in pressing to a conclusion the drought-relief measure which he so successfully put through the Senate to-day. If the President's statement is to be interpreted as a reflection upon us in passing that joint resolution as we have done, then I disagree with him as strongly as anyone can.

Finally, I think we owe it to ourselves and to the President and to the country to recognize the fact that his interest in relief work of this kind is as great as that of any of us, no matter what we may profess, because he stands out among all men in the world to-day as the greatest living exponent of relief of distress when it comes upon multitudes. We owe that in fairness to President Hoover. At the same time, he is charged with the responsibility, which is heavy, of seeing that the appropriations of the country are kept within our means, and I honor him for trying to do it.

The tone of his interview is something else again, but for the responsibility which weighs upon him, and which is evident in the issuance of that statement, no one can criticize him.

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

Mr. REED. I have finished.

Mr. McKELLAR. I want to ask the Senator if he does not think that if the President has the same patriotic determination to help in this relief situation that all the rest of us have, he should have produced a plan? Why does he come in and ask for a lump-sum of money—$110,000,000 or $120,000,000, I have forgotten which, to be turned over to a committee of his Cabinet, to be let out as they see fit, without plan? Nobody knows what will be done with it. If the President is so concerned about unemployment in this country, why in the name of Heaven does he not use his brain, or the brains of those under him, to produce some plan?

Mr. REED. The President has not suggested anything of the sort mentioned. He has asked that he be given an appropriation to enable him to go on and complete any project which Congress has authorized. He does not ask for money to complete anything that his committee may wish, but only authorized projects. He is sane enough to know that what Americans want is work, and not hand-outs, and he is trying to provide that work.

Just one word more. While we are being so touchy at his criticism of us, I think in fairness we ought to recognize the fact that nothing in this statement, or in anything else I have seen quoted from the President, begins to approach in severity or intemperance the attacks some of us have made upon him.

Mr. JONES. Mr. President——

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

Mr. McNARY. I yield.

Mr. JONES. I just want to express the hope that before the Senate closes its business tomorrow we will have a vote on the bill that is now the unfinished business.

Mr. McKELLAR. Mr. President, will the Senator from Oregon yield to me just for a few minutes? I desire to have something to say in reply to the Senator from Pennsylvania.

Mr. McNARY. I must not yield.

Mr. McKELLAR. Mr. President, the Senator has yielded to the Senator from Pennsylvania to make a defense of the President. Will not the Senator do the same fair thing by me and let me make a statement?

Mr. McNARY. I thought the Senator from Tennessee had much to say in reply to the Senator from Pennsylvania. I can not conceive of anything that has been omitted.

Mr. McKELLAR. I have a good many things which have been omitted upon which I might inform the Senator if he would grant the time. It seems to me that in an important matter like this, when the President of the United States makes a deliberate attack upon the lawmaking body——

Mr. McNARY. Mr. President——

Mr. McKELLAR. Saying that they are engaged in raiding the United States Treasury, those of us who have been maligned and abused in this way should have a right to reply.

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

EXECUTIVE SESSION

Mr. McNARY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

REPORTS OF NOMINATIONS

Mr. FESS (for Mr. COUZENS) from the Committee on Interstate Commerce, reported favorably the nomination of Frank McManamy, of the District of Columbia, for reappointment as a member of the Interstate Commerce Commission for the term expiring December 31, 1937.

He also (for Mr. COUZENS), from the same committee, reported favorably the nomination of Samuel E. Winslow, of Massachusetts, for reappointment as a member of the Board of Mediation for the term expiring five years after January 1, 1931.

The VICE PRESIDENT. If there are no further reports of committees, nominations are in order.

PHILIPPINE ISLANDS

The Chief Clerk read the nomination of George Charles Butte, of Texas, to be vice governor of the Philippine Islands.

The VICE PRESIDENT. Without objection, the nomination is confirmed, and the President will be notified.

THE JUDICIARY

The Chief Clerk read the nomination of Thomas J. Kennamer to be United States marshal, northern district of Alabama.

The VICE PRESIDENT. The nomination is confirmed, and the President will be notified.

The Chief Clerk read the nomination of James C. McGregor to be United States marshal, western district of Pennsylvania.

The VICE PRESIDENT. The nomination is confirmed, and the President will be notified.

POSTMASTERS

The Chief Clerk read sundry nominations of postmasters.

Mr. PHIPPS. I ask that the nominations be confirmed en bloc and the President notified.

The VICE PRESIDENT. Without objection, the nominations are confirmed, and the President will be notified.

Mr. McNARY. The junior Senator from Indiana [Mr. ROBINSON] and the distinguished leader on this side, the senior Senator from Indiana [Mr. WATSON], wanted to have one nomination of a postmaster withheld.

The VICE PRESIDENT. The nomination in which those Senators are interested is not on the calendar.

Mr. McKELLAR obtained the floor.

Mr. REED. Will not the Senator allow us to complete the executive business?

Mr. McKELLAR. No; I have been recognized and I want to occupy a moment at this time. I am not going to make a speech, but I want to give notice that to-morrow, as soon as I can obtain the floor after the meeting of the Senate, I want to reply to the statements which have been made by the Senator from Pennsylvania, and to reply to the statement which has been made by the President of the United States reflecting, as it does, upon every Member of this body.

IN THE ARMY

The Chief Clerk read sundry nominations for appointments and promotions in the Army.

Mr. REED. I ask that the Army nominations be confirmed en bloc and the President notified.

The VICE PRESIDENT. Without objection, the nominations are confirmed, and the President will be notified.

RECESS

Mr. McNARY. As in legislative session, I move that the Senate take a recess until to-morrow at 12 o'clock.

The motion was agreed to; and the Senate (at 5 o'clock p. m.) took a recess until to-morrow, Wednesday, December 10, 1930, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate December 9, 1930

VICE GOVERNOR OF THE PHILIPPINE ISLANDS

George Charles Butte to be Vice Governor of the Philippine Islands.

UNITED STATES MARSHALS

Thomas J. Kennamer to be United States marshal, northern district of Alabama.

James C. McGregor to be United States marshal, western district of Pennsylvania.

APPOINTMENTS IN THE ARMY

Douglas MacArthur to be general, while holding office as Chief of Staff of the Army.

George Van Horn Moseley to be major general.

Manus McCloskey to be brigadier general, Field Artillery.

Stanley Hamer Ford to be brigadier general, Infantry.

Stanley Dunbar Embick to be brigadier general, Coast Artillery Corps.

Herbert Jay Brees to be brigadier general, Cavalry.

James Kelly Parsons to be brigadier general, Infantry.

Col. Edwin Dyson Bricker to be assistant to the Chief of Ordnance.

Maj. Herman Beukema, Field Artillery, to be professor of economics, government, and history at the United States Military Academy.

Gustave Everett Ledfors to be first lieutenant, Medical Corps.

Harry Boaz Ditmore to be first lieutenant, Medical Corps.

Armin Walter Leuschner to be first lieutenant, Medical Corps.

Ralph Vernon Plew to be first lieutenant, Medical Corps.

Wayne Glassburn Brandstadt to be first lieutenant, Medical Corps.

Edward James Kendricks to be first lieutenant, Medical Corps.

Oliver Harold Waltrip to be first lieutenant, Medical Corps.

James Simon Cathroe to be first lieutenant, Dental Corps.

Ingolf Bernardt Hauge to be first lieutenant, Dental Corps.

John LeRoy Carter to be first lieutenant, Dental Corps.

Wesley Watson Bertz to be second lieutenant, Veterinary Corps.

Edgerton Lynn Watson to be second lieutenant, Veterinary Corps.

Austin Taylor Getz to be second lieutenant, Veterinary Corps.

Cecil Brooks to be second lieutenant, Medical Administrative Corps.

Homer Clarence McCullough to be second lieutenant, Medical Administrative Corps.

Charles Boone Hanes to be second lieutenant, Medical Administrative Corps.

Joseph Carmack to be second lieutenant, Medical Administrative Corps.

Frederick William Hagan to be chaplain with the rank of first lieutenant.

REAPPOINTMENT IN THE ARMY

Merritte Weber Ireland to be Surgeon General.

REAPPOINTMENT IN THE OFFICERS' RESERVE CORPS

General officer

John Francis O'Ryan to be major general, reserve.

APPOINTMENTS IN THE OFFICERS' RESERVE CORPS

General officers

Diller Slyder Myers to be brigadier general, reserve.

John Cecil Persons to be brigadier general, reserve.

Oscar Edwin Roberts to be brigadier general, reserve.

TRANSFERS IN THE ARMY

First Lieut. Escalus Emmert Elliott to Coast Artillery Corps.

Second Lieut. Albert Eugene Dennis to Coast Artillery Corps.

Lieut. Col. Thomas Norton Gimperling to Infantry.

First Lieut. Leslie Earl Simon to Ordnance Department.

TO AIR CORPS

Second Lieut. James Keller DeArmond.
Second Lieut. Laurence Sherman Kuter.
Second Lieut. George McCoy, jr.
Second Lieut. David Peter Laubach.
Second Lieut. James Elbert Briggs.
Second Lieut. Robert Loyal Easton.
Second Lieut. Richard Perry O'Keefe.
Second Lieut. Fred Obediah Tally.
Second Lieut. Delma Taft Spivey.
Second Lieut. William Columbus Sams, jr.
Second Lieut. Don Zabriskie Zimmerman.
Second Lieut. Frederick Rodgers Dent, jr.
Second Lieut. Harold Huntley Bassett.
Second Lieut. Howard Moore.
Second Lieut. James Lee Majors.
Second Lieut. Roger James Browne.
Second Lieut. Joseph Jennings Ladd.
Second Lieut. Thomas Ludwell Bryan, jr.
Second Lieut. John Knox Poole.
Second Lieut. John Coleman Horton.
Second Lieut. Marshall Stanley Roth.
Second Lieut. Rudolph Fink.
Second Lieut. Robert Maurice Kraft.
Second Lieut. Roy Garfield Cuno.
Second Lieut. Frederic Harrison Smith, jr.
Second Lieut. Donald John Keirn.
Second Lieut. Donald Wilbur Armagost.
Second Lieut. Dwight Bahney Schannep.
Second Lieut. Robert Moffat Losey.
Second Lieut. John Jackson O'Hara, jr.
Second Lieut. Emery Scott Wetzel.
Second Lieut. William Ernest Karnes.
Second Lieut. William Gilmer Bowyer.
Second Lieut. Edward Auld Dodson.
Second Lieut. John William Stribling, jr.
Second Lieut. Thomas Benton McDonald.
Second Lieut. Melie John Coutlee.
Second Lieut. Daniel Campbell Doubleday.
Second Lieut. Jerald Worden McCoy.
Second Lieut. Pearl Harvey Robey.
Second Lieut. Charles Glendon Williamson.
Second Lieut. George Putnam Moody.
Second Lieut. Keene Watkins.
Second Lieut. John Nicholas Stone.
Second Lieut. Phineas Kimball Morrill, jr.
Second Lieut. Thomas Richard Lynch.
Second Lieut. Ezekiel Wimberly Napier.

PROMOTIONS IN THE ARMY

Raymond Westcott Briggs to be colonel, Field Artillery.

James Lawrence Long to be colonel, Coast Artillery Corps.

Ralph Molyneux Mitchell to be colonel, Coast Artillery Corps.

Frederick Louis Dengler to be colonel, Coast Artillery Corps.

Richard Howard Williams to be colonel, Coast Artillery Corps.

Lewis Stoddard Ryan to be colonel, Field Artillery.

Tilman Campbell to be colonel, Finance Department.

Thomas Lilley Sherburne to be colonel, Cavalry.

Francis Hicks Lincoln to be colonel, Coast Artillery Corps.

William Henry Wilson to be colonel, Coast Artillery Corps.

Augustus Bennett Warfield to be colonel, Quartermaster Corps.
Edward Dennis Powers to be colonel, Coast Artillery Corps.
Howard Lee Landers to be colonel, Field Artillery.
William Henry Burt to be colonel, Field Artillery.
Arthur Leonard Fuller to be colonel, Coast Artillery Corps.
John Sherman Chambers to be colonel, Quartermaster Corps.
Laurin Leonard Lawson to be colonel, Field Artillery.
Morris Ernest Locke to be colonel, Field Artillery.
James Regan to be colonel, Quartermaster Corps.
Gilbert McKee Allen to be colonel, Infantry.
John Randolph to be colonel, Infantry.
William Hume Clendenin to be colonel, Infantry.
John Royden Kelly to be colonel, Infantry.
Edward Raynsford Warner McCabe to be colonel, Field Artillery.
William Gustin Ball to be colonel, Quartermaster Corps.
Edgar Lee Field to be lieutenant colonel, Infantry.
Jere Baxter to be lieutenant colonel, Infantry.
Frank Kirby Chapin to be lieutenant colonel, Cavalry.
Lloyd Ralston Fredendall to be lieutenant colonel, Infantry.
Rowan Palmer Lemly to be lieutenant colonel, Infantry.
Frank Thorp, jr., to be lieutenant colonel, Field Artillery.
Leroy Pierce Collins to be lieutenant colonel, Field Artillery.
Ballard Lyerly to be lieutenant colonel, Field Artillery.
George Albert Wildrick to be lieutenant colonel, Coast Artillery Corps.
Allen Kimberly to be lieutenant colonel, Coast Artillery Corps.
Thomas Aquila Clark to be lieutenant colonel, Ordnance Department.
Phillip Woodfin Booker to be lieutenant colonel, Field Artillery.
James Alexander O'Connor to be lieutenant colonel, Corps of Engineers.
Lewis Hayes Watkins to be lieutenant colonel, Corps of Engineers.
Richard Park to be lieutenant colonel, Corps of Engineers.
Daniel Isom Sultan to be lieutenant colonel, Corps of Engineers.
John Boursiquat Rose to be lieutenant colonel, Ordnance Department.
Charles Tillman Harris, jr., to be lieutenant colonel, Ordnance Department.
Maxwell Murray to be lieutenant colonel, Field Artillery.
William Edgar Shedd, jr., to be lieutenant colonel, Coast Artillery Corps.
Royal Kemp Greene to be lieutenant colonel, Coast Artillery Corps.
Howard Kendall Loughry to be lieutenant colonel, Coast Artillery Corps.
Robert Price Glassburn to be lieutenant colonel, Coast Artillery Corps.
Harry Keneth Rutherford to be lieutenant colonel, Ordnance Department.
Paul Jones Horton to be lieutenant colonel, Coast Artillery Corps.
Fred Taylor Cruse to be lieutenant colonel, Field Artillery.
James Preston Marley to be lieutenant colonel, Field Artillery.
Robert Arthur to be lieutenant colonel, Coast Artillery Corps.
Lucian Dent Booth to be lieutenant colonel, Ordnance Department.
Waldo Charles Potter to be lieutenant colonel, Field Artillery.
Henry Henderson Pfeil to be lieutenant colonel, Adjutant General's Department.
Clyde Leslie Eastman to be lieutenant colonel, Signal Corps.
James Macdonald Lockett to be lieutenant colonel, Infantry.
Jesse Cyrus Drain to be lieutenant colonel, Infantry.
Alexander Wheeler Chilton to be lieutenant colonel, Infantry.
Charles Henry Rice to be lieutenant colonel, Infantry.
George Ralph Barker to be major, Infantry.
John Waldemar Thompson to be major, Infantry.
Philip Overstreet to be major, Infantry.
Archie Arrington Farmer to be major, Signal Corps.
Charles Sabin Ferrin to be major, Field Artillery.
Edward Lodge McKee, jr., to be major, Infantry.
Joseph Henry Dent to be major, Quartermaster Corps.
Hugh Williams to be major, Quartermaster Corps.
John Moultrie Ward to be major, Quartermaster Corps.
William Tecumseh Haldeman to be major, Cavalry.
James Michael Grey to be major, Quartermaster Corps.
Arnold Melville Reeve to be major, Quartermaster Corps.
William Charles Ocker to be major, Air Corps.
William Frederick Volandt to be major, Air Corps.
Alexander Newton Stark, jr., to be major, Infantry.
Roger Hilsman to be major, Infantry.
Holmes Ely Dager to be major, Infantry.
Harry Elmer Fischer to be major, Infantry.
Roger Williams, jr., to be major, Infantry.
Harry Brandley Hildebrand to be major, Infantry.
Louis Whorley Hasslock to be major, Field Artillery.
Henry Alfred Schmarz to be major, Field Artillery.
Frederick Stone Matthews to be major, Infantry.
William E. Kepner to be major, Air Corps.
William Ogden Johnson to be major, Cavalry.
Marcus Aurelius Smith Ming to be major, Field Artillery.
Walter Raymond Graham to be major, Infantry.
Albert Hovey Peyton to be major, Infantry.
James Patrick Murphy to be major, Infantry.
Jacob Edward Bechtold to be major, Infantry.
Neal Creighton Johnson to be major, Infantry.
Norman Pyle Groff to be major, Infantry.
Glenn Adelbert Ross to be major, Infantry.
Francis Augustus Woolfley to be major, Infantry.
Nelson Dingley, 3d, to be major, Coast Artillery Corps.
Richard Marshall Winfield to be major, Infantry.
Claudius Miller Easley to be major, Infantry.
Richard Weaver Hocker to be major, Field Artillery.
Joseph Ware Whitney to be major, Infantry.
Peter Paul Salgado to be major, Infantry.
Guy Griswold Cowen to be major, Infantry.
Myron Gilbert Browne to be major, Infantry.
Pier Luigi Focardi to be major, Corps of Engineers.
George Stainback Deaderick to be captain, Infantry.
Arthur Dana Elliot to be captain, Ordnance Department.
Virgil Hine to be captain, Air Corps.
John Paul Richter to be captain, Air Corps.
Rene Raimond Studler to be captain, Ordnance Department.
Howard Burdette Nurse to be captain, Quartermaster Corps.
Oscar Mitchell Massey to be captain, Cavalry.
John Montgomery Heath to be captain, Signal Corps.
Robert George Howie to be captain, Infantry.
Ralph Wiltamuth to be captain, Infantry.
Einar Nelson Schjerven to be captain, Cavalry.
John William Irwin to be captain, Infantry.
Robert LeRoy Nesbit to be captain, Infantry.
Joseph Kahler Evans to be captain, Infantry.
Lawrence Haley Caruthers to be captain, Field Artillery.
Frank LaRue to be captain, Infantry.
Thomas Henry Mills to be captain, Quartermaster Corps.
Louis Clifford Webster to be captain, Quartermaster Corps.
John Beveridge, jr., to be captain, Air Corps.
Julian Dayton to be captain, Infantry.
Elmer Hostetter to be captain, Quartermaster Corps.
Michael Everett McHugo to be captain, Air Corps.
William Mason Wright, jr., to be captain, Field Artillery.
Glen Dison Gorton to be captain, Quartermaster Corps.
Philip Whalley Allison to be captain, Field Artillery.
James Lionel Grisham to be captain, Air Corps.
Joseph Worthen Proctor to be captain, Ordnance Department.
Earl Seeley Hoag to be captain, Air Corps.
Vincent James Meloy to be captain, Air Corps.
Charles Egbert Branshaw to be captain, Air Corps.

Edward Whiting Raley to be captain, Air Corps.
Earle Hayden Tonkin to be captain, Air Corps.
James Troy Hutchison to be captain, Air Corps.
Ivan Leon Foster to be captain, Field Artillery.
Edwin Randolph Page to be captain, Air Corps.
Abraham Bernard Thumel to be captain, Quartermaster Corps.
Harvey Hodges Holland to be captain, Air Corps.
Russell Lowell Maughan to be captain, Air Corps.
Walter Miller to be captain, Air Corps.
John William Slattery to be captain, Ordnance Department.
Charles Emile Stafford to be captain, Quartermaster Corps.
Oliver Perry Gothlin, jr., to be captain, Air Corps.
Eugene Benjamin Bayley to be captain, Air Corps.
Dache McClain Reeves to be captain, Air Corps.
Leo Fred Post to be captain, Air Corps.
John Carroll Kennedy to be captain, Air Corps.
Oscar George Fegan to be captain, Quartermaster Corps.
William Albert Hayward to be captain, Air Corps.
Thomas Jefferson Davis to be captain, Infantry.
Edmund Pendleton Gaines to be captain, Air Corps.
Harvey William Prosser to be captain, Air Corps.
Clayton Lawrence Bissell to be captain, Air Corps.
Horace Simpson Kenyon, jr., to be captain, Air Corps.
Eugene Robert Cowles to be captain, Infantry.
Philip Henry Kron to be captain, Infantry.
John Francis Alcure to be captain, Quartermaster Corps.
Zane Irwin Adair to be captain, Infantry.
Robert Clyde Sanders to be captain, Infantry.
Joseph Henry Hussing to be captain, Infantry.
Wallace Marmaduke Allison to be captain, Quartermaster Corps.
Leland Charles Hurd to be captain, Air Corps.
Robert Victor Ignico to be captain, Air Corps.
Rutledge Maurice Lawson to be captain, Infantry.
Leland Ross Hewitt to be captain, Air Corps.
Clifford Cameron Nutt to be captain, Air Corps.
Harry George Rennagel to be captain, Infantry.
Everett Roscoe Stevens to be captain, Quartermaster Corps.
Harry Samuel Fuller to be captain, Quartermaster Corps.
Isaiah Davies to be captain, Air Corps.
Arthur William Vanaman to be captain, Air Corps.
Franklin Otis Carroll to be captain, Air Corps.
Frederick William Evans to be captain, Air Corps.
Oliver Edward Cound to be captain, Quartermaster Corps.
David Nathaniel Hauseman to be captain, Ordnance Department.
George Lincoln Townsend to be captain, Signal Corps.
Edwin Yancey Argo to be captain, Field Artillery.
Howard Hunt Couch to be first lieutenant, Air Corps.
Wilfred Joseph Paul to be first lieutenant, Air Corps.
Glenn L. Davasher to be first lieutenant, Air Corps.
Charles Stowe Stodter to be first lieutenant, Signal Corps.
Charles Henry Barth, jr., to be first lieutenant, Corps of Engineers.
Standish Weston to be first lieutenant, Corps of Engineers.
Raymond Burkholder Oxrieder to be first lieutenant, Corps of Engineers.
Gerald Edward Galloway to be first lieutenant, Corps of Engineers.
Harrod George Miller to be first lieutenant, Signal Corps.
Charles Hare Mason to be first lieutenant, Corps of Engineers.
Carl Rueben Dutton to be first lieutenant, Coast Artillery Corps.
George Kenyon Withers to be first lieutenant, Corps of Engineers.
Arleigh Todd Bell to be first lieutenant, Corps of Engineers.
Thomas Leonard Harrold to be first lieutenant, Cavalry.
Kenneth William Treacy to be first lieutenant, Field Artillery.
Vincent Joseph Esposito to be first lieutenant, Corps of Engineers.
Robert Lee Howze, jr., to be first lieutenant, Cavalry.
Leland Berrel Kuhre to be first lieutenant, Corps of Engineers.
Colby Maxwell Myers to be first lieutenant, Corps of Engineers.
Ralph Tibbs Garver to be first lieutenant, Cavalry.
William Ludlow Ritchie to be first lieutenant, Air Corps.
Amos Tappan Akerman to be first lieutenant, Corps of Engineers.
Olive Cass Torbett to be first lieutenant, Corps of Engineers.
Rogers Alan Gardner to be first lieutenant, Cavalry.
Albert Harvey Burton to be first lieutenant, Corps of Engineers.
Bruce Cooper Clarke to be first lieutenant, Corps of Engineers.
Carl William Meyer to be first lieutenant, Corps of Engineers.
John Henry Dulligan to be first lieutenant, Air Corps.
David Henry Tulley to be first lieutenant, Corps of Engineers.
Walter Grant Bryte, jr., to be first lieutenant, Air Corps.
Kyrl Leighton-Faxford de Gravelines to be first lieutenant, Coast Artillery Corps.
Warren Nourse Underwood to be first lieutenant, Corps of Engineers.
Miles Merrill Dawson to be first lieutenant, Corps of Engineers.
Charles Parsons Nicholas to be first lieutenant, Field Artillery.
Russell Edward Randall to be first lieutenant, Air Corps.
Carl Warren Holcomb to be first lieutenant, Coast Artillery Corps.
Armand Hopkins to be first lieutenant, Coast Artillery Corps.
Timothy Lawrence Mulligan to be first lieutenant, Corps of Engineers.
Finis Ewing Dunaway, jr., to be first lieutenant, Corps of Engineers.
Benjamin Cobb Fowlkes, jr., to be first lieutenant, Corps of Engineers.
John Wilson Huyssoon to be first lieutenant, Coast Artillery Corps.
Frank Gilbert Fraser to be first lieutenant, Cavalry.
Stanley James Horn to be first lieutenant, Corps of Engineers.
Frank Andrew Pettit to be first lieutenant, Corps of Engineers.
William O'Connor Heacock to be first lieutenant, Cavalry.
Walter William Hodge to be first lieutenant, Corps of Engineers.
William Henry Nutter to be first lieutenant, Cavalry.
Oscar Carl Maier to be first lieutenant, Signal Corps.
Ralph Augustus Lincoln to be first lieutenant, Corps of Engineers.
Gilbert Edward Linkswiler to be first lieutenant, Corps of Engineers.
Aubrey Strode Newman to be first lieutenant, Infantry.
Ernest Victor Holmes to be first lieutenant, Field Artillery.
William Frank Steer to be first lieutenant, Coast Artillery Corps.
Wiley Thomas Moore to be first lieutenant, Field Artillery.
Ronald Montgomery Shaw to be first lieutenant, Cavalry.
Conrad Stanton Babcock to be first lieutenant, Cavalry.
Thomas Elton Smith to be first lieutenant, Field Artillery.
Alvin Truett Bowers to be first lieutenant, Coast Artillery Corps.
William Henry Bigelow to be first lieutenant, Infantry.
Lewis Ackley Riggins to be first lieutenant, Infantry.
Willard Lamborn Wright to be first lieutenant, Field Artillery.
John Frederick Gamber to be first lieutenant, Coast Artillery Corps.

Ernest Andrew Barlow to be first lieutenant, Infantry.
John Loomis Chamberlain, jr., to be first lieutenant, Field Artillery.
Frank John Hierholzer to be first lieutenant, Field Artillery.
Carl Frederick Tischbein to be first lieutenant, Coast Artillery Corps.
John Salisbury Fisher to be first lieutenant, Infantry.
Charles Pearre Cabell to be first lieutenant, Field Artillery
James Joseph Deery to be first lieutenant, Field Artillery.
Allen Ward DeWees to be first lieutenant, Coast Artillery Corps.
Archer Frank Freund to be first lieutenant, Field Artillery.
Roland Ainslee Browne to be first lieutenant, Cavalry.
Milo Howard Matteson to be first lieutenant, Cavalry.
William John Carne to be first lieutenant, Infantry.
John Stephan Henn to be first lieutenant, Coast Artillery Corps.
Henry Randolph Westphalinger to be first lieutenant, Cavalry.
Raymond Cecil Conder to be first lieutenant, Field Artillery.
Ralph Frederick Bartz to be first lieutenant, Infantry.
James Wentworth Clinton to be first lieutenant, Infantry.
Arthur Bliss to be first lieutenant, Field Artillery.
William Holmes Wood to be first lieutenant, Cavalry.
John William Black to be first lieutenant, Field Artillery.
Lucien Eugene Bolduc to be first lieutenant, Infantry.
Alfred Boyce Devereaux to be first lieutenant, Field Artillery.
Paul Maurice Seleen to be first lieutenant, Signal Corps.
Henry Ewell Strickland to be first lieutenant, Coast Artillery Corps.
Wilmer George Bennett to be first lieutenant, Field Artillery.
Arthur Charles Boll to be first lieutenant, Signal Corps.
Clifford Palmer Bradley to be first lieutenant, Air Corps.
Hubert Merrill Cole to be first lieutenant, Field Artillery.

MEDICAL CORPS

To be colonels

Howard Houghton Baily.
Paul Lamar Freeman.
Edgar William Miller.

To be majors

Leland Elder Dashiell.
George William Reyer.
Oscar Thweatt Kirksey.
Byron Johnson Peters.
Joseph Rogers Darnall.
Harold Arthur Kirkham.
Henry William Meisch.
Leland Oliver Walter Moore.
Lewis Bradley Bibb.
Arthur Wheeler Drew.
Alexander Palmer Kelly.
Francis William Gustites.
William Samuel Prout.
Walter Fleming Hamilton.
Elgen Clayton Pratt.
Frank Tenny Chamberlin.
Harry Ripley Melton.
James Martin Miller.
Howard Joseph Hutter.
Charles Vincent Hart.
Irwin Bradfield Smock.
David Loran Robeson.
Joseph Ignatius Martin.
Thomas Randolph McCarley.
Alfred Mordecai.
William Presley Dingle.
James Frank Brooke.
Lester Eastwood Beringer.
David Lloyd Stewart.
John Moorhaj Tamraz.
Joseph Aaron Mendelson.

To be captains

James Patrick Cooney.
Harvey Francis Hendrickson.
Louis Holmes Ginn, jr.
Seth Gayle, jr.
Howard Sterling McConkie.
Sam Foster Seeley.
William Draper North.
Clifford Veryl Morgan.
William Henry Lawton.
James Elmo Yarbrough.
John Daniel Brumbaugh.
Abner Zehm.
Walter Frederick Heine.
Charles McCabe Downs.
John Winchester Rich.
Thomas Brown Murphy.
Huston J. Banton.
Hervey Burson Porter.

DENTAL CORPS

To be majors

John Samuel Ross.
Elmer Henry Nicklies.
Clarence Walter Johnson.
Walter Duncan Love.
Egbert Wesley van Delden Cowan.
Arthur Edmon Brown.
Robert Clyde Craven.
Melville Alexander Sanderson.
Earl George Gebhardt.
Frank Alf Crane.
Arne Sorum.
Vivian Z. Brown.
Henry Allen Winslow.
Ernest Frank Sharp.
Clarence Roy Benney.

To be captains

Clarence Price Canby.
Roger Giles Miller.
Grant Arthur Selby.
Leland Stanford Mabry.

VETERINARY CORPS

To be first lieutenants

Charles Stunkard Greer.
John Lloyd Owens.

To be chaplain with the rank of major

Edmond Joseph Griffin.
Ora Jason Cohee.

To be chaplain with the rank of captain

Edward Robert Martin.

PROMOTIONS IN THE PHILIPPINE SCOUTS

John Willett Smith to be captain.

POSTMASTERS

ILLINOIS

Ray R. Staubus, Cissna Park.
James E. Lee, Findlay.
Gustav C. Michael, Hoyleton.
Archie A. Colby, Lee.
Oscar M. Phares, Le Roy.
Arlington B. Gittings, Lomax.
Mary Smith, North Aurora.
Jacob A. Hirsbrunner, Olivet.
George W. Martin, St. Anne.
John Gray, Urbana.

INDIANA

Harry C. Watts, Aurora.
Charles W. Bard, Crothersville.
Clyde H. Siekerman, Dillsboro.
William C. Seng, Dubois.
Claude B. Thomas, Moores Hill.
Francis W. Homan, Reynolds.
Robert P. White, Sullivan.

IOWA

Leah F. Cookinham, Ayrshire.
Tena S. Healy, Britt.
Elsie Sierck, Everly.
Raymond F. Sargent, Fonda.
Alva M. Kepler, Kalona.
Lera Hinzman, Riceville.
Charles H. Swisher, Sully.
Cora J. Jacobsen, Wilton Junction.

MASSACHUSETTS

Esther K. Whitcomb, Bolton.
Alexander F. Gray, Charles River.
Margaret Poole, Island Creek.
Edward F. Earle, Rehoboth,
Hattie M. Crowell, South Yarmouth.

MISSOURI

Laura J. England, Glenwood.
Curtis N. Houston, Grain Valley.
Henry E. Folluo, Manchester.
Raymond J. Tomlinson, Morley.
Amiel A. Weitkamp, Moscow Mills.
Lawrence L. Glover, Newark.

MONTANA

Lyman E. Ferry, Somers.
Harrison M. Sperry, Townsend.

NEBRASKA

Irving E. Tilgner, Lewellen.

OKLAHOMA

Gail E. Wing, Camargo.
George Wehrenberg, Lovell.

PENNSYLVANIA

Thomas McLeister, Philadelphia.

WASHINGTON

Charles T. LeWarne, Bellevue.
Walter M. Hubbell, Spokane.

HOUSE OF REPRESENTATIVES

TUESDAY, DECEMBER 9, 1930

The House met at 12 o'clock noon.

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

Lord God of our fathers, accept our recognition of our low estate. Thou knowest us altogether, and yet Thou art so mindful of us. O fill our minds with the blessedness of our Heavenly Father, who is so rich in goodness, pity, and love; in gratitude turn our faces toward the heights. Work marvels in lives transfigured and in our country reborn until our whole land shall be made so new that the ragged edges of unemployment shall hurt no more. Just now we wait with pleading lips as we ask: "O Lord, what wilt Thou have us do?" O breathe a holy psalm of love and sacrifice into all breasts and, Holy Spirit, brood over us and lead us all the way. Through Christ, the Good Samaritan. Amen.

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

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had agreed to the amendment of the House to the bill (S. 328) entitled "An act for the relief of Edward C. Dunlap."

The message also announced that the Vice President had appointed Mr. SMOOT and Mr. SIMMONS members of the joint select committee on the part of the Senate as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments," for the disposition of useless papers in the Treasury Department.

The message also announced that the Vice President had appointed Mr. NYE and Mr. PITTMAN members of the joint select committee on the part of the Senate as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments," for the disposition of useless papers in the Department of the Interior.

The message also announced that the Vice President had appointed Mr. PHIPPS and Mr. MCKELLAR members of the joint select committee on the part of the Senate as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments," for the disposition of useless papers in the Post Office Department.

LAURA A. DEPODESTA

Mr. IRWIN. Mr. Speaker, by direction of the Committee on Claims I ask unanimous consent to take from the Speaker's table the bill (H. R. 1759) for the relief of Laura A. DePodesta, with a Senate amendment, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 11, after the word "death," insert "said sum to be in full settlement of all claims for damages against the Government on account of the death of her husband."

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Senate amendment was agreed to.

DAVID M'D. SHEARER

Mr. IRWIN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1825) for the relief of David McD. Shearer, with a Senate amendment, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 17, strike out "will" and insert "willow."

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Senate amendment was agreed to.

MUSCLE SHOALS

Mr. TAYLOR of Tennessee. Mr. Speaker, I would like to ask a parliamentary question. I would like to know what progress is being made by our conferees on the Muscle Shoals legislation.

The SPEAKER. The Chair does not think that is a parliamentary inquiry.

Mr. GARNER. Mr. Speaker, I want to ask a parliamentary question and I think I can bring it within parliamentary rules. The Muscle Shoals bill is in conference; does the Speaker have the power to remove the conferees and substitute other conferees or does the House have that power?

The SPEAKER. The Chair would be inclined to think that under the conditions, the Senate being entitled to the papers, the House would not have power to discharge the managers on the part of the House until they had made some report.

Mr. GARNER. Now, Mr. Speaker, in order to have the matter clearly understood, if the House had the papers, then the House would have the power, as I understand it, to discharge its conferees and recall the papers to the House of Representatives. Would the Speaker himself have the power to discharge the conferees and appoint new conferees?

The SPEAKER. After some consideration, the Chair thinks the Chair himself would not have that power.

Mr. GARNER. So now the parliamentary situation is such that the House can not take action under any conditions until the Senate takes action with respect to Muscle Shoals?

The SPEAKER. The Senate being properly in possession of the papers, the House can not take that action.

EMERGENCY CONSTRUCTION

Mr. WOOD. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 14804) making supplemental appropriations to provide for emergency construction on certain public works during the remainder of the fiscal year ending June 30, 1931, with a view to increasing employment.

The Clerk read the title of the bill.

Mr. LAGUARDIA. Mr. Speaker, a parliamentary inquiry. Does this require unanimous consent?

The SPEAKER. The Chair is inclined to think it does.

Mr. HOWARD. Mr. Speaker, what is it, please?

The SPEAKER. Without objection, the Clerk will again report the bill.

The Clerk again read the title of the bill.

Mr. HOWARD. Sufficiency.

Mr. STAFFORD. Mr. Speaker, may I inquire whether it is the purpose of the chairman of the committee to have this bill considered in the House as in Committee of the Whole?

Mr. WOOD. No; I am going to move to go into Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. WOOD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the present consideration of the bill (H. R. 14804) making supplemental appropriations to provide for emergency construction on certain public works during the remainder of the fiscal year ending June 30, 1931, with a view to increasing employment; and pending that motion, I would like to come to an agreement with the gentleman from Tennessee [Mr. BYRNS] with reference to the time to be occupied in general debate and with respect to having all debate confined to the bill. How much time does the gentleman want?

Mr. BYRNS. I may suggest to the gentleman that I want to make a few observations myself, but I do not believe anybody over here wants to talk on the bill; at least, they have not so notified me. I suggest to the gentleman that we go into the Committee of the Whole House on the state of the Union for the consideration of this bill, and that will give the gentleman one hour and myself one hour.

Mr. WOOD. I do not think we need that much time.

Mr. BYRNS. I do not think so either.

Mr. GARNER. You do not have to use all of it.

Mr. BYRNS. I would hate to cut off anybody who desired to speak on the bill.

Mr. CHINDBLOM. If the gentleman will permit, there would be no saving of time by simply going into Committee of the Whole House on the state of the Union, because if any other Member obtained the floor, he would also be recognized for one hour.

Mr. BYRNS. Then limit it to two hours.

Mr. TILSON. Is the gentleman willing to have the debate confined to the bill?

Mr. BYRNS. Yes; I am perfectly willing to have that.

Mr. WOOD. Then, Mr. Speaker, I ask unanimous consent that the debate be limited to two hours, one half to be controlled by the gentleman from Tennessee, and the other half to be controlled by myself, and that the debate be limited to the bill.

The SPEAKER. The gentleman from Indiana asks unanimous consent that general debate be limited to two hours, one-half to be controlled by the gentleman from Tennessee and one-half by himself, and that the debate be limited to the bill. Is there objection?

There was no objection.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union, with Mr. SNELL in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill which the Clerk will report the title.

The Clerk read the title of the bill.

Mr. WOOD. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

There was no objection.

Mr. WOOD. Mr. Chairman and gentlemen of the committee, this is an emergency appropriation bill, the purpose of which is to provide for Government construction to aid employment.

The estimates in this bill were sent to the House at the suggestion of the President, who in his message to this body at the commencement of the present session recommended an appropriation of from $100,000,000 to $150,000,000, the purpose of which was to assist in relieving unemployment.

The estimates as tentatively prepared and submitted to Congress and referred to the Appropriations Committee amounted in round numbers to $151,000,000. There were more than 50 different items included in the detail of these estimates. The committee spent several days in its examination of the Budget officer and those defending the estimates for roads, flood control, rivers and harbors, and so forth.

We ascertained before we progressed very far that many items were so involved with the estimates already submitted to the Committee on Appropriations for the regular annual bills that it was an interminable task to sift out that which was of an emergency character from that which was provided for under the regular bills and not so urgent.

We soon discovered that there were five principal items that involved a total of $110,000,000, and that these five purposes were entirely within the scope of the intention of the President in the recommendations he made.

So we finally agreed, unanimously, that we would submit to the House at once in a special bill these five separate items, and leave for further consideration on the first deficiency bill such other items as in our judgment should be made for any future relief, with the provision that the items should be immediately available.

So we have before us in this bill the five purposes to which I have referred—Federal highway system, $80,000,000; rivers and harbors, $22,500,000; flood control on the Mississippi River and tributaries, $3,000,000; improvement of national forests, $3,000,000; roads and trails, in national parks, $1,500,000.

You will recall that the President in his message recommended that appropriations should be for a period of six months, terminating on the 1st of July, next. The full Committee on Appropriations this morning arrived at the conclusion that in the case of the Federal road advances that the period should be extended until the 1st of September, for the reason that in the northern sections of the country where large allocations are made under the general law the next six months will be cold and the contracts for improvement might not be completed within the next six months, and we therefore extended the time until the 1st of September. The Chief of the Bureau of Public Roads, in charge of this work, was of the opinion also that if it was confined to the 1st of July that possibly not more than $50,000,000 could be expended, but if extended to the 1st of September the full $80,000,000 might be expended.

As to the rivers and harbors appropriation, in the opinion of General Brown, the Chief of Engineers, the amount of money allocated for that purpose will be expended within the period named and by the 1st of July. But in the event that it is not expended they have the right to obligate it and under the general law and under this bill it will remain available until expended.

In order that we may get this bill passed and enacted into law at the earliest possible moment, and for the reason that the items involved in the bill are the ones that will give the most and immediate employment, we have confined ourselves to them.

Now, if there are any questions I am ready to answer them.

Mr. BANKHEAD. I would like for the gentleman to interpret the purpose of section 2 of the bill, on page 4, giving power to the President to interchange appropriations.

Mr. WOOD. This is the idea: Suppose that, for instance, in the Federal-roads item they found they could not employ as many men as they could employ under rivers and harbors, or vice versa. Suppose they could get more men employed upon the roads than on the rivers and harbors, the President might in his discretion make a change in that respect.

Mr. BANKHEAD. Does that mean that he may in his own discretion change the amount of these allocations? For instance, you have allocated here in your bill $22,500,000 for rivers and harbors. Under the authority given to the President under section 2 of the bill could he reduce that amount of expenditure to $15,000,000?

Mr. WOOD. Yes. We think there is no possibility of there being any occasion for a diversion of any portion of this money from the respective allocations, but there might be such a possibility. The purpose of the whole bill is to give immediate employment to men and to do it as rapidly

as possible, and at the same time complete some Government work. In the event that it is found that a greater number of men might be employed by interchanging these appropriations to some little degree, I think we can safely leave that to the discretion of the President. In order that the purpose of the bill might be best accomplished he has the right to do that thing.

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

Mr. WOOD. Yes.

Mr. BROWNE. In regard to the $80,000,000 to be used on Federal-aid highways, how is it to be determined what States shall have this?

Mr. WOOD. It is to be determined exactly as it is determined under the general law. Every State has an equal opportunity to get its fair proportion of this advance according to its limitations for area, population, and so forth.

Mr. BROWNE. Will this be a loan?

Mr. WOOD. It is in the nature of a loan. Many States, as disclosed by the evidence, will be without funds to match dollar for dollar with the United States, so it is proposed under this bill to advance money to the several States in accordance with their percentage under the general law so that they can match the amount they have under the regular apportionment with the money they get under the advance. It is in the nature of a loan and will be returned in the period of five years by deducting what they would be entitled to under the regular apportionments commencing in 1933.

Mr. BANKHEAD. By what provision of existing law is that provision to be effected?

Mr. WOOD. It is this bill before us now.

Mr. BANKHEAD. I am certainly glad to hear the gentleman make the statement, and my only anxiety was to know the authority of law for that promise.

Mr. BROWNE. Will the State legislatures have to take any action in order to receive this?

Mr. WOOD. The States will have to take some action, perhaps, in order that they may be entitled to this advance. That is an administrative matter. Most of the legislatures meet the 1st of January throughout the several States, and many of them have already authority whereby they can do this very thing, through the governor, and some of them, perhaps, through their highway commissions.

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

Mr. WOOD. Yes.

Mr. LAGUARDIA. Will the gentleman inform us whether the necessary preliminary engineering is completed, so that these various projects contemplated in the bill may be commenced at once?

Mr. WOOD. Mr. MacDonald tells us absolutely that they can commence to-morrow.

Mr. LAGUARDIA. And that is also true in respect to the work on rivers and harbors?

Mr. WOOD. Yes.

Mr. LAGUARDIA. Following up the suggestion made on the other side in respect to the discretion vested in the President as to the reallocation of the funds, I assume that is limited to the projects contained in the bill?

Mr. WOOD. Absolutely.

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

Mr. WOOD. Yes.

Mr. BROWNING. Is it contemplated that all of this $80,000,000 must be expended on the standard Federal roads, or is there any provision in this for the lateral-road program that has been mentioned?

Mr. WOOD. It will be in accordance with the present program for the building of Federal roads.

Mr. BROWNING. Of the standard type?

Mr. WOOD. That is right.

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

Mr. WOOD. Yes.

Mr. LINTHICUM. The gentleman from New York [Mr. LAGUARDIA] just stated that the money was to be expended for the items in the bill. As to the Board of Engineers for Rivers and Harbors, I presume the money will be expended according to the items in the hearings, rather than the bill, will it not?

Mr. WOOD. Absolutely; but, as I said a while ago, this clause that was put in about the transfer was to meet a possibility and not a probability.

Mr. LINTHICUM. Will the gentleman restate what he said about the specified time in which the river and harbor money has to be used?

Mr. WOOD. Under this bill the engineers may obligate it, although they may not be able to spend it within that time, for the reason that the appropriation to the War Department—and it is administered through the engineers—is available until expended; so that if the work commenced, was obligated, a contract signed, and the work entered upon and not completed by the 1st of July, the money would still be available for obligation and expenditure.

Mr. LINTHICUM. The contract would be carried out no matter if it did take longer than the 1st of July?

Mr. WOOD. Yes; and that is the reason for extending the work on the highways. If that amendment had not been made, extending it from the 1st of July to the 1st of September, it would cease on the 1st of July, according to the terms of the appropriation.

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

Mr. WOOD. Yes.

Mr. KETCHAM. Referring to the action that should be taken by the various States in order to avail themselves of the moneys provided for in this measure, will the State legislatures be required to take the time to enact any new legislation, or would they simply have to agree to the plan formulated here with reference to carrying on these payments for five years?

Mr. WOOD. They would have to agree to accept this advance and have it deducted from the regular allotments in the future, so that the Government would be fully recouped within the period of five years commencing with the 1933 fiscal year.

Mr. KETCHAM. But it will not require them to take the time to make additional appropriations in order to match this?

Mr. WOOD. It will not.

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

Mr. WOOD. Yes.

Mr. TREADWAY. In connection with the allotments to the various States will the same conditions that are now applicable of Federal money to the States apply?

Mr. WOOD. Absolutely, except to matching.

Mr. TREADWAY. Then, there are only three States that are able to take up their allotments under the conditions that are now applicable. Those States are Rhode Island, Delaware, and Maryland.

Mr. WOOD. They can take up their allotments by reason of this provision. They can take up allotments and match them with this advance.

Mr. TREADWAY. The conditions are such that we can not comply with them.

Mr. WOOD. In what respect?

Mr. TREADWAY. That question was before the Committee on Roads. It would take quite a little explanation. I was anxious to know if the same conditions would apply. If they do, I am sure the States can not take up the entire allotments.

Mr. DOWELL. May I state to the gentleman from Massachusetts that so far as the allotments are concerned, the money will be allocated to the States that can take up all of the amounts.

Mr. TREADWAY. Do I understand the gentleman to contend that the conditions that now apply to the States' allotments of money will not apply to these emergency funds?

Mr. DOWELL. So far as advances are concerned, they will apply to this.

Mr. TREADWAY. I am talking about the allotments from this emergency appropriation.

Mr. WOOD. Those States that have the money on hand that will match the Government money will not have any advancement if they do not want it and those States will not have any obligation to pay it back within the five years.

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

Mr. WOOD. Yes.

Mr. COLE. Can the gentleman give us any idea or estimate as to how many men will be employed in the construction of these roads? I ask this question because it has been stated that most of the money may be spent on operating machines.

Mr. WOOD. I took that up with General Brown, and he said that with the special appropriations it would give employment to about 45,000 men. It seems they have a yardstick by which they measure the employment by dollars. When we had the Treasury Department before us on public buildings the Supervising Architect's office told us that for every $10,000,000 expended about 3,000 men would get employment.

Mr. COLE. Would it not be better to give priority to those projects that will employ the most manual labor?

Mr. WOOD. That is the reason why we selected these projects—to give employment to as many men as possible.

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

Mr. WOOD. Yes.

Mr. LAGUARDIA. It is estimated, then, that 3,000 men will be employed for every $10,000,000?

Mr. WOOD. We asked that question of a gentleman from the Treasury Department with reference to the question of public buildings, and he answered that employment would be given directly and indirectly to 3,000 people for every $10,000,000 of money expended.

Mr. LAGUARDIA. That is, on buildings?

Mr. WOOD. That is on buildings.

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

Mr. WOOD. Yes.

Mr. McDUFFIE. It is estimated 45,000 men are to be employed by General Brown, the Chief of Engineers. Does that mean 45,000 in addition to men of his corps? Will that include his force already existing?

Mr. WOOD. His statement was that with this extra appropriation he would be able to give immediate employment to more than 45,000 men.

Mr. McDUFFIE. As to the estimate for rivers and harbors, the committee report says, on page 3:

> It is his recommendation that the regular appropriation stand at $60,000,000, as previously fixed, and this sum be in addition thereto, even though approximately $11,000,000 is involved between the two sets of estimates.

Please explain this statement.

Mr. WOOD. What he meant by that was that $11,000,000 of the $22,500,000 was for projects for which a like amount is in the 1932 bill, but that it was the desire of the War Department not to change the $60,000,000 program of expenditure of the money in the regular bill, but to use both the $22,500,000 and the $60,000,000 and do that much more work upon these projects.

Mr. McDUFFIE. You would be adding only $11,000,000 to the estimate of the Chief of Engineers?

Mr. WOOD. This $22,500,000 is just that much more than they would have gotten if it were not for this bill. The $11,000,000 is not duplication but just that much more money for the same projects between this bill and the regular bill.

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

Mr. WOOD. Yes.

Mr. FULLER. On the question of the States furnishing dollar for dollar, does the gentleman understand that of this $80,000,000 the States do not have to furnish dollar for dollar of this money?

Mr. WOOD. They have to furnish dollar for dollar, but will use this advance to match with.

Mr. FULLER. Mr. MacDonald, Chief of Bureau of Public Roads, informed me that they did not; that this being a loan, we would advance this $80,000,000 to the States, and that this money could be used now without the States matching it.

Mr. WOOD. They are going to match their regular allotment with this money that we are advancing under this bill.

Mr. FULLER. But the States will not have to put up $80,000,000 at this time in order to get the benefit of this $80,000,000. Many of them are without available money because they have not collected their automobile licenses. This money can now be used without the States matching it dollar for dollar.

Mr. WOOD. No; they already have an allocation from the Government. The Government is going to put up 100 per cent on some projects between this advance and the regular allotments.

Mr. FULLER. Does the gentleman think the State legislatures will have to pass an act to agree to this loan? Does not the gentleman think the fact that they acquiesce in this and accept this money is sufficient?

Mr. WOOD. In all of the States where, under general laws, there is some officer who has the right to make this acceptance, that can be done. If they do not have that authority, there may have to be legislation, for the United States must be secured before they will make any of these advances.

Mr. DOWELL. Will the gentleman yield?

Mr. WOOD. I yield.

Mr. DOWELL. I would like to state for the record that the head engineer, Mr. Fred R. White, of Iowa, has made a very careful investigation of the expenditure of money in building roads, and he states that 52 cents out of every dollar invested in the building of roads goes to labor. I simply wanted to place that in the RECORD, because there is no place where money can be appropriated that will be so equably placed into the hands of those out of employment as in the building of public roads.

Mr. BEEDY. Will the gentleman yield?

Mr. WOOD. I yield.

Mr. BEEDY. I have listened to this discussion about $80,000,000 and I am still not quite clear about it. May I ask the gentleman a question? Does the gentleman state that this $80,000,000 in this expenditure is not subject to existing limitations of law, which apply to the right of States to participate in Federal highway funds?

Mr. WOOD. I say it is subject to those limitations.

Mr. BEEDY. Then the gentleman agrees with the statement that this House is about to appropriate $80,000,000 for road construction which can be used simply by three States in the Nation?

Mr. WOOD. Oh, the gentleman is mistaken about that.

Mr. BEEDY. That conclusion inevitably follows from the first, because, if the existing limitations of law do apply, then no State in this Union which has not already exhausted its allotment can participate in this fund. You would not be advancing more money, in other words, out of this $80,000,000 to a State which already had available for its use $50,000 or $100,000?

Mr. LAGUARDIA. That is exactly what this bill does.

Mr. WOOD. Perhaps I did not make myself clear. Take the State of Maine, for instance. If the State of Maine has plenty of money to match, dollar for dollar with the United States, and does not want any of this money it will not have to be taken.

Mr. BEEDY. Exactly.

Mr. WOOD. But the State of Maine, in consequence, will not have deducted from her regular apportionments hereafter during the period of five years starting in 1933, any portion of the money that will be allotted in the future. On the other hand, take the State of Massachusetts as an illustration. The State of Massachusetts has no funds with which to match, dollar for dollar, the regular United States allotment. The United States will give to that State the

percentage that she is entitled to under this appropriation to use to match against an equal portion of the United States money, but she will have to pay it back or have it deducted from her regular future allotments over a period of five years.

Mr. BEEDY. Now, may we be perfectly clear about it. There are only three States in the Union which have exhausted the funds that are available for Federal highway construction. Only three States in the Union.

Mr. WOOD. Oh, the gentleman is mistaken about that. There may be three States in the Union that have not exhausted their moneys.

Mr. BEEDY. Exactly. That is what I say.

Mr. WOOD. But many States will not have State funds to match with and that is the reason for this advancement.

Mr. SWING. Will the gentleman yield?

Mr. WOOD. I yield.

Mr. SWING. This is a very interesting item and, as the gentleman knows, we are all very much interested in it. Does this contemplate the making of contracts with a State, whereby a State, through some authority which it probably does not now have, but will have to get from the State legislature to make a contract to pay the money back?

Mr. WOOD. This means simply this, that before any State can receive this advancement there must be something in law already existing, or there must be some officer who has the power to accept the terms by which this advance may be made under this bill. If there is no such officer or no such law, then the legislature, convening in January, will have to provide for it.

Mr. SWING. In conversation with some members of the public roads force, who probably had no authority to speak for the Government, but who were expressing simply an opinion based upon experience, they said that even if we waive the requirement of an actual contract to pay back in the future, or the actual putting up of the cash now, the Government could not possibly lose, unless all road work in that State hereafter stopped.

Mr. WOOD. That is true.

Mr. SWING. Because we have a 50-50 proposition, and if we put it all up now we can control it under this act, and cut down on the amount hereafter appropriated to that State?

Mr. WOOD. Yes.

Mr. SWING. So that no contract and no new State legislation is actually necessary?

Mr. WOOD. I will say to the gentleman that there is not any danger of a State, unless it goes into bankruptcy and wipes out road building entirely, doing that. That is a matter of administration, so I do not think Congress should concern itself with that.

Mr. SWING. The gentleman does not state positively that new State legislation is necessary?

Mr. WOOD. No. I say I do not think that unless some peculiar circumstance arises or some peculiar provision of their constitution would make that necessary.

Mr. WAINWRIGHT. Will the gentleman yield?

Mr. WOOD. I yield.

Mr. WAINWRIGHT. As I understand, there will be allocated $40,000,000 involved in this grant, a large part of which can be used for public-building construction?

Mr. WOOD. No. Public buildings are not contained in this at all.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. WOOD. I yield.

Mr. LAGUARDIA. The financial arrangement between the States is perfectly clear. I would like to ask the gentleman this question: Assuming that a State has completed its system of Federal highways and it wishes to build State and county roads, may it apply any of the money received from this fund for that purpose?

Mr. WOOD. I am not certain on that point.

Mr. EVANS of Montana. Will the gentleman yield?

Mr. WOOD. Yes.

Mr. EVANS of Montana. I understood the gentleman to say that in event all the money was not expended on roads by July 1 the time might be extended to September 1.

Mr. WOOD. We have in this bill extended that date so it now reads September 1 instead of July 1.

Mr. EVANS of Montana. That is what I intended to suggest. What about your item of $3,000,000 for the building of roads and trails in the national forests?

Mr. WOOD. I will say to the gentleman that in the hearings the Chief Forester said they could use all of that money and more, too, before the expiration of the six months.

Mr. EVANS of Montana. I hope that is so, but I doubt it, because most of the forests lie in northern climates, where work can not be performed during the winter months.

Mr. WOOD. We went into that very carefully, and that was Major Stuart's statement.

Mr. EVANS of Montana. If Mr. Stuart said that is so, then that is sufficient for me.

Mr. HOUSTON of Hawaii. Will the gentleman yield?

Mr. WOOD. Yes.

Mr. HOUSTON of Hawaii. Are we justified in assuming that inasmuch as Hawaii benefits under all the Federal highway acts that the word "States" includes Territories as well?

Mr. WOOD. If the general law has been construed to include the Territories, of course that will follow in this instance.

Mr. BROWNING. Will the gentleman yield further?

Mr. WOOD. Yes.

Mr. BROWNING. I notice that the hearings indicate that all of this $80,000,000 is to be spent on the 7 per cent roads now under the Federal plan. Can the gentleman tell us whether there is any prospect of getting any Federal aid for the lateral-road system?

Mr. WOOD. I can not answer that at this time. I have enough trouble in making the necessary appropriations when the proper time comes.

Mr. GREEN. Will the gentleman yield?

Mr. WOOD. Yes.

Mr. GREEN. I understand that the $80,000,000 will be loaned to the States in order to enable the States to meet other allotted Federal funds?

Mr. WOOD. Yes.

Mr. GREEN. At what interest?

Mr. WOOD. No interest.

Mr. GREEN. When must the money be repaid?

Mr. WOOD. It will be deducted in proportionate parts covering a period of five years commencing with the fiscal year 1933.

Mr. McFADDEN. Will the gentleman yield?

Mr. WOOD. Yes.

Mr. McFADDEN. I will ask the gentleman to refer to section 2, and I ask him in that connection if, under this Federal-aid appropriation of $80,000,000, only $40,000,000 should be allotted, under the authority granted in section 2 could the remaining $40,000,000 be transferred to rivers and harbors work?

Mr. WOOD. Each one of these five items will be subject to the transfer clause.

Mr. McFADDEN. Suppose it is not all used by that activity, then under the authority contained in section 2 it could be transferred to other activities, could it not?

Mr. WOOD. Yes; if that is done within the period of the limitation.

Mr. GREEN. Will these loans be made according to the amount of Federal aid which a State gets?

Mr. WOOD. Yes. I will state to the gentleman and to the committee that if you will turn to page 19 of the report, you will find how this money is tentatively allocated to the different States under the Federal highway act.

The following schedule shows by States the active program, the amount of work completed of this active program, the unobligated balances available, and an apportionment by the fixed Federal-aid percentages of $80,000,000:

Status of Federal-aid program as of December 1, 1930

State	Active program		Federal aid earned on active program (estimated)	Balance of Federal aid unearned on active program (estimated)	Unobligated balance of Federal aid available for new work	Apportionment of $80,000,000
	Estimated total cost	Federal aid				
Alabama	$5,560,791.34	$2,699,028.76	$943,000.00	$1,757,000.00	$5,282,541.96	$1,698,645.00
Arizona	5,903,025.74	4,594,327.12	3,124,000.00	1,470,000.00	2,399,674.92	1,170,481.00
Arkansas	10,507,532.71	1,508,747.85	3,185,000.00	1,824,000.00	2,780,139.73	1,388,157.00
California	11,440,810.71	5,046,356.39	2,994,000.00	2,052,000.00	4,427,520.40	3,108,233.00
Colorado	7,054,720.35	3,739,331.78	2,705,000.00	1,034,000.00	3,850,185.52	1,507,832.00
Connecticut	3,753,197.31	1,426,049.40	1,082,000.00	344,000.00	1,262,645.45	520,491.00
Delaware	1,449,388.65	631,897.84	462,000.00	170,000.00	618,546.89	400,000.00
Florida	6,370,491.24	2,958,808.06	2,080,000.00	878,000.00	2,640,709.47	1,086,438.00
Georgia	9,176,856.53	4,310,649.97	2,378,000.00	1,933,000.00	4,673,135.92	2,077,996.00
Idaho	4,077,503.57	2,424,600.30	1,851,000.00	574,000.00	1,844,699.98	1,008,036.00
Illinois	28,985,214.40	13,075,612.35	10,721,000.00	2,355,000.00	7,135,946.20	3,400,116.00
Indiana	11,205,013.31	4,900,298.04	3,599,000.00	1,301,000.00	4,441,544.58	2,045,929.00
Iowa	9,175,012.79	3,816,822.62	3,511,000.00	306,000.00	3,039,343.55	2,116,369.00
Kansas	8,181,040.30	3,851,251.73	2,681,000.00	1,171,000.00	4,121,506.67	2,192,301.00
Kentucky	13,993,810.87	5,370,315.14	3,864,000.00	1,506,000.00	1,559,730.32	1,504,715.00
Louisiana	7,219,418.84	3,482,191.84	2,386,000.00	1,096,000.00	2,521,358.23	1,147,927.00
Maine	4,410,679.50	1,672,546.06	1,178,000.00	495,000.00	1,918,144.20	715,799.00
Maryland	2,663,730.65	1,235,335.10	1,062,000.00	174,000.00	999,144.32	678,752.00
Massachusetts	11,596,806.70	3,380,333.15	2,231,000.00	1,149,000.00	2,845,608.09	1,141,460.00
Michigan	17,018,130.79	7,098,801.67	4,634,000.00	2,465,000.00	4,352,565.43	2,521,382.00
Minnesota	12,207,362.77	4,506,246.41	3,405,000.00	1,101,000.00	2,747,399.50	2,249,993.00
Mississippi	1,940,659.62	761,662.26	493,000.00	269,000.00	5,510,835.47	1,434,736.00
Missouri	13,986,431.73	4,976,013.27	2,989,000.00	1,987,000.00	3,301,109.06	2,526,823.00
Montana	11,217,886.59	6,476,068.19	3,867,000.00	2,609,000.00	4,703,614.16	1,671,930.00
Nebraska	11,533,246.81	5,346,328.75	4,330,000.00	1,016,000.00	4,143,529.85	1,708,031.00
Nevada	2,062,573.66	1,810,721.76	1,495,000.00	316,000.00	1,887,644.63	1,049,638.00
New Hampshire	2,242,149.89	797,786.38	725,000.00	73,000.00	572,280.18	400,000.00
New Jersey	5,776,491.49	1,407,271.32	1,294,000.00	113,000.00	2,548,366.76	1,107,807.00
New Mexico	6,190,560.83	4,128,923.39	2,945,000.00	1,184,000.00	2,351,742.57	1,303,288.00
New York	39,822,362.86	8,219,975.50	4,656,000.00	3,564,000.00	11,774,405.54	4,050,566.00
North Carolina	5,861,959.95	2,834,399.03	1,953,000.00	871,000.00	4,442,681.70	1,926,775.00
North Dakota	5,026,822.90	2,519,652.14	1,499,000.00	1,021,000.00	2,478,336.14	1,298,532.00
Ohio	29,683,289.97	10,080,970.32	9,228,000.00	853,000.00	4,525,110.64	2,998,538.00
Oklahoma	8,307,519.04	3,934,315.34	3,354,000.00	580,000.00	2,626,318.47	1,926,351.00
Oregon	7,608,708.01	4,480,547.46	3,119,000.00	1,362,000.00	1,787,010.80	1,320,287.00
Pennsylvania	33,934,985.70	9,414,881.26	8,017,000.00	1,398,000.00	5,367,086.51	3,512,943.00
Rhode Island	2,963,370.12	1,147,773.32	782,000.00	366,000.00	626,545.33	400,000.00
South Carolina	9,709,843.83	3,660,962.60	2,497,000.00	1,164,000.00	1,300,684.58	1,114,636.00
South Dakota	6,884,149.61	3,713,556.02	2,592,000.00	1,121,000.00	2,282,747.95	1,337,973.00
Tennessee	7,422,713.74	3,355,496.11	2,470,000.00	886,000.00	3,286,924.38	1,741,882.00
Texas	24,016,746.77	10,007,388.06	7,138,000.00	2,869,000.00	10,236,080.52	5,088,080.00
Utah	2,646,731.52	1,894,930.05	1,186,000.00	709,000.00	1,518,504.97	926,521.00
Vermont	2,491,463.30	834,428.84	805,000.00	30,000.00	613,889.05	400,000.00
Virginia	7,908,563.52	3,563,146.93	2,429,000.00	1,134,000.00	2,255,550.02	1,505,502.00
Washington	4,974,743.20	2,175,000.00	1,376,000.00	799,000.00	2,545,064.15	1,270,933.00
West Virginia	8,429,953.48	3,239,094.64	2,372,000.00	867,000.00	1,107,727.72	875,384.00
Wisconsin	12,173,045.85	5,078,237.48	3,848,000.00	1,230,000.00	2,591,034.41	1,992,410.00
Wyoming	3,227,760.03	2,139,122.04	1,633,000.00	506,000.00	1,679,190.43	1,029,383.00
Hawaii	1,080,386.06	472,874.00	216,000.00	257,000.00	1,852,769.59	400,000.00
Total	470,775,659.15	193,701,081.04	139,394,000.00	54,308,000.00	155,383,876.90	80,000,000.00

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman from Tennessee [Mr. BYRNS] is recognized for one hour. [Applause.]

Mr. BYRNS. Mr. Chairman, the bill now pending before you, carrying $110,000,000, as reported from the committee, meets the objections which were urged to this lump-sum appropriation when it was first suggested by the President in his message on December 2. This bill, as some of us then insisted should be done, definitely sets forth the projects upon which the money is to be expended and specifically sets out the amount of money which may be spent upon each project, thus reserving to Congress its constitutional right to keep its hands on the appropriations which are made and which can only be made by Congress. It avoids establishing a very dangerous and unheard-of precedent in peace time.

It provides for five projects, all of which have been discussed by the gentleman from Indiana. Eighty million dollars for public roads, to be allotted between now and July 1 to the various States under the general highway act, but not necessarily expended before September 1. That provision, as has been suggested, was made because the Director of Public Roads said that possibly in some States all of this money could not be expended. There are certain States in the extreme North and in the Northwest where probably no work can be done, or but little work, during the winter months, and this is to give those States an opportunity to utilize this fund if they desire to receive it and to expend it during the summer months, if it becomes necessary.

It provides for $22,500,000 for rivers and harbors work, both of these amounts being the exact amounts which the President later on, in a tentative list of allocations, said could be used in the next six months.

It provides for $3,000,000 to be used in flood control, or a total of $25,500,000 for expenditure by the Chief of Engineers for these two purposes. Of course, it is clear that these are projects upon which labor can be utilized as soon as the appropriation becomes available.

There are two other projects to which, I confess, I was not particularly anxious to give my own personal assent as a member of the subcommittee, but to which I have agreed on account of the insistence of my friend, the gentleman from Michigan [Mr. CRAMTON]. One item is $3,000,000 for the building of roads and trails in national forests and the other is for $1,500,000 for the national parks. I had no objection to these amounts, but I felt they were local projects and that they could go over just like these other local projects which have been eliminated from this bill for consideration by the deficiency committee.

I did not wish to quibble over the proposition or to split hairs, and I want to say to you gentlemen and to the country right now that there is not a Democrat upon this side of the Chamber, and I feel I can speak for every single one of them, if it is not too presumptuous for me to do so, who is not willing to vote every dollar that can be wisely and economically and properly expended for the relief of the suffering and the unemployment existing during the winter months. I want to make this clear, because there are some who have undertaken to say that, so far as I am concerned, and so far, possibly, as others who have made objections to this lump sum are concerned, we have been motivated by the question of whether money is to be expended in our districts. Never

in my life have I permitted a matter of that kind to control me in the consideration of appropriations.

This is purely a nonpartisan question. It is one that appeals to everyone, because there is widespread unemployment and suffering almost without exception and without parallel in every section of the country; and since this bill avoids setting the precedent of a big lump-sum appropriation to be placed in the hands of the President and undertakes to specify the projects and the amounts that may be expended thereon, there is not the slightest opposition to it, certainly, upon my part or, so far as I know, upon the part of any Member of this House.

It is clear from the message of the President which was sent to the Congress upon December 2 that he expected this sum of $100,000,000 to $150,000,000 to be placed in his hands to be allocated as he saw fit to the various departments of this Government for construction work, by and with the advice of a committee of his Cabinet, and I read from his message to show that that was the idea in mind at the time. He says:

> With view, however, to the possible need for acceleration, we, immediately upon receiving those authorities from the Congress five months ago, began the necessary technical work in preparation for such possible eventuality. I have canvassed the departments of the Government as to the maximum amount that can be properly added to our present expenditure to accelerate all construction during the next six months, and I feel warranted in asking the Congress for an appropriation of from $100,000,000 to $150,000,000 to provide such further employment in this emergency. In connection therewith we need some authority to make enlarged temporary advances of Federal-highway aid to the States.
>
> I recommend that this appropriation be made distributable to the different departments upon recommendation of a committee of the Cabinet and approval by the President.

Immediately there was some objections, as I have said, made to this form of appropriation in a lump sum, and on December 3, in some remarks which I submitted upon the floor here, I endeavored to call attention to just what this would mean, if Congress yielded to that idea, and I said then what I said a moment ago that there was no one, so far as I knew, who would oppose an appropriation which could be expended wisely and properly for the purpose of relieving unemployment, and that I did not believe there were any Members who were disposed to very closely scan the items if there were indications that the money so appropriated would afford relief.

On December 4 the President of the United States sent a letter, accompanying his estimates, to the Congress in which a tentative list of quite a number of projects, upon which he expected to spend a definite amount of money, was set forth.

These projects were in various departments, but it is significant that even then it was not intended to incorporate those projects with definite amounts in the bill, and Colonel Roop, the Director of the Budget, in the hearings said that even though they were written in the bill as proposed by the gentleman from Indiana [Mr. WOOD], they would not be binding upon the President and it would not be necessary for him to limit the appropriation made to those particular projects, and certainly not to the amounts, because they are not stated in the bill.

Now, the first question that suggests itself to us is why did the President seek to ignore Congress in the matter of these appropriations? Why a committee of the Cabinet as an advisory board, so to speak? Why not the chairman of the House Committee on Appropriations, whom we all respect and whom we all would trust to represent the House, as a member of an advisory committee? Why not Senator JONES, the chairman of the Senate Appropriations Committee, and if he needed more, why not the majority leaders of the two Houses; and if he did not desire to exercise partisanship in a matter of this kind, which should not be partisan, why not add the minority leaders of the two Houses? [Applause.]

Certainly, these gentlemen who have a direct responsibility to the people, and who have been Members of the Congress for a long time, are more familiar with the situation which generally exists over the country and the needs of the country than a committee of the Cabinet; but when I asked Colonel Roop if that idea had occurred to him or whether within his knowledge it had ever occurred to the President, he stated that it had never even been suggested or thought of. Certainly, if the appropriation had been made as the President requested, Congress at least should have had an indirect voice in the expenditure through these gentlemen who have the confidence of the House and Senate, and who have a direct responsibility to the people.

Mr. TUCKER. May I ask my friend a question?

Mr. BYRNS. Yes.

Mr. TUCKER. In view of the gentleman's statement, which has been clear and strong, does the gentleman propose to move to strike out section 2 of the bill?

Mr. BYRNS. No; I will say to the gentleman that I do not, and for this reason: I agreed to that in committee. We are here appropriating for certain definite projects on which we all agree that the work can be started at once to give employment to labor. Now, it may be that all of this money can not be used on roads but can be used on rivers and harbors or flood control, or vice versa. I think there should be in an appropriation of this kind and in view of its objects some degree of elasticity between the appropriations so that they can be used to the best advantage.

The point I am making is that Congress, in undertaking to prescribe what shall be expended and naming the projects, has reserved to itself the right which it has always exercised in regard to appropriations of the people's money.

Now, in asking for a bill of particulars, those of us who did so had a splendid example in the actions of Republican leaders like Senator BORAH, Senator GILLETT, who at that time was the ranking minority leader of the Committee on Appropriations, and our own distinguished chairman of the Appropriations Committee, and others whom I could name. I could quote from the RECORD, if necessary, to show that when a proposition was made to appropriate $100,000,000 to be placed in the hands of Herbert Hoover, Food Administrator in 1919, all of these gentlemen promptly declared their opposition to the proposal and demanded a bill of particulars as to how the money was to be expended.

Mr. HARE. Will the gentleman yield?

Mr. BYRNS. I yield.

Mr. HARE. In this allocation of the funds for the State highway department do you require the funds to be alloted to roads in the Federal-State system, or will they be able to use them on roads not in the State system?

Mr. BYRNS. I am sorry to say they will not.

Mr. HARE. Does not the gentleman think it would be well in an emergency of this kind to have it stipulated that the funds to be used by the various States should be the rural routes not now in the State highway system?

Mr. BYRNS. The gentleman will find that I had that up with the Director of the Bureau of Public Roads, but there is no authority of law for it. I think that Congress should pass legislation to make that in order, because the market roads serving the various communities in the county would not only give better market service to the people but it would give the people in that community a greater benefit in employment.

Mr. HARE. That was the point that I wished to bring out—that it will not only serve to give them a better advantage but give better mail routes.

Mr. BYRNS. I agree with the gentleman; but the gentleman will see the limitations under which the Committee on Appropriations labored. As a matter of fact, this appropriation is necessarily limited to Federal-aid or standard roads under the Federal highway act, which consist on an average of only 7 per cent of the roads mileage in each State.

Mr. MOORE of Virginia. Will the gentleman yield?

Mr. BYRNS. I yield.

Mr. MOORE of Virginia. There was a conference here on November 25, in which the drought-stricken States were represented. I think the Secretary of Agriculture presided

and I know there was an agreement reached to recommend to Congress loans to the States to be used in the construction of farm and market roads. Does the gentleman know what the present attitude of the Secretary of Agriculture or the administration is on that?

Mr. BYRNS. I do not; the Secretary of Agriculture did not appear before the committee.

Mr. BROWNING. Does the gentleman mean to say that the Secretary of Agriculture agreed to that?

Mr. MOORE of Virginia. My understanding is that everyone in that conference agreed to the proposal and one or two other proposals not touched by this bill, because as the gentleman from Tennessee has said, legislation will be necessary on which to base an appropriation to build other than Federal-aid roads.

Mr. BYRNS. Now, gentlemen, on December 8 the Washington Post carried an editorial which perhaps some of you read. I call attention to it because of a plain, unvarnished, deliberate falsehood that was carried in that editorial reflecting upon the Democratic members of the Committee on Appropriations. In the course of that editorial the man who wrote it said:

> Under Chairman WOOD's resolute leadership the Republicans in the committee defeated the Democrats who insisted upon swelling the appropriation.

I repeat, that is a deliberate, false statement by the author of that editorial, who could have easily ascertained the facts, and who should not have made a positive statement of that kind without some investigation. No Democrat in the committee has sought to load down this appropriation, as stated in this editorial.

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

Mr. BYRNS. Yes.

Mr. WOOD. I say to this House that at no time during the consideration of this bill was there any attempt at obstruction, any attempt to do anything but the duty of the members of the committee; and I wish now to express my appreciation of the part the Democratic members took in formulating this bill. [Applause.]

Mr. BYRNS. I thank the gentleman for that statement, and it is characteristic of his fairness, because if there is any committee in the House, as many of us have often said, where no partisanship or politics is practiced in considering appropriations, it is the great committee of which the gentleman from Indiana is the distinguished chairman. I felt that in justice to the minority members of the committee it was proper to call attention to that statement. Why, the day before, with some slighting reference to me, to which I pay no attention, the man who wrote the editorial intimated that I was influenced in my demand for particulars, because I wanted to secure an appropriation for a public building in the city of Knoxville. The city of Knoxville is not in my district. It is more than 200 miles from where I live, and, as a matter of fact, an appropriation was made for a post-office building in the city of Knoxville last July. I had absolutely nothing to do with it. If congressional influence had anything to do with it, it was through the influence of my distinguished friend and colleague the gentleman from Tennessee [Mr. TAYLOR], who represents that district, and the Senators from the State of Tennessee. I wish I had the name of the man who wrote this editorial, because I would like to put his name right here in this RECORD, so that he might be properly branded by the statement made by the gentleman from Indiana [Mr. WOOD] and also by myself.

Of course, I realize his motives. He is endeavoring in every editorial he writes to drive a wedge into the Democratic side of this House. I have no objection to his efforts, but I have a right, as we all have a right, to expect a man who writes editorials for a newspaper which professes respectability, to be honest and fair in the comments which he makes.

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

Mr. BYRNS. Yes.

Mr. FULMER. A few days ago when the Committee on Agriculture had under consideration a bill for the relief of the drought-stricken areas of the country this same person in an editorial came out with the statement that the Democrats proposed to try to increase the appropriation in a pork-barrel style, when, as a matter of fact, the farmers in this drought-stricken area proposed to mortgage their labor, their crops, their corn, their cotton, and everything else for a real loan, instead of expecting graft and pork-barrel appropriations. It was about the same kind of a statement as is contained in this paper the gentleman refers to.

Mr. BYRNS. The gentleman simply lends emphasis to what I have said. In this same editorial he refers to the Agricultural Committee, and I trust that the gentleman and his colleagues will have something to say on that subject when the bill which has been reported from his committee comes before the House.

As I said, Mr. Chairman, the President has sent a long list of projects, tentative, they say, upon which he intended to spend over $151,000,000, in the event it had been granted in a lump sum, and that list appears in House Document No. 655. We went into hearings on this list, but we did not get very far. Gentlemen will notice that the hearings are very brief, because we soon came to an agreement. As we progressed in the examination of these figures, they appeared so utterly ridiculous as emergency and unemployment measures that my friend from Indiana [Mr. WOOD], who had introduced a bill carrying a lump-sum appropriation, figuratively speaking, threw up his hands and agreed to specify the projects contained in this bill, leaving other items for further consideration by the deficiency subcommittee. As a justification for those of us who demanded a bill of particulars, let me tell you something. Remember, this appropriation is asked in the name of an emergency, for the relief of unemployment. Almost the first thing the Director of the Budget told us was that a certain amount of money, a considerable amount, I would say to my friend from Georgia, was to be used to purchase increased rations for the Army and new uniforms for the reserve officers. Think of that as a means of relief to unemployment! When I asked him what that had to do with unemployment, he said that somewhere down along the line labor would be employed in providing the supplies; but I fancy that the greatest relief which would be afforded from that sort of appropriation would be to those who deal in the supplies and the uniforms. Strange that our friends on the other side can not pass a bill without in some way taking care of the manufacturer.

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

Mr. BYRNS. Yes.

Mr. WRIGHT. Was the new uniform to which the gentleman refers to be a blue uniform?

Mr. BYRNS. I presume it was, though I do not know whether it was to be blue or not; but it was to be furnished to the reserve Army officers.

Mr. WRIGHT. They tried to force that on our committee at the last session, and we sat down on it; and now it seems they are trying to get some under the guise of employment relief.

Mr. BYRNS. I agree with the gentleman, and that is what would have happened if this lump-sum appropriation had been made. Every procurement agency would have come to Washington for the purpose of procuring a portion of it, knowing that it could not be gotten in the regular annual supply bills after a full and fair hearing. I do not say that the President connived at that. I want to be fair. What happened was that the President authorized the Director of the Budget to call upon the heads of the departments and asked them to submit estimates as to what money they could use, and the department heads in turn called upon the bureau chiefs and division heads for this information, and they were sent without the scrutiny that the President and his Director of the Budget should have given them. And yet the President intended to take care of them in a lump-sum appropriation, for the Director of the Budget in his letter, which was forwarded with the approval of the President, said:

> I append a list from the departments and bureaus of amounts which it is believed could effectively be expended during the next six months for aid to the employment situation.

But that is not all. We began with the War Department in our hearings, and it was developed, under the head of "Seacoast defenses," that more than $3,000,000 was to be expended—for what? For the purchase of searchlights, submarine mines, and the construction of fire-control stations.

Searchlights! I asked what on earth searchlights have to do with this unemployment. He said that skilled experts were employed in the grinding of the lenses. Think of it! All in the name of unemployment. I thought this appropriation was intended to relieve the unskilled laborer, the 10,000,000 of men and women who are walking the streets and highways to-day seeking a job by which they can earn an honest living and support themselves and their families. Yet, if this lump-sum appropriation had been allowed, over $3,000,000 of it was to be expended in the purchase of searchlights from the manufacturers and for the manufacture of submarine mines, to be stored away for use if we ever have another war, and in building fire-control stations.

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

Mr. BYRNS. Yes.

Mr. BLANTON. Is the gentleman able to tell us just how much of this sum could reach the pockets of the unskilled laborers who are now unemployed? What percentage of it could reach them?

Mr. BYRNS. You mean with reference to this item?

Mr. BLANTON. With reference to the entire $110,000,000 this bill proposes to appropriate.

Mr. BYRNS. I do not know. We could not get anybody to give us an estimate of it.

Mr. BLANTON. Approximately what per cent of it?

Mr. BYRNS. When it comes to labor on rivers and harbors and roads and flood control, probably the greater portion of it would be expended for labor.

Mr. BLANTON. But most of the men now unemployed in the States of Tennessee and Texas are unskilled labor.

Mr. BYRNS. Undoubtedly.

Mr. BLANTON. How much of that unskilled labor will be reached in Texas or Arkansas or Tennessee or Kansas or Oklahoma? How much of this money could reach them? Very little, comparatively, in my judgment.

Mr. BYRNS. The gentleman is doubtless correct. Of course that is entirely problematical.

Mr. GREEN. Referring to that statement, I am wondering if this appropriation will reach more than one phase of this situation. Will only one phase be benefited?

Mr. BYRNS. Of course the officials in charge of the work will be expected to exercise discretion in the matter of employment of this kind.

Mr. CHINDBLOM. If skilled or unskilled labor anywhere gets employment, will it not increase the purchasing power for things produced in Tennessee, Texas, Florida, and elsewhere? Why should there be any discussion as to what localities will be especially benefited? I think there is no cause for the suggestion of the gentleman from Florida [Mr. GREEN] at all.

Mr. BYRNS. I do not think the President of the United States will permit the political opinion of any laborer to interfere with his employment on any of these public works. I think the money would be used, so far as it is possible, for the benefit of all alike. Neither do I believe that he would permit any discrimination against sections or localities.

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

Mr. BYRNS. Yes.

Mr. GLOVER. Could the gentleman suggest any way by which common labor could be better taken care of than by this provision, where we have $80,000,000 to apply on our highways, together with the money provided in this bill?

Mr. BYRNS. No; and I am very heartily in favor of that appropriation.

Mr. HASTINGS. Will my friend allow me to suggest that this $80,000,000 is portioned out to the various States and is expended under the highway commissions of the respective States?

Mr. BYRNS. If the lump sum had been granted, they were going to spend over $5,500,000 for ammunition, to be added, of course, to the $650,000,000 worth of ammunition that we have in store at the Rock Island Arsenal and some of the other arsenals throughout the country. I hope that in the future the time will never come when any President or any Member of Congress will conceive the idea of making this sort of a lump-sum appropriation, which would prove productive of waste and, perhaps, scandal.

But there is another item to which I wish to refer. We asked a representative of the Department of Agriculture about it, and after stating that $3,000,000 was needed for roads and trails in the national forests, he proceeded to say that quite a large sum was to be expended in killing bugs in the national forests. They call it insect control in the national forests. Can some one tell me what relation that has to the unemployment that exists in this country?

I know my friend WILL WOOD over there mighty well, and I have known him for many years. I think a lot of him and I have the utmost respect and admiration for him.

I spent about two weeks down in Florida last February as a member of a subcommittee, of which the gentleman from Indiana was chairman, investigating the Mediterranean fruit fly, and in the course of that investigation I had the fullest opportunity to learn just what the gentleman from Indiana thinks of what he chooses to call "bugology." [Laughter.] I want to tell you that when it was suggested that some hundreds of thousands of dollars of this money was intended to kill bugs out in the national forests, my friend from Indiana threw up his hands and said, "Let us agree upon a resolution and take it into the House and defer this other appropriation until the deficiency bill comes in."

Mr. ARENTZ. Will the gentleman yield?

Mr. BYRNS. I yield.

Mr. ARENTZ. I think there is a great deal of difference between "bugology" as applied to the kind of bugs which they had in Florida and those that penetrate the wood of a forest tree. In the forests of the Western States, wherever they grow pine trees, there are boring insects, and, if you could send men out into those forests to-day and find the trees that are affected and destroy them now, they would not spread to other trees.

Mr. BYRNS. Certainly, but does not the gentleman think that is a proper thing for the regular annual appropriation bill? There is an appropriation in the regular appropriation bill for that.

Mr. ARENTZ. Oh, there is no question about that.

Mr. BYRNS. What has that got to do with an emergency appropriation which is seriously proposed for the relief of unemployment?

Mr. ARENTZ. Oh, the gentleman was attacking "bugology," as he said.

Mr. BYRNS. Oh, no, indeed. I am willing, for the sake of the argument, to agree with all the gentleman thinks on that subject, and I am sure the gentleman is correct, because he has expert information. But the point I am making is that killing bugs out in the national forests will not afford the slightest relief in the matter of unemployment which is facing the country, or relieve the suffering which so many people are going to endure during the coming months, and which all of us deplore.

Mr. BRIGGS. Will the gentleman yield?

Mr. BYRNS. I yield.

Mr. BRIGGS. Does this measure provide that this money shall be made available so that they will not have to wait until the next fiscal year in order to make contracts or expenditures?

Mr. BYRNS. It is available immediately upon the passage of the resolution.

Now, there is another item that is very illuminating. Two million dollars was to be expended for the purchase of passenger-carrying automobiles and motor trucks for Army officers in the Army, just as though we did not have more automobiles now than we need.

Mr. BLANTON. Will the gentleman yield?

Mr. BYRNS. I yield.

Mr. BLANTON. Are not most of those Army officers unemployed?

Mr. BYRNS. Well, perhaps that is true, and therefore it was probably thought they should have something to ride in when they had nothing to do. You can not go down the streets of Washington any day that you do not see a number of Government-owned automobiles used by some high official in the Government, with a chauffeur, at the expense of the Government, yet this $150,000,000, or at least $2,000,000 of it, was to be used to increase the number, as well as to supply additional motor trucks.

There is involved not only the expense of maintenance and upkeep during the coming years, but, when those machines grow old, they will then come here and say, "We have had them, and you must purchase new ones."

Now, gentlemen, these things are not carried in this bill. These things I know, and I speak without authority or without having talked to the gentleman on the subject, but I am sure they are as objectionable to the gentleman from Indiana as they are objectionable to me or to any other Member of this House. They are objectionable, I know, to all the members of the Committee on Appropriations, as well as to the membership of this House. They are not carried in this bill, but I have referred to them simply to call the attention of the House and the country to the unwisdom of making these great lump-sum appropriations and placing it in the power of any man to expend it without regard to the rights of Congress to check the expenditure.

The fact is that the President is not going to spend this money, but the bureau chiefs are going to spend it. The heads of divisions in those departments are going to expend it. When the word went down the line and they were asked how much money they could expend, every one of them took out his pencil and began to figure how much money he could get for his bureau in addition to that which Congress had allowed him in the regular annual appropriation bill, using this emergency appropriation as a guise under which to secure appropriations, which they could not possibly secure from Congress after a full and fair hearing.

It was Democratic protest which stopped this inexcusable raid on the Treasury under the guise of an emergency appropriation, and which was to have been made in the face of the largest deficit we have ever had, and the first of any size in many, many years.

Now, that stopped the hearings, and, therefore, we did not go into these other items. I am not going to refer to all of them, but let me read you some of them. Office of the Secretary of Agriculture, $83,480. I wish some one would tell me what that has to do with unemployment. Possibly the Secretary might increase somebody's salary in his office; he might put on a few additional clerks which Congress thought he should not have, but how is that going to help the unemployment which exists out in the country? Animal industry, $57,995; Biological Survey, $489,505; dairy industry, $114,000; plant quarantine and control, $35,000; and Weather Bureau, $5,000. I do not know, and, therefore, possibly I ought not even to surmise what those appropriations mean; but I dare say that if we had not agreed upon this resolution as we did, and if we had continued these hearings, it would have been found that some of them were even more ridiculous than some of the items to which I have called attention and that possibly all of it involved a further increase in salaries for many employees now on the roll.

Mr. BLANTON. Will the gentleman yield?

Mr. BYRNS. Yes; I yield.

Mr. BLANTON. What is bothering me is this: After you expend the $80,000,000 on extra roads—and all of which is good as far as it goes—will that help more than 5 per cent of the men unemployed in Bristol, Nashville, and Knoxville, in the gentleman's State? Could it help more than 5 per cent of the unemployment?

Mr. BYRNS. Out of the $80,000,000 the State would get over $1,750,000.

Mr. BLANTON. And in certain isolated portions of the State there would be road building, but in Bristol, Nashville, and Knoxville there would still be unhelped unemployed.

Mr. BYRNS. That is true. In my remarks on December 3 I called the attention of the House to the fact that the President in his annual message said that $7,000,000,000 in contracts had been made for this year by private interests, and that $150,000,000, if all of it were expended on labor and not in the purchase of material and supplies, would not amount to 2 per cent of the contracts that have been made by private interests. That shows how little real benefit this appropriation will bring to the vast army of unemployed.

Mr. COX. Can the gentleman state who is the author of the House document from which he has been reading?

Mr. BYRNS. That was transmitted by the President with a letter as an estimate, or, rather, a tentative list.

Mr. TAYLOR of Tennessee. This legislation does not enlarge the public-building program, does it?

Mr. BYRNS. No; this legislation has nothing to do with public-building operations.

Mr. TAYLOR of Tennessee. Then why does the gentleman talk so much about my town?

Mr. BYRNS. I was replying to an editorial that appeared in the Washington Post. I simply referred to it to show that, as a matter of fact, that appropriation was made last July, and that the statement was recently made that it would be eight or nine months before the work could be started, and that, therefore, any appropriation which might be made now could not possibly serve to speed the construction of public buildings. All of the gentlemen interested, the Treasury officials, have said they have all the money they can possibly spend on public buildings between now and December, 1931.

Mr. COX. And the gentleman now speaking gave the gentleman from Tennessee full credit for obtaining the appropriation?

Mr. BYRNS. I gave the gentleman full credit for obtaining the appropriation.

Mr. TAYLOR of Tennessee. I agree with the gentleman that there has been too much delay in the work of constructing public buildings.

Mr. BYRNS. Now, one other matter and then I am going to close. I asked Colonel Roop, Director of the Budget, just when this matter was first taken up and considered by the administration. I wish you would read the hearings on the subject. He said, "Oh, well, it was discussed to some extent when we discussed the $12,000,000 increase in the rivers and harbors appropriation last spring." "But," I said, "Colonel, my question was when did you first call on the heads of the departments for information as to how much money they could use to relieve unemployment?" "Well," he said, "I do not remember the exact date," but finally he said it was after he had completed his examination of the Budget, and then another question brought the information that it was about November 1. Now, understand, gentlemen, they were discussing the question of unemployment last spring. There was not a man, woman, or child in this country who did not know at that time that there were millions of people unemployed and that soup houses and bread lines were forming in the larger cities. At that time Congress was in session. If this emergency appropriation was so badly needed for the relief of unemployment why was it that the President did not come to Congress last May or last June and ask for it?

If they had obtained it then plans could have been made so that men and women could have been given work at the beginning of winter to relieve their necessities. But no; it was not until winter was upon us that they even called upon the heads of the departments to know how much money could be used. Why was it? I suppose the answer is in the minds of all of you. There was an election coming on. I can not think of any other reason except a political reason. The administration was too busy at that time, and up until the day of election, in issuing statements that prosperity was returning. The Secretary of Labor was too busy

denying that there was any considerable unemployment, and the Republican National Committee was too busy saying there was no undue economic depression. Of course, if this matter had been taken up at that time it would have belied those statements which were being broadcasted throughout the country for political purposes.

Why, the gentleman from Indiana the other day commented in eloquent terms on the action of the President in calling business executives into session last November, and he declared it was one of the greatest acts and one of the greatest services the President could possibly have performed; business executives who came here and listened to the President, to his counsel and advice, and then went back, as prudent business men would do, handling property of other people, and promptly turned off every man and ceased to make every improvement which they did not think the state of their business justified.

I think the severest indictment against the administration in this unemployment situation are the facts I have just stated—the delay in coming to Congress and asking even for this modicum of relief which I assert we are forced to believe was due to political considerations.

It is a harsh statement, but, nevertheless, I believe the facts justify it. Winter is on us, and we are going to make this appropriation, and we are all going to vote for it; but you know and I know how slowly the machinery of government moves, and you know and I know that even though it goes through this week and is signed by the President it will be weeks before the unemployed begin to realize any advantages from it.

Ah, there has been too much play to the galleries on this question of what we are going to do to relieve the unemployed and too little action. This is not going to give much relief. It will give some, yes; but it is not going to give that relief which the country needs and which it must have if men and women and little children are to be kept from suffering during the coming winter months; and so far as I am concerned, let me say to you, I am not going to quibble about close, technical, constitutional questions in a matter of this kind. I am going to vote for every dollar that may be asked which has a tendency to give relief to those who need it, but before I vote it I want those who are responsible for its expenditure to come to the Congress and show the Congress that it is going to be used for that purpose. [Applause.]

Mr. STAFFORD. Will the gentleman yield?

Mr. BYRNS. I yield to the gentleman.

Mr. STAFFORD. I have listened with interest to the diatribe of the gentleman against the proposed plan, and I am curious to know whether the gentleman has any alternative plan for relief of the direful conditions he pictures throughout the country.

Mr. BYRNS. I have not opposed the plan. I have declared my intention to vote for it. I thought perhaps the gentleman, who knows something on every subject and always has a remedy for every matter, could propose something himself.

Mr. STAFFORD. I am now questioning my esteemed friend.

Mr. BYRNS. Yes; I will tell the gentleman one plan and I will ask the gentleman——

Mr. STAFFORD. I have a plan myself.

Mr. BYRNS. And I will ask the gentleman whether he will vote for it. I will vote $60,000,000 to lend the poor farmers in the drought-stricken areas of the country to buy food and seed. Will the gentleman vote for that?

Mr. STAFFORD. I will vote to loan some amount, even for such a socialistic plan as that.

Mr. BYRNS. Will the gentleman vote for $60,000,000?

Mr. STAFFORD. I will not, unless it is shown that that amount is necessary. I will vote for whatever amount is necessary, but that is not a substantive plan for remedying the existing conditions which the gentleman has been criticizing.

Mr. BYRNS. It will be a decided relief to the agricultural interests.

Mr. STAFFORD. We need to pass something of a more permanent character. The gentleman has been criticizing the administration very severely with respect to this plan, and now I am asking the gentleman whether he, as one of the leaders on the other side, has a plan to substitute for this one.

Mr. BYRNS. Does the gentleman uphold the administration in its proposal to spend the money to which I have referred in the manner which I have related?

Mr. STAFFORD. In some instances I do uphold the administration, but I want a definite plan to relieve existing conditions. Has the gentleman such a plan?

Mr. BYRNS. No; I have not such a plan to present now, I will say to the gentleman, and neither has the gentleman from Wisconsin.

Mr. STAFFORD. I have a plan——

Mr. BYRNS. Let us hear it.

Mr. STAFFORD. I would propose right away the formation of a commission [laughter]——

Mr. BYRNS. Will the gentleman——

Mr. STAFFORD. If the gentleman will permit me to continue, he asked me if I had a plan. I would propose a commission just as during the critical days of the war, when the Cabinet officers were unable to cope with existing conditions the President of the United States, President Wilson, called upon business men to formulate a plan to relieve conditions on the World War front. The gentleman and I at that time were members of the Committee on Appropriations, and we know the conditions that existed. Now, there must be something done to permanently relieve this situation. This bill merely provides temporary relief. I think a committee should be appointed to study the causes of this world-wide depression.

Mr. BYRNS. Oh, yes; and while they study the people perish.

Mr. STAFFORD. Oh, no; not perish by any means, and I would think the gentleman, by reason of his leading position, would have some plan to report to us.

Mr. BYRNS. I have a plan, and I want to know if it will receive the gentleman's approval. I think the best plan that could be proposed to afford permanent relief would be to reduce the tariff upon some of these outrageously protected commodities and thus regain the good will of foreign nations and restore our foreign markets so that we could dispose of our surplus. Will the gentleman vote for that?

Mr. STAFFORD. I agree with the gentleman in large part, and that would be the very purpose of this committee in studying the causes of this world-wide depression.

Mr. BYRNS. Did the gentleman vote for the recent tariff bill?

Mr. STAFFORD. I voted for it because it carried a duty on leather and shoes to revive a prostrate industry of my district, the leather industry, and it has been a benefit to those industries. I did not vote for it, because it puts high duties on agricultural products that antagonized Canada and antagonized other foreign countries. I voted for it because of that one reason.

Mr. BYRNS. I appreciate the frankness of the gentleman. He was entirely willing to place a heavy tax upon the consumers of this country and to cut off our foreign markets which had been taking our surpluses heretofore, simply to relieve an industry in his district. [Laughter and applause.]

Mr. STAFFORD. It was the only industry in the country that was on a free-trade basis, and I will ask the gentleman whether he was in favor of having that industry go out of existence or in favor of giving it a reasonable tariff?

The leather industry was the only industry in the country that for the last 20 years had been on a free-trade basis.

Mr. BYRNS. Now I want to ask the gentleman this question. The gentleman voted for the tariff bill——

Mr. STAFFORD. Yes; for that one reason.

Mr. BYRNS. To relieve an industry in the gentleman's district. Has it relieved that industry?

Mr. STAFFORD. Yes; it has.

Mr. BYRNS. To what extent?

Mr. STAFFORD. It shut off the importation of hundreds of thousands of shoes that were coming into this country from Czechoslovakia and has revived the shoe industry in this country. [Applause.]

Mr. BYRNS. Then do I understand the gentleman to say that there is no unemployment existing in his district?

Mr. STAFFORD. The condition of employment in the shoe industry is far better than it was before the passage of the recent tariff bill.

Mr. BYRNS. What did the president of the International Shoe Co. think of that tariff?

Mr. STAFFORD. The International Shoe Co. had its retail stores scattered throughout the country and was interested primarily in the retail business.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. WOOD. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. LAGUARDIA].

Mr. LAGUARDIA. Mr. Chairman, I am sure it is not necessary to appoint a commission to establish the fact that the greatest unemployment at this time is found in the industrial sections of our country, and the unemployment in the large industrial centers is reflected in every section of the country.

I do not care to be critical about the bill now before us, but, Mr. Chairman, this bill has been greatly overadvertised. There has been so much hope held out to the country as to what this bill will do and the appropriations which the President would recommend to Congress, while, as a matter of fact, this bill, Mr. Chairman, will not employ 1,000 men for any length of time in the State of New York. You can not get away from that.

The indirect and remote result of the material which might be used in road construction and in the other projects provided for in the bill will not benefit great industrial centers like New York, Philadelphia, Boston, or other large cities to any noticeable extent.

Why, in your $110,000,000 you have here there is but one item for New York Harbor of $166,000. All that will require will be a suction pump with a crew of 10 men to put down a pipe and suck some sand out of the harbor. It would seem to me, Mr. Chairman, that in coming before the House with an emergency relief appropriation that it was necessary to take into account all sections of the country and particularly large cities, where unemployment is the greatest and the suffering most acute. Most of the gentlemen on the other side who have been complaining, I submit, if you study the bill, will find that their States will profit by it.

The amount here provided for roads, while necessary and timely, I suggest, may turn out to be something more than a mere advance to the States in addition to the Government's contribution toward Federal highways. I predict now that when the time comes for final adjustment some of the States will not be able to meet the appropriations provided for and will ask for continued extensions until the amounts are ultimately charged off. I admit the bill will build roads sooner than otherwise, and I am willing to go along and vote for the bill. I know I am helping other States, but I would like to see something for my own State.

In my State and the large Eastern States, where the system of highways has been entirely completed, there is no hope of relief to be obtained under this provision of the bill.

Mr. DOWELL. Let me say to the gentleman that the Federal highway system in New York has not been completed.

Mr. LAGUARDIA. How much is left?

Mr. DOWELL. They can continue this until every mile of road of the entire State is completed. Under the bill there are $4,000,000 that can be allotted to the State of New York.

Mr. LAGUARDIA. If the gentleman will look it up he will see that there is no comparison in the proportion for New York and the other States—that in proportion to the population there is no relief for New York at all.

Why, we spend $18,000,000 a year only for repairs of streets in New York City alone, and New York City will get nothing out of this. Let me say to the distinguished chairman of the Committee on Roads that if he will come to New York he will learn something about road building on a real large scale.

I will say, as I said on the opening of the session, that this Congress must cope with the employment situation.

Many people in my district and other large industrial centers have been waiting for this appropriation—this promised relief legislation—and I will leave it to any gentleman here from any of the large cities if he can see any relief in this appropriation of $110,000,000.

Mr. O'CONNOR of New York. Will the gentleman yield?

Mr. LAGUARDIA. I yield.

Mr. O'CONNOR of New York. In the city of New York we have been waiting years and years for buildings absolutely necessary and indispensable, and the erecting of those public buildings would employ thousands of men.

Mr. LAGUARDIA. I am coming to that. I think we should provide for the immediate construction of public buildings in the cities already authorized. Why, if the War Department would grant permission to the city of New York to extend its piers we could go ahead with that work.

Why not provide for increasing the area of Governors Island, and that will give us the 80 acres more that we want there for a public air terminal. There are a great many useful projects that we can put into operation at once, if you will just give us of the cities a little consideration. But, no; we have been voting for flood relief, and for farm relief, for seeds, for all kinds of drought relief, and the time has come when the industrial workers of the large cities are coming to Congress and are asking for the same consideration that you give the farmers. We will vote for your seeds. Will you vote for our rents?

Mr. COLE. Sure, we will.

Mr. LAGUARDIA. You tell us in one breath that you have too much wheat, that there is an overproduction, and then the gentleman from Tennessee [Mr. BYRNS] suggests $60,000,000 more with which to buy more seed to plant more wheat and thus increase the overproduction. Oh, there will be an end to this some time, and I say that the distress in the large cities—and I do not refer to Washington, which is not an industrial center at all—is such that you will soon have to give the very serious consideration to our problems and provide some constructive and effective relief.

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

Mr. LAGUARDIA. Not just yet.

Mr. COLE. Oh, just one question.

Mr. LAGUARDIA. What is it?

Mr. COLE. Will the proposed naval program help New York City?

Mr. LAGUARDIA. What do you want? Another war, to kill off a few more men? Is that the gentleman's solution of the unemployment situation? It is not mine.

Mr. COLE. It is not mine; but it is proposed to rebuild certain ships.

Mr. LAGUARDIA. I refuse to join with any movement to dispose of surplus man power by looking for another war to kill them off. That is not the modern, up-to-date solution of the unemployment situation.

I wish this Government did have the powers in peace times that it has in war times. There is no limit to what this Government can do in war time in respect to the health of the individual, in respect to the food supply, in respect to the prevention of profiteering in foods, employment, and even social welfare and amusement to keep the people happy, but in peace time the Government seems to be helpless, and some gentlemen suggest building more ships, getting a bigger Army and Navy, and the gentleman from Tennessee said somebody wanted more uniforms and more ammunition—and then some one will go out and look for a nice war and kill off a few more of the boys. We are paying about 68 per

cent of our total appropriations now for past wars, for present defense, and for present preparation for future wars. No; I look to the time when my Government can give as much effort and spend as much money to make people happy and to make them safe and secure in peace as we do in war. There is no lack of funds. We have the resources. We must simply readjust ourselves to new conditions which this age has brought upon us. Mr. Chairman, the industries of this country can afford to close their doors and discharge their employees. They will take care of their machines. They will watch the machines; they will lubricate and oil the machines so that they will not rust. But the lives and the health of the employees mean nothing. The workers are just discharged until better times come. This present slack must be taken out of industry. It can not come from any place else. We have to so arrange conditions in this country that the workers may be employed all of the time, and I have a little amendment right here which I propose to offer to this bill that at least will start something along the proper line. If more machinery means more production with less men, we must have less hours and shorter weeks to employ more men. What good is increased production with decreased ability to buy? What good is a reserve or a surplus in any industry with no assurance as to what may happen in the future? We must create the spread to employ all our willing workers, who in turn will create the market to consume all our increased production.

Mr. WOOD. Mr. Chairman, I ask that the Clerk read the bill for amendment.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

DEPARTMENT OF AGRICULTURE

FOREST SERVICE

Improvement of national forests: For the construction and maintenance of roads, trails, bridges, fire lanes, etc., including the same objects specified under this head in the Agricultural appropriation act for the fiscal year 1931, $3,000,000.

Mr. BLANTON. Mr. Chairman, on page 2, line 5, I move to strike out the words "and so forth."

The gentleman from Wisconsin [Mr. STAFFORD] asked for an alternative program. My colleague from Texas [Mr. PATMAN] has on the desk here a petition, which, if signed by enough of us, will bring before the membership of this body for immediate consideration his bill, which is a proposal for the Government of the United States to pay now the $2,000,000,000 debt that it owes the ex-service men. Why is not that one proper solution of the unemployment problem? It will pay a just and honest debt of $2,000,000,000 that the Government must pay some day. That money, if paid now, will ultimately find its way into the banks in every district in every State in this Union, and that is exactly what the country needs to-day. All of the smaller banks are impoverished, especially the country banks. They have loaned and loaned until they can not loan any longer. This $2,000,000,000 would be the greatest help in the world to them. It would enable these banks to furnish new loans to the farmers and the banks would be able to help the local people—the farmer and the man in industry alike. It would mean that these ex-service men, all over the country, every one of them, would get anywhere from $750 to $1,500 apiece. It would go to the uttermost parts of the United States. It would be a great help to them in time of need. Why not pay it? What reason has Mr. Mellon given us for not paying it? Has there been any logic in his argument? The Government owes the money, why not pay it. Our Government could issue bonds that would be good and salable anywhere, 100 cents on the dollar, with the lowest rate of interest in our history, and pay off this debt, and that would relieve unemployment, in my judgment, more than any other proposal that has been proposed by the President or any member of his Cabinet.

I am going to vote for this bill. It is good as far as it goes. Like the gentleman from Tennessee [Mr. BYRNS], I am going to vote for every proper bill that promises any relief in this time of stress and depression. What excuse will we offer the ex-service men for not paying this debt due them?

Mr. CONNERY. Permit me to call attention to the fact that the gentleman from Texas [Mr. PATMAN] has already a petition on the desk to discharge the committee and consider a bill for that purpose.

Mr. BLANTON. I have already called attention to that. I hope the membership will sign it. We can then bring that bill on the floor of this House and make it in order and pass it here if enough Members will sign the petition to make it in order under the rules of the House. Have you any excuse for not signing it? Have you any excuse for not voting for it? If you have, have you any excuse for not letting the membership vote and express their sentiment on the subject? If we can pass that bill in this House, it will pass in the other body, because I am sure that they will not turn it down, and we can put that proposal into law here before we adjourn for the Christmas holidays. And if Mr. Mellon had not objected, probably it would have been brought in by one of the committees already.

Mr. Mellon has profited very much by this situation. While the President of the United States was preaching prosperity over the country, men and women throughout the Nation, according to their means, were buying bonds and stocks on the stock market, so far as their limited means would permit, thus inflating the stock market, and it was Mr. Mellon who profited by its crash.

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

Mr. BLANTON. May I have two minutes more?

Mr. WOOD. Is the gentleman going to talk about this bill?

Mr. BLANTON. I am talking about the unemployment situation.

The CHAIRMAN. Is there objection?

Mr. WOOD. I have no objection if the gentleman will confine his remarks to this bill.

Mr. BLANTON. I had almost finished.

The CHAIRMAN. The Chair hears no objection.

Mr. BLANTON. The passage of the proposal of Mr. PATMAN will do much to solve unemployment and will put $2,000,000,000 into circulation and into the banks of this country. While the President was preaching prosperity, thus influencing the public to buy stocks, Mr. Mellon and his associates were selling their stocks, and when the market reached its peak some of their stocks were sold at $250 per share, and when the market crashed and finally reached its bottom the stocks that sold at $250 were bought back by Mr. Mellon as low as $95 per share. That was the situation, and the people are beginning to find it out.

Mr. WOODRUFF. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Michigan offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WOODRUFF: Page 2, line 7, after the figures "$3,000,000" strike out the period, insert a semicolon, and add the following: "$900,000 for plantation."

Mr. WOODRUFF. That is for planting trees in the national forests.

Mr. WOOD. Mr. Chairman, I make the point of order on that.

Mr. WOODRUFF. I would like the gentleman from Indiana to make clear the ground upon which he bases his point of order.

The CHAIRMAN. A point of order is pending. Will the gentleman from Indiana indicate the ground of his point of order?

Mr. WOOD. The amendment of the gentleman from Michigan is not germane.

The CHAIRMAN. Does the gentleman from Michigan desire to be heard on the point of order?

Mr. LAGUARDIA. Mr. Chairman, these appropriations are limited to those set forth, and they are set forth under this particular head in the agricultural appropriation bill. Therefore the amendment would not apply to this appropriation now pending before the committee.

I just wanted to call that to the attention of the Chair, that this item is under the same head in the agricultural

appropriation bill, and if this amendment were offered to that bill it would not be in order.

Mr. STAFFORD. I would like to direct the attention of the gentleman from New York to the fact that the clause "including the same objects specified" is supplemental to these items designated in lines 3, 4, and 5. The words "including the same objects" amplify those specifically indicated. Under the rules of the House when you include more than one object you can include kindred objects.

Mr. WOOD. Mr. Chairman, I call the attention of the Chair further to the fact that the purpose of this bill is confined to "construction." Planting could hardly come under that. The appropriation for planting trees in the national forests comes under an entirely different appropriation heading. I call the attention of the Chair also to the current agricultural appropriation act, Forest Service, under the heading "Planting of National Forests":

For the purchase of tree seed, cones, and nursery stock, for seeding and tree planting within national forests, and for experiments and investigations necessary for such seeding and tree planting.

That is a totally different appropriation from the one in the bill, which is "improvement of national forests," and under the terms of which only roads, trails, bridges, telephone lines, and similar physical improvements are made. Tree planting would not be germane to this "physical improvement" paragraph.

Mr. BURTNESS. Will the gentleman yield?

Mr. WOOD. I yield.

Mr. BURTNESS. Under what general heading is the appropriation given in the last appropriation act; that is, the appropriation for roads, trails, and so on?

Mr. WOOD. "Improvement of the national forests."

Mr. BURTNESS. Is there a different general heading for that item appropriating amounts for planting?

Mr. WOOD. Yes; the planting of national forests.

Mr. BURTNESS. Are they not both under the same general heading?

Mr. WOOD. Both under the Forest Service, but different paragraphs.

Mr. LAGUARDIA. This is under construction and maintenance of roads.

Mr. DOWELL. Will the gentleman yield?

Mr. WOOD. I yield.

Mr. DOWELL. This is under the Federal aid act, and it certainly can not be said that it is germane to this paragraph. My observation is that the amendment suggested by the gentleman from Michigan [Mr. WOODRUFF] is entirely separate from any provision in the law authorizing the appropriation that is provided in this paragraph; that what he is trying to do is entirely different from that included within this provision.

Mr. WOOD. Mr. Chairman, I will reserve the point of order.

Mr. DOWELL. With the reservation of the gentleman from Indiana, and the gentleman not making the point of order at this time, of course, I will withhold any further statement. But my position is that this is not germane and it is not authorized and it is not in order as an amendment to this paragraph.

Mr. WOODRUFF. Mr. Chairman, I do not propose to take up the time of the committee in arguing the point of order on this particular amendment.

The CHAIRMAN. Is the gentleman going to debate his amendment or is the gentleman from Indiana going to make the point of order?

Mr. WOODRUFF. The gentleman from Indiana has reserved his point of order. I am submitting a few observations on the amendment, with a view of later taking certain action.

The CHAIRMAN. The gentleman is recognized for the discussion of his amendment, with the point of order being reserved.

Mr. WOODRUFF. Mr. Chairman, I offered this amendment in the best of faith. I think there is no Member of this House who has given more time to the study of the needs of the country in connection with reforestation than I. I was born and raised in Michigan, at one time the greatest timber State in the Union. I have lived to see the great forest areas in that State denuded until we have little standing timber left. I have seen the lumber barons move their activities to Wisconsin and then westward until to-day practically all lumber operations outside the Southern States is carried on in Oregon, Washington, and some of the other Western States.

I do know, gentlemen, that the forests of this country are being used four times as fast as they are being grown, and it does not require a mathematician of ability to figure out exactly what that means to the coming generation unless something radical is done in the way of reforestation.

This bill is offered for the purpose of taking up the slack in unemployment in this country. There is not a governmental activity in which we can engage that is more important at this time than replacing our depleted forests. Reforestation of our denuded lands has been neglected for so many years that the conditions resulting therefrom are fast creating an emergency. There has never been a time in the past 25 years when this work could be done more reasonably than it can be done at the present time. An appropriation for this purpose now would result in the employment of many of those now unemployed and meet the object of this particular bill, and the chairman of the committee would render a real service to the future generations if he would withdraw his point of order and permit the adoption of my amendment.

The cost of reforestation varies in the various States. In Michigan the cost is less than in any other State. The men working under the Forest Service there reforest an acre of land for the small sum of $2.43. That does not mean much until you know exactly what those men have to do in order to accomplish that thing. They go into the forests and gather the seed; they prepare the beds in which the seeds are planted; they care for and cultivate those seedlings until they are 2 years of age; they prepare the forests; they plant 800 trees to the acre, and all this for the exceedingly small sum of $2.43. An appropriation of $250,000 will plant 100,000 acres, $2,500,000 would plant 1,000,000 acres and furnish employment to thousands of men. The Federal Government is expending less than $300,000 a year in the United States for this purpose when many times this amount should be applied to this work. I say it is a short-sighted policy. It is a policy that means distress to the oncoming generations, and at this time, when we are seeking ways and means whereby we can take up the unemployment slack in the country, it seems to me attention ought to be paid to this particular need.

I have offered my amendment, as I said before, in good faith. I am inclined to think the gentleman from Indiana is correct in making his point of order against it, and for that reason, with the unanimous consent of the committee, I shall withdraw it and proceed with this activity of mine before the Appropriations Committee on the deficiency appropriation bill.

Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. DOWELL. Mr. Chairman, I do not want the statement of the gentleman from New York [Mr. LAGUARDIA] to pass unchallenged, when he states that this legislation will accomplish no good to the unemployed.

It seems to me the most important thing we may do is to get this legislation passed and the money available for road building.

The gentleman from Michigan has a splendid proposition, but it does not belong in this bill. I am hoping that something may be done to aid in the direction he has suggested. There may be other activities that may hereafter be found that will be very helpful in aiding these men to get employment, but the present purpose is to get this legislation enacted at once so that employment may begin.

I want to call the attention of the gentleman from New York——

Mr. LAGUARDIA. Will the gentleman yield?

Mr. DOWELL. Yes.

Mr. LAGUARDIA. Will the gentleman do me the fairness to quote me correctly. I said that no relief will come to the industrial centers.

Mr. DOWELL. I want to say that the gentleman's statement just now is just as misleading. For instance, here is an appropriation of $80,000,000, which is in addition to the appropriation made for the present year. For the present fiscal year there has already been authorized by this Congress $125,000,000, and this $80,000,000 is in addition to all authorized heretofore.

I want to repeat the statement I made some time ago, that out of every dollar appropriated by our Federal Government labor receives 52 per cent and industry, therefore, receives the other 48 per cent. I want to call the attention of the gentleman from New York to the fact that in building these roads they are placed in every section of the United States, including the State of New York, where they will have allocated out of this appropriation more than $4,000,000 for building roads in that State. If New York does not have the money allocated to match Federal aid this is to be advanced to the State of New York, if the State desires to use the money so that their unemployed may immediately go to work.

Mr. BURTNESS. Will the gentleman yield?

Mr. DOWELL. Yes.

Mr. BURTNESS. Will the gentleman be kind enough to analyze further his percentages of 48 and 52? The gentleman said that 48 per cent was for the benefit of industry. What about the labor employed in industry? Is that included in the 48 per cent?

Mr. DOWELL. That is included in the 52 per cent, so that actually 48 per cent goes to industry outside of the labor cost.

As I said, I want to challenge the statement made by the gentleman from New York. I take it he was not careful in this statement when he said it would not make a penny's difference in the employment of men in New York. That certainly can not be true.

Mr. LAGUARDIA. I say so now.

Mr. DOWELL. I say that such a statement is not founded upon any fact and no one can make that statement in the face of the record.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. DOWELL. Yes.

Mr. LAGUARDIA. This is for immediate relief, and I suppose the gentleman from Iowa is going to take a broom and go up to New York and brush the snow off the roads up there.

Mr. DOWELL. I imagine if there is snow on the roads, and it is too deep to permit of travel, that they would use money for removing the snow, but not out of this appropriation.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. DOWELL. Mr. Chairman, I ask unanimous consent to proceed for one additional minute.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. DOWELL. I just want to say to the gentleman from New York that he does not mean that the State of New York is to get no benefit out of this appropriation, but he may mean that he ought to have some appropriations in other directions, and that may possibly be true; I do not know; but I do know there is no money appropriated by this Government which furnishes more equitable and more helpful relief than appropriations for the building of highways throughout the United States. The money goes into every section of the United States for industry and for labor.

The CHAIRMAN. The time of the gentleman from Iowa has again expired.

Mr. STAFFORD. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, the gentleman from New York [Mr. LAGUARDIA] has made a very severe arraignment of the effect of this bill when he says that no industrial center will profit from the appropriations carried in the bill. Either he is densely ignorant as to the character of road building, living in a commercial center where they may not have modern road building as is done throughout the States, or else he certainly does not know how labor is utilized in the making of roads.

Everyone knows that the industrial centers that are engaged in the manufacture of road machinery will incidentally profit from this large appropriation for road building. Even Detroit, the automobile city, which is prostrate to-day, will profit from this appropriation by the demand for trucks that are used in making improved highways; and then there are the graders, the concrete mixers, and all kinds of machinery that is used in the building of modern roads. At this time of the year the frost in my section of the country, which I left 10 days ago, has not gone into the ground, and modern steam shovels and excavators can excavate and make ready the improved highway. Then again, as to labor—labor from the industrial centers will be called into the farming districts where these highways are to be improved if farm labor is not adequate.

These instances are enough to show the gentleman how the industrial centers in some way will profit from the large appropriations that will be utilized under this bill.

Mr. CONNERY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, ladies and gentlemen of the committee, this is a bill to relieve unemployment. I think the distinguished chairman of the committee called one of my colleagues to order a short time ago on the ground he was not speaking on unemployment when he was speaking about the payment of the soldier bonus in cash at this time, but I think that the subject of the bonus so-called is peculiarly germane to unemployment in the United States.

My colleague from Texas [Mr. PATMAN] has a petition on the desk here asking the Ways and Means Committee to report this bill. There have been several bills sent to the Ways and Means Committee asking the immediate payment of the adjusted compensation in cash.

Ladies and gentlemen, this $3,000,000,000, or approximately $2,700,000,000, if passed by the Congress for the immediate payment of the face value of the adjusted-service compensation certificates will be expended in 48 States of the Union. It will go directly to service men and their families and will affect directly approximately 20,000,000 people out of the 120,000,000 people in the United States, because their families and those directly dependent upon them certainly will mount up to 20,000,000 people in the country. Indirectly it will affect the entire Nation.

Mr. Mellon, in a statement which he gave out a few days ago, came out in opposition to the payment of this adjusted compensation at this time. This, in spite of the fact that he had asked authority to borrow $8,000,000,000 with the low rates of interest at which the Government can borrow money to-day, and then he comes out and practically tells the American people that to expend $2,700,000,000, which would go to the service men and their families in the United States would be a serious blow at the finances of the country.

Mr. McCORMACK of Massachusetts. Will the gentleman yield?

Mr. CONNERY. I yield to my distinguished colleague from Massachusetts.

Mr. McCORMACK of Massachusetts. May I call the gentleman's attention to the fact that there is $700,000,000 at present in the Treasury for the purpose of redeeming the adjusted-compensation certificates?

Mr. CONNERY. That is true and that is why I made the statement it would cost approximately $2,700,000,000 to pay this in cash at this time.

Now, ladies and gentlemen, I do not like to see the American people fooled on a proposition of this sort. It is not a partisan matter. I feel sure my colleague from Texas would

be glad to withdraw his petition and allow some Member on the Republican side of the House to put in a similar petition if he felt that thereby it would benefit the service men of the United States and take out the partisan phase of it. We are not interested in the political side of this matter at all; but you know and I know, whether you are a service man or not, that a great part of the service men in the United States to-day are obliged to borrow on their adjusted-service certificates. The Government charges them 6 per cent interest, the same Government that can borrow money at less than 2 per cent interest. You know the money rates to-day. Many of these men are unemployed; thousands of them are unemployed. They have their little families to take care of and they have to borrow on these certificates, and at the rate of interest charged by the Government the face value of their certificates will be practically gone in 1945. They will have no certificate, they will have no endowment policy, and no insurance policy, which is something you wanted them to have.

Ladies and gentlemen, I think this is a very serious matter in respect to the unemployment situation in the United States. I think the Congress of the United States could do itself honor and could do a wonderful work for all of the people of the country if they would report this bill to the House in the immediate future, before Christmas, pass the bill, and start this money in circulation throughout the land.

Mr. WILLIAM E. HULL. Will the gentleman yield?

Mr. CONNERY. I will be happy to yield.

Mr. WILLIAM E. HULL. I would like to ask the gentleman a question. In some respects I favor what the gentleman is talking about. The gentleman made the statement that they had already borrowed on these certificates. If the Government should pay off these certificates how would that benefit the soldier who had borrowed money on his certificate? Would he not have to pay that money back?

Mr. CONNERY. We would give him the face value of the certificate or what he would be entitled to receive in 1945, and out of that he would pay the amount he has borrowed; but if it goes on as it is at this time, by 1945 he will not have anything left.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. CONNERY. Mr. Chairman, I ask unanimous consent to proceed for two minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. CONNERY. Incidentally, when I came into the Chamber a short while ago I heard the gentleman from Wisconsin [Mr. STAFFORD], having a little controversy with my distinguished colleague from Tennessee [Mr. BYRNS], and, from what I heard of it, it was about shoes. Whilst personally I subscribe to the telegram of the former Democratic candidate for the Presidency, Alfred E. Smith, that there should be a tariff to protect the wage earner of our country, which telegram was also subscribed to by the great majority of my Democratic colleagues at that time, nevertheless I take issue with no Member as to his honest convictions for or against the tariff policy; but, ladies and gentlemen, I am getting sick and tired of listening, the tariff on shoes being the only item in that long tariff bill to be assailed. Every time that an opponent of the tariff wants to attack the bill he immediately begins on shoes. And yet shoes had the most equitable case for relief before the Congress when the bill was under discussion. Since the passage of the bill the price of shoes has gone down, the shoe factories of Lynn are working, and many of them were not working before we put this tariff on shoes. [Applause.]

You know they used to tell a story—and I say this with all good feeling—about John L. Sullivan, when he was touring the United States years ago. He offered a thousand dollars for any man who would stay with him in the ring four rounds. A colored man went into the ring with him, and in the first round Sullivan hit him on the nose, hit him on the nose again, and all through the round he kept hitting him on the nose; and in the second round the same thing, but he stayed through that round. In the third round he kept hitting the poor colored fellow on the nose, and finally the man turned around to the referee and said, "Mr. Referee, for the Lord's sake, will you please ask this man to scatter his blows?" [Laughter and applause.]

Now as to the tariff, you can take any stand you want to on that; but, please, ladies and gentlemen, scatter your blows, go after the Aluminum Trust, or other items that have no real right to protection, and let boots and shoes alone. [Laughter and applause.]

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

Mr. CONNERY. I ask for one minute more.

The CHAIRMAN. Is there objection?

Mr. CRAMTON. Reserving the right to object, and I shall not object, but there is not only this bill but another bill temporarily laid aside awaiting completion, and I shall be obliged to object to any remarks hereafter not relating to the bill under consideration.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CONNERY. I wish to say in conclusion that I feel that this payment of the soldiers' adjusted compensation in question is of vital importance to the question of unemployment, not only to the service men and their families in the United States, but to the American people at large. This $2,700,000,000 will benefit not only the unemployed and the service men, but every man, woman, and child in the United States, and to my mind will do more than anything else to help end the present depression. [Applause.]

Mr. LAGUARDIA. Mr. Chairman, I rise in opposition to the pro forma amendment. I do not want to delay the House, but the House has had the benefit of the instructive and illuminating speech in the art of road building, of the distinguished, erudite, and versatile engineer from Wisconsin [Mr. STAFFORD].

He refers to my criticism of this bill in so far as it affects the industrial centers of the country. I repeat and reiterate every statement I made, and I say that this does not give any appreciable, material relief to any industrial center in the country, the statement of the great and learned gentleman from Wisconsin, notwithstanding.

The gentleman from Wisconsin ought to know that if we have unemployment we have idle machinery as well. He says we are going to bring relief by first making machinery and then going on to build the roads. It is clear that the gentleman knows nothing about road building. There are enough rollers, concrete mixers, tractors, and other machines for road building now without buying any more. If there should be any more machines needed, rest assured they are now in the factory, and this program will not create employment for the manufacture of more machines.

I say and I will continue to say that we have been appropriating for farm relief, flood relief, drought relief, seeds, and loans to farmers for relief to agricultural States for years now, and we of the industrial centers, and in New York particularly, pay a large percentage of the taxes from which this money comes, and we are getting no relief direct and very little, if any, indirect. We have more unemployed in New York State than there is population in some of the other States.

The time has arrived, Mr. Chairman, that the factory and mill workers, so scoffed at by the gentleman from Wisconsin, need relief; and we have the right to stand up and protest, and I shall continue to do so.

Mr. O'CONNOR of New York. This relief in other parts of the country is going to increase the taxes paid by those in the industrial centers.

Mr. LAGUARDIA. Of course that is the result; undoubtedly.

Mr. WOOD. Mr. Chairman, I move that all debate on this paragraph, and all amendments thereto, now close.

The motion was agreed to.

The Clerk read as follows:

Federal-aid highway system: For apportionment to the several States under the provisions of the Federal highway act, as amended, as a temporary advance of funds to meet the provisions of such act as to State funds required on Federal-aid projects, $80,000,000: *Provided*, That the sums so advanced shall be reimbursed to the Federal Government over a period of five years, commencing with the fiscal year 1933, by making deductions from regular apportionments made from future authorizations for carrying out the provisions of such act as amended and supplemented: *Provided further*, That the amounts advanced in consequence hereof shall be limited in each case to the sum actually paid out by a State under such advance for work performed before September 1, 1931, for the construction of Federal-aid projects: *Provided further*, That should any State fail to claim any part of its allotment hereunder the President may reapportion such unclaimed funds to States capable of using them prior to September 1, 1931.

PAYING OFF THE SOLDIERS' ADJUSTED-SERVICE OR "BONUS" CERTIFICATES

Mr. RANKIN. Mr. Chairman, at the very best, the relief provided in the bill now under consideration is but "three cheers for the unemployed."

We are facing the most serious economic condition the country has seen for more than half a century. That condition is largely brought about because of the contraction of the currency and a lack of circulating medium to take care of the needs of the people of the United States. It can not be cured by a mere gesture of sympathy, such as this measure provides.

Let me call your attention to the fact that the reports of the Treasury Department show that on June 30, 1914, there was $34.92 per capita in circulation in this country. In 1920 it ran as high as $53.01 per capita. But since that time there has been such a contraction of the currency that to-day, or at least on July 31, 1930, it has been reduced to $35.90, or $17.11 per capita lower than it was in 1920.

With all our expansion and inflation of artificial values, we find that the circulating medium is reduced to within 98 cents per capita of what it was before the outbreak of the World War.

There can be no relief for unemployment, there can be no hope for the return of prosperity for agriculture, there can be no hope for anything but falling wages for labor, organized or unorganized, until the circulating medium of this country is increased and more money put into circulation.

This can be done by passing the bill introduced by Mr. PATMAN, of Texas, to pay off the soldiers' adjusted-compensation or bonus certificates. This bill makes it optional with the veteran itself. I hope every one of you who agrees with me will sign the petition on the Clerk's desk to bring this bill to the floor of the House.

Mr. Chairman, I recently read an article written by Mr. T. B. Macaulay, president of the Sun Life Insurance Co. of Canada, one of the ablest financiers of the world, in which he pointed out that in former times gold was the standard of monetary values throughout the world; but to-day, because of America's preeminent position, the American dollar is the standard.

He calls attention to the fact that the United States has on hand more than 100 per cent as much gold as we have currency in circulation. We have, in other words, gold supply enough to put into circulation an additional amount of money, an additional amount of currency, if you please, sufficient to pay the soldiers' adjusted compensation, to take up our obligation to these men.

We have paid everything else. We have paid the railroads; we have paid the war contractors and the profiteers. We have even given seven or eight billion dollars to foreign countries in our debt settlements, and yet we are asking these veterans to wait until 1945 before we pay what is due them. It will cost the Government no more to do justice now than it will then; and if we pay these certificates off now, it will put into circulation at least two and a half billion dollars. It will not only relieve the veterans themselves but it will increase the circulating medium, and with it you will see the prices of agricultural commodities advance. You will see business stimulated. You will see what we call frozen credits come to life. You will see this panic broken. You will witness the beginning of a new era of prosperity for the American people.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. WOOD. Mr. Chairman, I move that all debate upon this paragraph and all amendments thereto do now close.

The motion was agreed to.

Mr. CABLE. Mr. Chairman, I offer the following amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. CABLE: Page 2, line 25, strike out the period, at the end, insert a colon and the following:

"*Provided further*, That no part of the sums so advanced shall be used in the employment of an alien whose entry into the United States shall have been unlawful."

The CHAIRMAN. The question is on the amendment.

The question was taken; and on a division (demanded by Mr. STAFFORD) there were—ayes 82, noes 22.

So the amendment was agreed to.

The Clerk read as follows:

DEPARTMENT OF THE INTERIOR

NATIONAL PARK SERVICE

Roads and trails: For the construction, reconstruction, and improvement of roads and trails, inclusive of necessary bridges, in the national parks and national monuments under the jurisdiction of the Department of the Interior, fiscal year 1931, $1,500,000.

Mr. CLANCY. Mr. Chairman, I move to strike out the last word. As a member of the Roads Committee of the House and as a Representative from one of the large industrial cities of the United States—Detroit—I can not allow to go unchallenged the statement of the gentleman from New York [Mr. LAGUARDIA] that this large appropriation for good roads—$80,000,000—does not bring benefit to the large cities and industrial centers. As a matter of fact an appropriation for good roads is the best means that can be adopted in this country for promoting general prosperity and relieving general unemployment, including large cities. Consider the large city of New York first. The city of New York depends upon trade, commerce, industry, and agriculture, and if these rural communities are not prosperous, the city of New York is sick accordingly.

In my city, Detroit, before Congress and before the legislatures of the various States were alive to the beneficial influence of good roads, presidents and stockholders of the automobile companies spent hundreds of thousands of dollars out of their own pockets to develop good roads. As a matter of fact they are the fathers of the present good roads system and movements of the United States and of the world. Wayne County, Mich., in which they live and in which I live, is the model political unit of the world with regard to good roads. Other communities copy them.

We have in Detroit about 180,000 men out of work. That means about 800,000 people are suffering because of a want of the necessities of life. It means that we have these 800,000 people on the poor commission rolls, and that we are supporting them out of general tax funds. These are people who have come very largely from the rural communities of the United States. They came to Detroit because of the lure of big wages and a higher standard of living and because the conditions of living were not as pleasant in those rural communities as in this big city when they were working.

When you put good roads into the rural communities, you make life more endurable there and you make it possible for these hard-up Detroiters to return to former homes and you develop in these communities the raw materials which they have, again helping big cities, which can trade with the rural communities. That is why these appropriations for forest trails are particularly beneficial. They open up virgin territory, develop resources, and provide new labor and new homes.

Ignore the United States for a moment and ponder why these automobile millionaires spend a great deal of money out of their own pockets in traveling to Buenos Aires and Rio de Janeiro in order to encourage the 19 Latin American Republics to build good roads. Why do they pay for extensive and expensive roads propaganda? Why? Because if these

countries build good roads we will sell them automobiles and trucks and road-building machinery and many commodities and much raw materials. The city of New York lives very largely on the charges for freight and terminal and transportation charges on exports and imports. Sometimes the total cost of the shipment charges equals the cost of the product itself.

When good roads make the 19 Latin American Republics prosperous and they by from us and sell to us in far greater quantities, no city profits more than New York. This port gets a rake-off coming and going.

Now, let us see how the cost of living in large cities is cut down by good roads. The necessities of life are produced cheaper, in larger quantities through more country being opened up, and they are transported much more cheaply. That is quickly made clear in this country. Roads in Latin American countries also cheapen the cost of living.

They have the necessities of life which are needed. They have sugar, and they have coffee, and they have mahogany and lumber, and they have copper and metals, and they have meat and fruits and rubber, which we will get more cheaply.

Now consider New York again. If these exports and imports increase in great volume, to the extent of hundreds of millions of dollars, they do not come entirely through New York alone, but they come through New York largely, so that you can not say that New York does not profit by these road-building operations. When you say that you are not telling the whole truth. New York not only profits by the exports and imports, amounting to millions of dollars, but also by the necessary financial transactions in handling the shipments and also in building up the industries. It is absolutely true that nothing is more essential to prosperity and to the relief of unemployment than road building. That is why the gentleman from Iowa [Mr. DOWELL], chairman of the Committee on Roads, and myself aided in authorizing appropriations of $335,000,000 for road building in the last session of Congress. [Applause.] Now consider again the $80,000,000 appropriation for United States roads. This Republic is one country. When one part of it is sick, other parts get sick. When the rural communities are aided, the big cities are helped.

Roy D. Chapin, one of our prominent automobile manufacturers, told me that it is necessary to make the rural communities, and particularly the Southern and Western States, prosperous to relieve unemployment in Detroit factories and particularly to promote Detroit's prosperity. That argument applies to New York, St. Louis, and other large cities as well as to Detroit. Therefore well-wishers of the country should vote for this appropriation.

Mr. WOOD. Mr. Chairman, the amendment which was just adopted, without change or debate, was offered by the gentleman from Ohio [Mr. CABLE]. I am just as much in favor of the employment of American citizens as anybody, but if this amendment is going to remain in the bill it will handicap and in many instances render ineffective this $80,000,000 appropriation for roads. I do not mean to say that the gentleman from Ohio intends his amendment to have that effect, but I say it will have that effect.

This money is paid to the States which in turn employ contractors. Before a State could get any of this money it might have to make a showing from every contractor as to each employee not only on the main contract but every subcontract. There would be all sorts of complications for the departments here to untangle with the States as to whether or not a person is an alien and, if so, whether unlawfully here. You can readily see that it would be subversive of the whole benefit intended by this measure and impose difficulties of administration that would defeat the purposes to be accomplished.

Mr. WOODRUM. Mr. Chairman, will the gentleman yield there?

Mr. WOOD. Yes.

Mr. WOODRUM. As I recall the language of the amendment that we have adopted, it relates to aliens in this country unlawfully.

Mr. WOOD. I would be inclined at first blush to withdraw my objection in that case; but suppose a question was raised with the contractor, and it was found that he did have an alien here in his employ who was in this country unlawfully. They would have to ascertain whether or not that was the fact before the State could get any money.

Mr. WOODRUM. It is my opinion that with the amendment as just stated it would be comparatively easy to work it out. All that a contractor would have to do would be to have the man prove that he was here legally. That would be up to the contractor.

Mr. WOOD. If this were not an emergency matter, I would have no objection to a properly workable amendment, but this is an emergency matter involving work to be done within six months and nobody knows what this amendment may do.

Mr. CRAMTON. I do not know what the procedure would be, and I do not think anybody else here now does know. But I think under that section the Comptroller General might have to have a showing as to every individual specifically. Sometimes it is even hard for those born in this country to establish that fact.

Mr. ARENTZ. It seems to me the whole thing could be clarified by simply saying that American citizens shall have the preference. I recall that on August 11 last, when the work on Boulder Dam was inaugurated, we expected to see American faces in the crowd assembled before us, and yet those we saw were mostly aliens. I think the problem would be much simplified if the preference were just given to Americans. We need not concern ourselves as to whether the aliens are here lawfully or unlawfully.

Mr. WOOD. It would require every contractor in the several States engaged in this work to find out the citizenship of every man employed. We will have a chance to remedy this matter on a separate vote on the amendment.

Mr. WOODRUFF. Would the gentleman entertain the proposition suggested by the gentleman from Nevada [Mr. ARENTZ]? If the amendment can be modified in that way under the rules, it should provide only that American citizens should be given the preference.

Mr. WOOD. I would prefer that nobody should be employed in this work but American citizens. But why select this time, when unemployment is rampant and should be remedied within six months? Why block the wheels in this way? The amendment may so tie up the appropriation as to make it thoroughly unworkable and ineffective by reason of the complications in administering it.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. BYRNS. Mr. Chairman, I did not happen to be on the floor when the amendment was adopted. I understand it applies to aliens not lawfully in this country?

Mr. WOODRUFF. Yes.

Mr. BYRNS. This money, as the gentleman has just stated, is to be allocated to the States; in other words, it is to be turned over to the States. How are you going to determine the question of unlawful residence before this money is turned over to the States? How are you going to know that it will not result in denying to some States the amount of money to be allocated?

Mr. WOOD. There can not be anything but trouble if this amendment is to remain in the bill.

I know you voted upon it because you were actuated by the same sentiments that actuated all of us, that there should not be an unlawful alien employed, but we do not want to destroy the purpose that we are trying to enact into law.

Mr. CRAMTON. Will the gentleman yield?

Mr. WOOD. I yield.

Mr. CRAMTON. The number that can be affected by this amendment is so small, comparatively, that it does not amount to very much so far as their employment is concerned. It does not exclude Mexicans, because they do not come in unlawfully. It does not exclude Canadians. The number from across the seas who are here unlawfully is so small that it seems undesirable to hamper this great project

by placing restrictions upon it which will make it difficult of administration.

Mr. LAGUARDIA. And we will get no work in New York, so that it does not make any difference to us.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. SABATH. Mr. Chairman, I ask for recognition.

The CHAIRMAN. The gentleman from Illinois [Mr. SABATH] is recognized.

Mr. SABATH. Mr. Chairman, ladies, and gentlemen, I did ask to be recognized before this amendment was adopted, but failed. However, the adoption of the Cable amendment strengthens my position in what I have to say. Mr. Chairman, it seems to me that you and those connected with the administration are not sincere or earnest about helping even the real American wage earner who has been for many, many months out of employment.

During the remarks of the gentleman from Tennessee, the gentleman from Wisconsin asked him whether he had any plan to suggest that would improve this unfortunate situation in which the country is. I will gladly, later on, answer the gentleman from Wisconsin.

Mr. Chairman, ladies, and gentlemen, outside of asking Congress for this appropriation, the President has failed to recommend any plan that might tend toward the stabilization of the stagnant business and the restoration of the confidence that might lead to the reemployment of the millions who, for months past, out of work, have been driven to seek charity. We have just now been informed by the chairman of the Appropriations Committee that the $110,000,000 provided for in this bill will not create employment for more than approximately 30,000 people, and indirectly for not more than 40,000 people.

I am therefore putting it mildly when I say that the people are sadly disappointed, for it is indeed unfortunate that not only does the President fail to make a recommendation as to a plan to bring about the reemployment of the six or seven millions of men who to-day walk the streets seeking work, but he offers no suggestion whatever to lessen the sad plight of thousands of business men who are gradually but surely facing ruin, or to arrest the daily increasing number of bank failures, all of which is leading to an aggravation of already deplorable conditions.

To add insult to injury, his chief adviser, Mr. Julius H. Barnes, president of the United States Chamber of Commerce and chairman of the President's business survey conference, in effect tells us, Congress, the representatives of the people, that the less we say and the less we do, the better will it be. And that, notwithstanding the fact, that on the very same day, Col. Arthur Woods, chairman of the President's Emergency Committee for Unemployment, comes forth with the statement that our industrial system now finds itself "in a grave, stupid, and anomalous situation." "On the one hand," says the colonel, "the United States is a land with abundant resources of raw materials, plenty of man power, efficient manufacturing power, transportation and distributing facilities, and a seeming plethora of fluid capital. On the other, the country has hundreds of thousands—yes; millions—of men able to work, anxious to work, and craving the goods which the manufacturers have on hand and want to sell, but the go-between machine is dead—dark, black, cold, dead.

"Yet we do not know how to bring the two together," the colonel continues. "No one profits by the situation. Everyone loses." And he concludes with the statement that "it seems to be nobody's fault." This I deny.

The small group that engineered the criminal inflation and then unloaded many billions of dollars of worthless stock on the public and the administration which permitted it are at fault. And in the near future I shall submit a list of the stocks unloaded on the public at five and ten times their real value and a list of those absolutely worthless and, in addition thereto, a list of those who did the unloading. I am, however, satisfied that Colonel Woods is honest and sincere in his summary of the situation, in which he bluntly admits that no one connected with the administration seems to know just what to do about it. And in the face of all this Mr. Barnes tells us to go home and do nothing but to leave it to those who admittedly know not what to do.

Mr. Chairman, ladies, and gentlemen, I agree with Colonel Woods in his statement that the situation is a crucial one; yes, a most desperate one. And, therefore, I most emphatically resent the orders of Mr. Barnes, who seems to express the views of the United States Chamber of Commerce, used by the Wall Street stock exchanges and boards of trade. I feel that it is our sworn duty to at least make an attempt to enact legislation that might, to some extent at least, reestablish the destroyed confidence and cause the resumption of the depressed business activities. Does not each and every one of you feel in your heart that you are duty bound to try?

I am neither a financier nor an expert economist. Yet I feel that you will agree with me—if not openly at least privately—that my suggestions, if adopted, will materially aid in bringing about the revival of general business and will restore confidence.

My proposition that I wish to submit will not, I well recognize, find favor in the eyes of the largest financial institutions but will be attacked by them for the very reason that the Federal reserve system, when same was being considered, was attacked—the innermost basis of their unfavorable attitude being the thought that they would not be able to control it. The fact that money is plentiful on Wall Street these gentleman will not be able to deny. Money can be obtained at as low a rate as 1, 1½, or 2 per cent; but for the legitimate business money can only with difficulty be obtained, and then only at 6 or 7 per cent.

Such intolerable conditions should not be permitted to exist and should be remedied. This can very easily be done by widening the scope of the Federal reserve banks in the rediscounting of collateral securities. The Federal reserve system was created for the very purpose of relieving financial distress, and since this can be done by the widening of its scope of rediscount, why should it not be thus permitted?

I will not attempt to recommend to what extent the scope of the various securities should be widened, but surely there can be no objection to the acceptance of the municipal bonds and in some instances to the acceptance of railroad bonds and notes of finance companies used in financing the sale of merchandise. These companies, we must not forget, are great aids in marketing automobiles, radios, refrigerators, and other commodities.

In my possession I have many letters from bankers approving, and but few letters from the very large banking institutions disapproving, of my plan. I readily understand the disfavor with which the heads of the extremely large banks regard my plan. Their main reason is their fear of an inflation of credits; but God knows that if ever there was a time that legitimate business needed a broadening of credit, it is now. Another reason for objection that is given is that through my plan I propose the acceptance for rediscounting by the Federal reserve system of frozen assets. In answer permit me to ask, What makes these assets "frozen"? The answer is that they are not listed on stock exchanges or are not accepted for rediscounting purposes. I would be the last man to advocate the acceptance for collateral security of unsound and valueless paper, but will anyone contend that municipal bonds are not safe? Or will anyone deny the true value of bonds issued under supervision of the Interstate Commerce Commission? Every banker will admit that finance companies' notes, secured by liens or mortgages on above-enumerated articles as automobiles, are liquid—then why should they not be acceptable?

We regret and deplore the closing of a large number of banks throughout the country, and the pity of it is that these institutions must close their doors not because they are insolvent but because they find themselves with assets which are termed "unliquid" and which they can not sell on short notice or liquidate without tremendous loss, and which they can not utilize as collateral for even temporary accommodation. But should the plan outlined by myself be adopted and the securities mentioned permitted for rediscount and collateral purposes, even under the most

stringent rules, they will immediately be taken from the "frozen" into the liquid class.

Only lately have I observed that the savings banks in many States, as New York, California, Connecticut, Maine, Massachusetts, and Michigan, have been authorized by the superintendent of banks to purchase some of these securities or bonds which I am advocating for rediscounting purposes. That this will tremendously relieve 90 per cent of the banks throughout the United States can not be successfully contradicted; that this will further enable these banks to aid and extend credit to the local legitimate businesses and industries is but a natural conclusion; and, finally, that this extension of credit will permit businesses and industries to purchase needed materials and merchandise, and thereby start again the wheels of commerce, must be seen and conceded.

And finally, if I had the power, not only would I act favorably upon these suggestions but I would also accept for purpose of rediscount—with certain limitations and restrictions as to values—real-estate bonds and mortgages, and thereby not only save from foreclosure and loss the homes of thousands upon thousands of American citizens but also the savings of hundreds of thousands of small investors in these securities.

The loans to brokers for gambling purposes have been now reduced from six to two billions of dollars, a reduction of $4,000,000,000. What possible excuse or reason can there be for not extending the use of that amount of credit, or at least one-half of it, for legitimate purposes?

Mr. Chairman, ladies, and gentlemen, I feel that all who sincerely wish to relieve conditions and desire to reestablish business, which will bring about the reemployment of the millions of unemployed, will cooperate with me, regardless of the admonition of Mr. Barnes, and help formulate legislation that in every way will safeguard unnecessary inflation and surely lead to the resumption of the commerce and business of the Nation.

This is my answer to the query of the gentleman from Wisconsin.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. SABATH. Mr. Chairman, I ask for five additional minutes.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to proceed for five additional minutes. Is there objection?

Mr. CRAMTON. Mr. Chairman, under the statement that I made, I am obliged to object.

Mr. WOOD. Mr. Chairman, I move that all debate on the section now under consideration, and all amendments thereto, now close.

Mr. STAFFORD. Mr. Chairman, I make the point of order that that motion is not in order. Under the rules of the House, there must be some debate under every paragraph.

Mr. WOOD. There was debate under this paragraph.

The CHAIRMAN. The point of order is overruled.

The question was taken, and the motion was agreed to.

The Clerk read as follows:

Flood control, Mississippi River and tributaries: For prosecuting the work of flood control in accordance with the provisions of the flood control act, approved May 15, 1928 (U. S. C., Supp. III, title 33, sec. 702a), $3,000,000, to remain available until expended.

Mr. HARE. Mr. Chairman, I move to strike out the last word. Mr. Chairman and gentlemen of the committee, it is not my purpose to trespass upon your time to advance some suggestions I consider pertinent in connection with this bill, but I want to call attention to the fact that we are appropriating only $110,000,000 to relieve unemployment, a situation well recognized throughout the entire United States, for it is not confined to any one section. It has been stated that we have 7,000,000 people out of employment. If that be true, this will mean only about $15 per person. I can not conceive of intelligent, good business men trying to relieve the unemployment situation with $15 per head. It will not be done. It can not be done, yet we can not afford to oppose the bill. I was very much in hopes that the committee would bring in a bill representing a constructive program, a program that would not only relieve the unemployment situation but at the same time would mean something really constructive on the part of the Government.

I felt that the committee would bring out a bill providing for the appropriation of $400,000,000, which would have been a sufficient amount to have erected a post-office building for every second and third class office in the United States. It would have been equivalent to erecting every building necessary for second and third class offices in every district in the United States; it would have meant the erection on an average of at least 32 post-office buildings in every congressional district represented in this body. These 32 buildings would have given employment to every unemployed man within these districts and at the same time it would have obviated the necessity of expending approximately $15,000,000 annually for rentals, for the report of the Postmaster General shows that we are paying about $15,000,000 a year rent for buildings used by second and third class offices. This would be a good business proposition. It should appeal to the business intelligence of every man. It would have been equivalent to putting this money out at 4 per cent interest, a greater rate of interest than the Government is obtaining on any loan made, except the loan to the World War veterans, where they are required to pay 6 per cent, and I might say just here that I am in favor of paying their adjusted-service certificates now. Such a building program would be constructive and a commendable program and at the same time it would have relieved the unemployment situation.

This would also have been a most opportune time for the committee to have brought in a bill providing for the construction and maintenance of the rural post roads throughout the United States, for, according to estimates recently made, it would take only $800,000,000 or $900,000,000 to construct every mile of the roads now traversed by rural routes on unimproved highways. Such a program would give employment to the millions of unemployed for two or three years or more and at the same time relieve the burden resting upon agriculture and industry. This is not a big sum when it comes to giving relief to millions of our own people who are unemployed and bringing greater comfort and convenience to the millions living in country or rural districts, where they have little or no way of getting their produce to markets.

Either of these programs would have been a good business proposition, for a good building is an asset to any business, a good transportation system is an asset to any nation, and a good highway system is an asset to every man, woman, and child, and every type of business in the United States. I feel it would have been the exercise of wisdom, the exercise of good judgment, if we had gone ahead and said that for the next 12 months or the next two or three years this Government will endeavor to build all the post offices needed for carrying on the Government's business and would attempt to construct the highways necessary for furnishing efficient postal services to the people obtaining mail on rural routes in the various sections of our country.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. WOOD. Mr. Chairman, I move that all debate upon this paragraph and all amendments thereto close in five minutes.

The motion was agreed to.

Mr. CABLE. Mr. Chairman and members of the committee, the first duty of this Nation in the matter of employment on public works is to Americans, next to aliens lawfully in this country. The purpose of this bill is to aid employment. Now, the amendment which I have offered and which has carried provides that no alien who has violated the laws of this Nation in coming into this country shall be employed with any money provided for in this bill. How would this amendment operate? In the first place, our immigration laws provide that every alien coming lawfully to the United States be given a certificate of arrival. He has that certificate or card of identification. If he

wishes employment on any of the work provided for in this bill he may present his card to the contractor to show his lawful admission.

President Hoover in his message to this Congress called attention to the fact that there are thousands of aliens unlawfully in this country, that this Congress should pass some law to help rid the Nation of the undesirable aliens. The amendment which I have offered would not only provide employment for Americans and the aliens lawfully here but will help carry into effect the ideas of the President, because it will assist in the ascertaining of the aliens unlawfully in the United States. I doubt if there is a Member of this Congress who is in favor of either admitting an alien contrary to our laws or permitting such alien to remain in this country.

Mr. O'CONNOR of New York. Will the gentleman yield?

Mr. CABLE. Yes.

Mr. O'CONNOR of New York. I understand that aliens who came in illegally up to June 4, 1921, have had their entry legalized. Is that correct?

Mr. CABLE. That is correct.

Mr. O'CONNOR of New York. And there is a bill pending, which, it is presumed, will be passed, legalizing the entry of such aliens up to 1924. Is that correct?

Mr. CABLE. That bill has not passed.

Mr. O'CONNOR of New York. Has the gentleman in his amendment, however, taken care of those people who did come illegally, and there is no question about the fact of their entry, but whose entry has been legalized? I am not sure that he has.

Mr. CABLE. I think it would take care of them.

Mr. WOOD and Mr. SABATH rose.

Mr. CABLE. I yield to the chairman of the committee.

Mr. WOOD. There is nobody doubting the integrity of purpose of the gentleman from Ohio, but the gentleman is not only prohibiting, by his amendment, the employment of aliens unlawfully in this country but he is tying this thing up so that honest aliens and honest Americans can not be employed. I am reliably informed that there could not be an allocation made by the Department of Agriculture to a single State until the State had made a showing of the employees on this road work that was approved by the Comptroller General. How is the gentleman going to get around that?

Mr. CABLE. I can not agree with the chairman. The proposition would be that no contractor would employ such aliens, and it is an easy matter for a person who presents himself for employment to prove that he is an American and entitled to work in preference to an alien illegally here, and it is an easy matter for an alien who has come here lawfully to present his certificate of arrival.

Mr. WOOD. It would take more than the six months within which this money is to be used to do the very thing the gentleman is talking about.

Mr. CABLE. I can not agree with the chairman, because this would expedite the work and carry into effect the very purpose of the Congress in taking care of American labor and those lawfully here.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

The pro forma amendment was withdrawn.

The Clerk read as follows:

SEC. 3. A report shall be submitted to Congress on the first day of the next regular session showing, by projects or other appropriate detailed classification, the amounts allocated under each of the foregoing appropriations, the expenditures under each allocation, and such other information which the President may deem pertinent in advising Congress as to the allocation and expenditure of such appropriations.

Mr. LAGUARDIA. Mr. Chairman, I have an amendment.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LAGUARDIA: On page 4, after line 13, add a new section to read as follows:

"SEC. 4. No money of any sum in this act appropriated shall be used to pay wages of any skilled or unskilled labor working over seven hours a day except in cases of emergency imperiling the work under construction."

Mr. WOOD. Mr. Chairman, I make the point of order that this is not a limitation. I will reserve the point of order if the gentleman wishes.

Mr. LAGUARDIA. Oh, no; go ahead. If it is not a limitation, I do not know what would be.

Mr. WOOD. I make the point of order, Mr. Chairman, that this amendment is not in order, because it is not a limitation upon an appropriation and is also legislation.

The CHAIRMAN. What rule does the gentleman refer to?

Mr. WOOD. I am making the point of order, in the first place, that it is not a limitation, and that failing, I am making the point of order it is legislation upon an appropriation bill. It is clearly legislation.

The CHAIRMAN. If the gentleman will state upon what rule he bases his point of order, the Chair will be pleased to consider it.

Mr. WOOD. I base it upon the rule that you can not have legislation upon an appropriation bill.

The CHAIRMAN. Then the gentleman makes the point of order under clause 2 of rule 21. Does the gentleman from New York desire to be heard?

Mr. LAGUARDIA. I will rest on the argument made by the gentleman from Indiana.

Mr. LEHLBACH. Mr. Chairman, I would like to be heard on the point of order.

The CHAIRMAN. The Chair will hear the gentleman from New Jersey.

Mr. LEHLBACH. This is not a general appropriation bill. The general appropriation bills by the precedents are the annual supply bills and included in the classification of general appropriation bills are the general deficiency bills. No other bills are general appropriation bills and the rules with respect to legislation on general appropriation bills and with respect to privilege of such bills do not apply to a bill simply because it carries specific appropriations that are not in a general supply bill. Therefore, in the first instance, this bill was not priviliged. Its report without reference was subject to a point of order, and its consideration here is under unanimous consent after its improper report had been waived, no point of order having been made.

The rule with respect to legislation on a bill and the rule with respect to limitations do not apply to this measure whatsoever.

The only rule that applies with respect to the amendment offered by the gentleman from New York [Mr. LAGUARDIA] is whether the amendment offered as a new section is germane or not. If it is not germane, it does not make any difference whether it limits the appropriation or not.

Now, what does this bill take care of? It simply appropriates money and determines how that money is to be applied on certain works heretofore authorized. It has nothing to do with the personnel who are to be employed, the manner in which the work is to be carried out, or anything at all except the money that is to be used in addition to the money heretofore regularly appropriated. For that reason I maintain the amendment of the gentleman is not in order, because it is not germane.

Mr. LAGUARDIA. Mr. Chairman, I want to reply to that statement. The gentleman first argues for about five minutes that the limitations applicable to appropriation bills do not pertain here, and then he argues that my amendment is not in order, although under the present situation I have wider latitude than under the very definition of an appropriation bill stated by the gentleman from New Jersey, and this is a bill for emergency relief, for unemployment; surely, the question of conditions of labor is germane. If it is not germane, then nothing in the bill can possibly be germane.

The CHAIRMAN (Mr. SNELL). The Chair is ready to rule. The only question the Chair thinks he should take into consideration at the present time is the general question of

germaneness, although he agrees in main with the statement made by the gentleman from New Jersey [Mr. LELHBACH], that the question of inhibition to legislation in general appropriation bills is not applicable in this case. This bill deals with several different subjects, and in a general way, gives instruction in several different ways in which the money appropriated by the bill is to be expended. As the Chair understands the additional section offered as an amendment by the gentleman from New York, it simply provides a limitation, or further general instructions as to the expenditure of this money. The Chair, therefore, thinks the paragraph is germane at this point in the bill and overrules the point of order.

Mr. LAGUARDIA. This amendment will require the employment of one additional man for every eight men otherwise employed. Because if you take one hour a day off of each worker, and one additional man to every eight will be required to do the work—if the men work seven hours a day instead of eight.

Now we have heard much talk about getting to the root of the present unemployment situation, and, gentlemen, here is the root. Under our system of production and use of machinery, we can not employ all of the available manpower that we have in this country. Machinery is displacing the workers. The only answer is reduce the number of working hours and employ more men.

Sooner or later we must make a start, and I know of no more propitious time than now, right in this bill for the relief of unemployment, purporting to be an emergency-relief measure, than to write into the law a 7-hour day in order to create a greater spread and employ a larger number of men.

Mr. CRAMTON. Will the gentleman yield?

Mr. LAGUARDIA. I yield.

Mr. CRAMTON. Does the gentleman have in mind that $80,000,000 is to be expended in a 50-50 cooperation with several States, and his amendment possibly would prevent the cooperation of some of the States? The gentleman does not know what statutory or constitutional provisions of those States might be involved.

Mr. LAGUARDIA. There can be no constitutional question in this matter. The relation between the States, the Government, and the contractor and his workingmen is in each instance a contractual relation. Any contractor or any State, in order to avail themselves of the provisions and benefits of this bill, can be required to agree to work their men no longer than seven hours a day. It is a condition to receiving the benefits which the bill provides. Such condition may be properly imposed. We can make the hours of labor one of the conditions under which the advantages of the bill may be obtained.

Mr. WILLIAM E. HULL. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. WILLIAM E. HULL. What if the State of Illinois refuses to accept it; the employment would not go along. I think the gentleman is making a mistake, for this reason: Every State has its own road construction, and they have to carry out their laws accordingly. If you do this, you will ruin the whole thing.

Mr. LAGUARDIA. I do not believe that the great State of Illinois is going to refuse the advantages offered by this bill because we say that seven hours a day instead of eight hours shall constitute a day's work. This is an emergency provision to take care of unemployed. It is quite proper, and even necessary, to employ as large a number of men as we possibly can. The only way to do it is by shortening the day. We are not concerned with contractors' profits as much as we are in providing work for unemployed men. Let the House translate into something concrete its desire to relieve unemployment.

Mr. WOOD. Mr. Chairman, ladies, and gentlemen, I think a mere reference to one situation will convince every person here who wants to see the bill passed and be effective that this amendment should be defeated.

There are a lot of contracts now in every State in the Union, contracts made upon an 8-hour basis or a 10-hour basis or a 9-hour basis. This money ought to go for the purpose of speeding up these contracts. This amendment might mean the modification of those contracts or the State could not get the money. If the amendment offered by the gentleman from Ohio is adopted, it means almost impossible administration of this fund for Federal aid. In my opinion the Agricultural Department would never advance a dollar until they had the ruling of the Comptroller General upon both of these propositions, and I hardly know what kind of regulations he could make to carry out what is intended.

I want to say that I feel that you are all conscientiously of the opinion that this bill should pass for the employment relief which it may afford; if you want to defeat it, strike out the enacting clause, but do not cripple it by throwing monkey wrenches into the machinery so that it can not work at all. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. LAGUARDIA].

The question was taken, and the amendment was rejected.

Mr. JOHNSON of Washington. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to speak out of order for five minutes.

The CHAIRMAN. The gentleman from Washington asks unanimous consent to speak out of order for five minutes. Is there objection?

There was no objection.

Mr. JOHNSON of Washington. Mr. Chairman, I hope the entire membership will pay serious attention to the amendment which was adopted at the bottom of page 2, offered by the gentleman from Ohio [Mr. CABLE], applying to the sums to be made available for Federal-aid highway systems, and be prepared to strike out same when the bill is reported to the House. I am sorry to differ from my colleague the gentleman from Ohio [Mr. CABLE], but I am satisfied that this amendment will bring about an unworkable situation. It provides that no part of the sum so appropriated shall be used in the employment of an alien whose entry into the United States shall have been unlawful.

Mr. CHINDBLOM. Oh, the gentleman from Washington is mistaken in his reading of the amendment. The gentleman says:

> No part of the sum so appropriated.

The amendment reads:

> No part of the sum so advanced.

Mr. JOHNSON of Washington. We all desire to see money advanced to help unemployment, but it must be apparent to every person here that an effort to weed out of employment by contractors all aliens who are illegally in the United States would be a task that could not be accomplished in months. Where is the machinery? Where is the step necessary to go behind the contractors? This proposal or something similar to it has been offered from time to time in several matters of Federal construction, as, for instance, in the Boulder Dam construction; but the proposal has invariably fallen back to the laws of the States with regard to the employment of aliens. Will the alien himself say that he is illegally here? In the interest of getting the bill passed quickly, and not having it delayed in conference, the amendment should be defeated.

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

Mr. JOHNSON of Washington. Yes.

Mr. CHINDBLOM. I called attention of the gentleman to the words "so advanced," and I venture to say that this limitation will not apply to any money that is expended directly by the Federal Government itself but only to the money that is advanced to the States, because that is the reading of the amendment.

Mr. CRAMTON. The whole $80,000,000 is advanced.

Mr. CHINDBLOM. It applies to the $80,000,000 and nothing else.

Mr. CABLE. That is what I intend to carry along with this money—the protection from aliens unlawfully here.

Mr. JOHNSON of Washington. And who will find the unlawful alien?

Mr. CABLE. The contractor.

Mr. JOHNSON of Washington. How can the contractor find that out? No matter how desirable the purpose, I sincerely believe the amendment will create confusion and delay.

The CHAIRMAN. The time of the gentleman from Washington has expired.

Mr. WOOD. Mr. Chairman, I move that the committee do now rise and report the bill with the amendment back to the House, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. SNELL, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 14804) making supplemental appropriations to provide for emergency construction on certain public works during the remainder of the fiscal year ending June 30, 1931, with a view to increasing employment, and had directed him to report the same back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

Mr. WOOD. Mr. Speaker, I move the previous question on the bill and amendment to final passage.

The previous question was ordered.

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

The question was taken, and the amendment was rejected.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. WOOD, a motion to reconsider the vote by which the bill was passed was laid on the table.

INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. CRAMTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 14675) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1932, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 14675, with Mr. CHINDBLOM in the chair.

The Clerk reported the title of the bill.

The CHAIRMAN. Under the rule entered into last evening prior to adjournment, one hour of general debate remains, of which the gentleman from Colorado [Mr. TAYLOR] controls 45 minutes and the gentleman from Michigan [Mr. CRAMTON] 15 minutes.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 25 minutes to the gentleman from Virginia [Mr. TUCKER].

Mr. TUCKER. Mr. Chairman, I ask the attention of the committee in a discussion of the Gifford Resolution No. 292, looking to the elimination of the lame-duck session of Congress. I believe that it is open to very serious objections.

First. There has been undoubtedly throughout the country a strong demand for the elimination of the short session of Congress, known as the "lame-duck" session, on the ground that many who are defeated for reelection at the preceding November election can sit and legislate in the Congress from December to March 4. The popular demand to get rid of the short session has arisen for the above reasons, and therefore the amendment should be limited to that one question, and none other, while this proposal contains seven others besides this one.

Second. The amendment contains besides the elimination of the short session seven other changes, two of which provide for changes in the present Constitution of the terms of President and Vice President and Members of Congress, and these seven additional measures stand unrelated to the main object of the amendment. Such a combination is at least unusual and shows a lack of precision and coordination; and these seven objects are not only unrelated to the main subject but are in some cases unrelated to each other; and here we have tied up together seven propositions, one of which is the basic cause of the amendment, to run the gauntlet of popular approval. The opposition by the public to one of the seven, or the combined opposition of the public to the whole seven, may be so strong that even to secure the abolition of the lame-duck session many would not vote for the amendment in this form. What would have been thought of putting the woman's suffrage amendment and that for electing Senators by the people together in one amendment, or to have added the prohibition amendment to either one? Neither one would have had a fair chance before the people, as would a succinct, definite change on the one subject which has aroused public interest.

This amendment presents a job lot of "hand-me-downs," a mosaic of many colors and varying hues, instead of a clear, simple statement radiant in the white light of clarity and certainty.

Third. It provides for ratifications by the legislatures of the several States instead of by convention in those States. We have been too lax in the past in allowing amendments to be ratified by the legislatures of the States.

Now, I do not propose to discuss the merits of the main question, the elimination of the lame-duck session. Much can be said in its favor, and much has been said on the subject that, in my judgment, will not bear the test of critical examination. I will not discuss it, therefore, as I feel there is nothing before us now except the Gifford and Norris resolutions, and I believe they are not needed, as the short session of Congress, the lame-duck session, can be eliminated by an act of Congress, avoiding the long and tedious method of amendment, which is not needed, for the Constitution of the United States, Article I, section 4, provides specifically for it; and if this be so, why this amendment now?

It is only necessary to call your attention to Article I, section 4, of the Constitution, where it is provided that—

> The Congress shall assemble at least once in every year, and such meeting shall be on the first Monday in December, unless they shall by law appoint a different day.

That shows the right we have to appoint any date.

Now I have stated there were seven other changes proposed in this amendment besides that proposing the abolition of the lame-duck session. What are they?

First. A change in the term of President and Vice President.

Second. A change in the terms of Senators and Representatives.

Third. Provisions for the succession if the President elect dies.

Fourth. The succession in case a President is not chosen before his term begins.

Fifth. The succession in case of failure of the President elect to qualify.

Sixth. The succession in case the President elect and Vice President elect both fail to qualify.

As to these changes, it may be said that the change of term of President and Vice President and Senators and Representatives can only be done by a change in the Constitution, and the change of those terms are not necessary in order to accomplish the elimination of the lame-duck session.

Seventh. The succession in case of the death of any of the persons from whom the House of Representatives may choose a President when that duty devolves upon them.

Section 4 of the resolution provides:

> The Congress may by law provide for the case of the death of any of the persons from whom the House of Representatives may choose a President whenever the right of choice devolved upon them.

That refers, of course, to where the election is thrown into the House of Representatives, where their choice must be made "from the persons having the highest numbers not exceeding three on the list of those voted for as President."

As to the proposed changes 3, 4, 5, 6, and 7, we have no doubt that they can be made by a law of Congress, and therefore do not require an amendment to the Constitution, and for myself, I think those provisions might well be enacted into law by the Congress.

Now, that brings me to discuss the grounds on which these provisions can be provided for by a law or laws of Congress, without amendments to the Constitution. These provisions here—3, 4, 5, 6, and 7—in my judgment, can all be carried out by an act of Congress. Why? Take No. 3, involving the succession in the case of the death of the President elect.

Now, we all know, and I hope we will never forget it, that before this Congress can enact any law we must be able to point to the authority in the Constitution that gives us the power to enact it. How can we pass a law affecting the President elect?

We find, on examination of the Constitution, in Article I, section 8, an enumeration of the powers of Congress. In this section great powers are given to Congress; first, the power to lay and collect taxes, coin money, establish navies, and raise armies; and after the enumeration of 17 powers, at the close of that enumeration of powers given to Congress, we find this language:

> The Congress shall have power to make all laws which are necessary and proper to carry into execution the foregoing powers.

This is clause 18 of section 8 and known as the "coefficient" clause.

Now, if we desire to pass a law affecting the succession to the Presidency after the President elect has died before his term begins, we look back into these 18 clauses of grants of power to the Federal Government under section 8, and we can not find any power given to Congress, not one that would justify legislation about the President elect. The President is not mentioned in any power given in that section.

Does not that end it? There is the enumeration, and we find there is not one of the 17 grants of power, not one of them, on which you can stick a law to regulate the succession in case of the death of the President elect. But see, I omitted a clause of the above coefficient clause at the end. Here is the clause in full:

> The Congress shall have power to make all laws which shall be necessary and proper to carry into execution the foregoing powers, and all other powers vested by this Constitution in the Government of the United States, or in any department or officer thereof.

There you are. In Article I, section 8, there is no power to which you could stick legislation with reference to the perpetuation of the presidential office.

But in the addition here we can find that there are other powers granted to the Federal Government in the Constitution besides those 18. If we can find one there that relates to the Presidency, to which we can attach such a law, it is all right.

I turn to the next page of the Constitution and there I find Article II, which opens with these striking words:

> SECTION 1. The executive power shall be vested in a President of the United States of America.

There is the provision in the Constitution fixing the executive power in the President, thereby making the President, as its possessor, one of the chief beneficiaries of any "necessary and proper" law to be passed by Congress to preserve the executive power in its contiguity and stability.

But before we go further let us examine critically the language of this clause:

> Congress shall have power to pass all laws necessary and proper to carry into execution the foregoing powers.

The law that we propose must be "necessary and proper" to carry into execution the power granted in the Constitution; necessary and proper. Must the law be absolutely necessary? We have been running now 141 years, and in that time has this been necessary?

We have been operating for over 100 years as a government, and this has not been necessary yet. Judge Marshall and Judge Story settled this meaning without trouble. It does not mean that the law that we propose must be absolutely necessary and the only one that is needed, but, that any one means of a dozen, 2 dozen, or 50, that may help in the development, preservation, and progress of the power, are regarded as necessary. Judge Marshall used this splendid, never to be forgotten language: "Let the end be legitimate." What does that mean? Let there be a power in the Constitution that you are working up to, to develop and carry out. "Let the end be legitimate, let it be within the scope of the Constitution, and all means," not one absolutely necessary—

> And all means which are appropriate, which are clearly adapted to that end, which are not prohibited, but consistent with the letter and spirit of the Constitution, are constitutional.

Judge Story has epitomized this expression in a very happy way that the word "proper" means "bona fide appropriate." He, of course, recognizes the definition in reference to the word "necessary," that it is not confined to the one thing that may be absolutely necessary, for, the idea, as shown all through the structure of the Constitution, was a desire that certain great national powers should be given to the Government, and that after they were given, the Government should have the fullest and most ample power to develop them, and let them have "free course and be glorified." All else was left to the States. These you can not touch. You can not interfere with the States. If you have a proposition that you want to develop, look at the Constitution to see if there is anything there giving the power to do it. If there be, then do it. If you can not find anything there that gives the right, you can not do it; for, even the coefficient power can not give it to you, for it is only ancillary to powers granted in the Constitution, and the coefficient clause was added in order to give the fullest development to all Federal powers.

What is a proper law? Judge Story defines it most happily, that it must be bona fide appropriate; must be appropriate in good faith; not a device to fool somebody, but honest and straightforward; and it must be intended to carry out some Federal power that is fixed in the Constitution. "Bona fide appropriate." For instance, we see an example of it in the recent child labor law, where it was declared that not a bolt of goods made in a factory where a boy under 14 had been employed for one hour during the year should be permitted in interstate commerce. That bill was brought into this House as a bill to regulate commerce. Judge Story said in order to do that it must be bona fide, in good faith; bona fide appropriate to interstate commerce. When the court came to look at it, the court said, in effect: "That is not bona fide. You know when that bill was passed that it was done not to facilitate commerce but to control child labor, which the Federal Government has not the power to control." It was not in good faith.

I could give you many examples—for instance, the old case of McCulloch against Maryland, and one of the most interesting cases is that of Hepburn against Griswold, which many of you will remember. That was a case where a party had gotten $5,000 before the Civil War and had given his note for it. When it became due, during the war, gold had gone down to 2 or 3 or 4 to 1 of greenbacks, the debtor came forward modestly, most earnestly, and handed greenbacks to the creditor, saying, "Here is your money. Take it." Greenbacks had been made legal tender. That was not good faith, and the court said so, but unfortunately that case was reversed two or three years afterwards; but it involved just the question I am discussing before you, that the moment you attempt a fraud on the Constitution it will not stand.

Now you say, "How are you going to reconcile these matters with the election of a President elect?" He is not President until the 4th of March. When we meet in this House with the Senate and the votes are counted on the second Wednesday in February, the Constitution says that when the votes are counted and it is found that any one man has gotten a majority of all the electors he shall be Presi-

dent, but the term does not begin until the 4th of March. Have we the right, then, to legislate now with reference to a President elect before he is an officer?

I invite you to read the second article of the Constitution: "The executive power of this country shall be vested in a President," and there is page after page, showing how the Government of the United States directs the election of President, prescribes how it shall be done, and so forth. And remember, that this Government, with its three great powers—legislative, executive, and judicial—a trinity in unity, each independent of the other, thank God, and yet they are related each to the other and in large measure dependent on each other. This is one of the great powers of the Government which can not be abrogated for a month or a day. It must be continuous and unbroken or the Government will go to pieces.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. TAYLOR of Colorado. I yield five additional minutes to the gentleman from Virginia.

Mr. TUCKER. They say: How do you reconcile that? It might be true as to a man who is an officer of the Government. Well, it is more than that, gentlemen. We are standing by one of the great essential powers of this Government. The Constitution says that those powers must be preserved, and as the Constitution puts that executive power, in the very language which I read you, into the hands of the President, the President must be protected and his life must be preserved in order that the Government may go on with the ordinary processes. When that President is declared from that desk to have been elected, after the votes have been recorded, he becomes the living fœtus in the womb of the Constitution. He becomes from that moment a child of the Constitution, not yet ready to serve his term, not yet ready to come into his own, but the spark of life is there, and it is our duty to protect that life. It is bona fide appropriate. It is one of the necessary things that should be done.

Now, that is my view of this matter. I think this amendment is a sort of a kaleidoscope. It has some things in it which, in my judgment, should be enacted into law.

There has been introduced into the House by the gentleman from Wisconsin [Mr. STAFFORD] a bill in the last day or two which may furnish a very good start in this direction. But it will not do, to encumber the Constitution with nine propositions, seven of which can be attended to by Congress, and we should not change the term of the President and Vice President when it is not necessary to do so in order to accomplish this.

In conclusion, let me summarize the argument. Under the Constitution every power granted to "the Government of the United States, or any department, or officer thereof," shall have the aid of Congress by laws which are "necessary and proper" to carry into execution such constitutional powers. In this case, and the others are similar in character, the executive power in the Constitution is vested in the President (Article II, Constitution of the United States). The Constitution gives to Congress the right under the coefficient clause—indeed, a double duty—first, the "carrying into execution" of this "executive" power; and, second, of protecting the President, the possessor of the power, from the day of his election, when the votes are counted in his favor by Congress, to the beginning of his term; and since his death before his term begins would create chaos and break the continuity of the executive power, it is obvious that the succession in case of such death is a proper subject for a "necessary and bona fide appropriate law" by Congress to preserve this power intact and save the Government. [Applause.]

Mr. CRAMTON. Mr. Chairman, I yield 10 minutes to the gentleman from Wisconsin [Mr. STAFFORD].

Mr. STAFFORD. Mr. Chairman, the committee has just listened with close attention, and deservedly close attention, to a fine exposition of the Constitution by our constitutional expositor, if I may use that term, in criticism of the resolution for a constitutional amendment reported from the Committee on the Election of President and Vice President and Representatives in Congress. This provides not only for doing away with the so-called "lame duck" sessions of Congress but, he contends, six other amendment proposals to the order now existent.

The gentleman did me the courtesy of referring to a bill which I introduced on last Wednesday and to which I referred briefly, in a colloquial way, on the second day of this session, that bill seeking to change the meeting days of Congress.

We all agree that if the end to be attained can be accomplished by statute it is far better to pass a statute than embody it as a part of the organic Constitution.

I have given considerable thought to the question of the assembling dates of Congress, with the idea of doing away with the hold-over sessions. There is a general protest throughout the country against a Congress meeting after an election and passing legislation of a substantive character, such legislation being passed by a body that has been renounced, perhaps, by the electorate.

I recall well the most stirring scene I ever witnessed in this Chamber. It was in 1911, after the Republicans had been defeated in the congressional elections, after having had control of the Congress for 16 years. On the last day of the session, the Republicans then in control sought to pass through this body a bill which had just been passed in the closing hours of that Congress by the Senate providing for a tariff commission. It was bitterly fought by the Democrats, and rightfully fought, on the ground that the Republicans had no right, having been renounced by the country, to pass a substantive bill providing for a tariff commission. Feeling ran so high that one Member in the well here, with a knife in his hand, was threatening the aged Speaker, Uncle Joe Cannon, for recognizing the Republicans to put that bill across.

I present to you for your serious consideration this supposition: Assuming that the last election had been a presidential election and the Republicans had suffered a little more of a reverse than they did in the past election, losing not only the House but the Presidency, would it be meet and right as a representative body to legislate on substantive matters after the people had expressed their will decisively against their continuing in control? There is no other legislative body in the world which meets to legislate after it has been rejected by the electorate.

Now, you ask for the proposal which I submit in lieu of the existing order. I would do away with all of these so-called hold-over sessions after an election, except those called together in extraordinary session by the President in emergencies. I would have the Congress meet in regular session on the 6th of March following the election. I would have that session virtually the short session, to consider the appropriation bills in a 4-month period, as the Congress to-day has two and a half months to consider those appropriation bills, and unless there was some pressing legislative program which required our being in session after July 1, I would expect the Congress to adjourn of its own motion about that date.

Then I would provide that the Congress meet on the second Monday of November following. That is not essential; they could meet after the holidays, but I believe that with the growing legislative business of the country there should be one long session of Congress, which should meet on the second Monday of November or such other date in the fall as the Congress might determine, and run along until adjournment in the following summer. If, perchance, the Congress which met on the second Monday of November should adjourn before the first of the year then I provide that Congress should meet on January 4, in order to meet the constitutional mandate that Congress shall meet once in every year. That would be the long session. Then I provide that if, perchance, the long session of Congress which continues into or meets in the even-numbered years should not have adjourned over the hot summer months, that it should mandatorily adjourn on the last Saturday in October. Then there would be no hold-over, lame-duck sessions after an election under the terms of this bill.

Mr. CABLE. Will the gentleman yield?

Mr. STAFFORD. I yield.

Mr. CABLE. What Congress would determine the electoral vote?

Mr. STAFFORD. I am glad the gentleman asked that question. I also provide that after every presidential election the Congress should meet on the third Wednesday in February for the purpose of counting the electoral votes. This would be a meeting of the lame-duck session, as you say, but only once every four years, meeting on the third Wednesday in February, giving ample time to count the electoral vote, and to vote as we have only voted once in the 140 years of the history of our Government for a President when there has not been a majority of the electors for any one candidate for President.

Now, if I may cite an interesting historical fact that I have just adverted to. In 1825 William H. Crawford, of Georgia, Andrew Jackson, of Tennessee, John Quincy Adams, of Massachusetts, and Henry Clay, of Kentucky, were the candidates for President.

Though Henry Clay and John Quincy Adams did not together have a majority vote and Crawford and Jackson did have, the House of Representatives under the twelfth amendment to the Constitution elected John Quincy Adams for President. It is an interesting fact that while neither of the presidential candidates had a majority vote of the electors the candidate for the Vice Presidency, John C. Calhoun, did have a majority vote and therefore the Senate was not required to vote for the election of Vice President.

Mr. MONTAGUE. Will the gentleman yield?

Mr. STAFFORD. I yield to the gentleman from Virginia.

Mr. MONTAGUE. I did not hear all of the gentleman's remarks. Do I understand that the plan which he has been discussing is in the form of a bill?

Mr. STAFFORD. Entirely so.

Mr. MONTAGUE. Therefore the gentleman is of the opinion that it is within the competency of the legislative body to do this rather than by amendment to the Constitution itself?

Mr. STAFFORD. Yes. It does not require my calling the attention of the gentleman or any Member of the House to the fact that section 4 of the Constitution says that Congress shall assemble once in every year and that such meeting shall be on the first Monday in December, unless they shall by law appoint a different day; and I may say that in the early days of the Government, almost invariably, the Congress did appoint a different day for the assembling of the Congress before the first Monday in December.

Mr. MONTAGUE. Yes; I just wish to elicit definitely from the gentleman the fact that his plan is within the competency of the Congress itself to accomplish.

Mr. STAFFORD. As far as arranging the dates for the assembling of Congress, and I think I have proposed a reasonable program.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. CRAMTON. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. STAFFORD. I am free to admit that this bill does not provide for the hiatus referred to in the resolution for a constitutional amendment on the House Calendar for the far-fetched contingency that in case the President elect and the Vice President elect should both die after the Electoral College has counted the votes, that there is no provision of law to meet that emergency. But the distinguished constitutional lawyer from Virginia states that Congress even has full authority to provide for that contingency. But if there has not been in all these 140 years of government a need for meeting that contingency, what is the need of meeting it if a constitutional amendment is necessary? We met a much more direful condition that confronted the country in the election of 1876. The Congress, instead of waiting as provided under the Constitution for the second Wednesday of February to count the votes, in the early days of January passed resolutions providing for a mechanism whereby that electoral mix-up was met.

I am advocating a program for meeting dates of Congress that can be obtained at once. I think the country is demanding the elimination of the so-called lame-duck sessions of Congress. I do not want any substitute passed that will not bring this about.

This measure, in a way, is not exactly a substitute for the constitutional amendment. I shall vote for the constitutional amendment, but I think the House should be given an opportunity also to register its will on this bill or some similar bill so as to correct the existing legislative order at once, and I have asked the chairman of the Committee on the Judiciary, seated before me here, for a hearing on this bill, thinking it of sufficient importance that the House should have the judgment of the Judiciary Committee of the House in determining whether the plan I have suggested is workable and feasible.

It is a rather interesting fact that March 4 was never referred to in the original articles of the Constitution. It just happened by reason of a historical resolution passed by the Congress acting under the Articles of Confederation.

As you all know, nine States ratified the Constitution in the forepart of June, 1788. Virginia had not at that time ratified it; neither had New York. In the latter days of June, 1788, Virginia ratified the Constitution and New York followed the next month. But the Congress, under the Articles of Confederation, undoubtedly for the purpose of allowing North Carolina and Rhode Island, the other two remaining States to ratify it, which never ratified the Constitution until after the Government had been organized, postponed submitting this resolution providing for the beginning of the Government for passage until September, 1788, when they set forth in a resolution that passed the Congress that the first Wednesday of January, 1789, should be appointed the day for the election of electors, the first Wednesday of February for counting the electoral vote, and the first Wednesday of March for the beginning of proceedings under the Constitution, and that is how it happened that March 4 was decided upon for the organization of the Government. True, in the amendments to the articles, Article XII, the 4th of March is referred to, but in 1808, when this amendment was proposed and when the Congress was confronted by the confusion resulting from the Burr-Jefferson embroglio, where each had the same number of votes and Aaron Burr was seeking to get the Presidency as opposed to the popular will——

The CHAIRMAN. The time of the gentleman from Wisconsin has again expired.

Mr. TAYLOR of Tennessee. Mr. Chairman, I yield the gentleman three minutes more.

Mr. STAFFORD. They did not make any provision in the twelfth amendment providing for a different date for the assembling of Congress or for a change of the date for the beginning of the terms of Members of Congress.

Now I think we all agree that there is a serious situation that should be considered by the membership of the House, whether when an election that is held in November and the country has decidedly resolved that it is in favor of a new order of things—whether we should have Congress convene on the 4th of January and wait two weeks before the President takes his office, as is provided in the proposed constitutional amendment, whether we should have an entire new order taking hold of things, or whether we should allow the then Congress to continue in office, and only meet in regular session once in every four years for counting the electoral votes—even though it is a hold-over Congress, which only once in 140 years has been called upon to elect a President—whether it is not better to allow the existing order to continue as to the terms of the President and of Members of Congress rather than to adopt a new plan that may present difficulties and embarrassments not contemplated by the sponsors of the proposed amendment. If we can attain what we are after, to do away with the lame-duck sessions by statutory provision, as I think I have done in House bill 14440, I believe then that Congress will not be so inclined to pass a constitutional amendment which might

involve all kinds of embarrassment which we can not now foresee. [Applause.]

The CHAIRMAN. If there is no further request for debate, the Clerk will read.

The Clerk proceeding with the reading of the bill read as follows:

OFFICE OF THE SECRETARY

SALARIES

Secretary of the Interior, $15,000; First Assistant Secretary, Assistant Secretary, and other personal services in the District of Columbia, $358,000; in all, $373,000: *Provided*, That in expending appropriations or portions of appropriations, contained in this act, for the payment for personal services in the District of Columbia in accordance with the classification act of 1923, as amended, with the exception of the First Assistant Secretary and the Assistant Secretary the average of the salaries of the total number of persons under any grade in any bureau, office, or other appropriation unit shall not at any time exceed the average of the compensation rates specified for the grade by such act, as amended, and in grades in which only one position is allocated the salary of such position shall not exceed the average of the compensation rates for the grade except that in unusually meritorious cases of one position in a grade advances may be made to rates higher than the average of the compensation rates of the grade but not more often than once in any fiscal year and then only to the next higher rate: *Provided*, That this restriction shall not apply (1) to grades 1, 2, 3, and 4 of the clerical-mechanical service, or (2) to require the reduction in salary of any person whose compensation was fixed, as of July 1, 1924, in accordance with the rules of section 6 of such act, (3) to require the reduction in salary of any person who is transferred from one position to another position in the same or different grade in the same or a different bureau, office, or other appropriation unit, or (4) to prevent the payment of a salary under any grade at a rate higher than the maximum rate of the grade when such higher rate is permitted by the classification act of 1923, as amended, and is specifically authorized by other laws.

Mr. O'CONNOR of Louisiana. Mr. Chairman, I move to strike out the last word. I listened with a great deal of interest to what my good friend, the able Representative from Wisconsin, said about lame ducks and the necessity for changing conditions to meet modern thought on the subject of legislation. The Representative is a profound student of parliamentary law, and the bill to which he refers and his illuminating remarks ought to have the attention of the leaders of the House.

I was looking at the clock, and I thought he was absolutely correct, because I am a lame duck, addressing you now, and if I felt like it I could make a point of order that no quorum was present, thus throwing a monkey wrench into the machinery, and thus forcing an adjournment or a roll call which would be something of an inconvenience to many Members who are not lame ducks. There are only a few Members present, which goes to show that Congress, and particularly the House, is a recognitory body, giving recognition to findings of committees, which the main bodies treat almost as judgments of wisdom. And in view of the attitude of the Democrats in charge of this bill to-day I would be amply justified in taking that course. But I am going to be a good sport and I am not going to make the point of order, though the provocation is great. I can scarcely resist the impulse to make this point for the purpose of showing that the number of Members present considering this important measure may be counted on one's fingers.

Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD by printing a speech that I intended to make to-day if I had had the opportunity on When We Violate Economic Law.

In all probability it will secure greater attention on account of this diversion and I hope it will be read by the full membership. I commend it to your full and complete consideration as it has been pronounced by many men occupying high places in the realms of trade as a splendid contribution to the thought on and the discussion of the future of that great staple which was crowned king by its votaries many years ago. Men of light and leading in the House who love the Southland "because it is their own and learn to give aught other reason why," who love its cotton fields and view with anxiety the future read my cogitations on the subject of When We Violate Economic Law. Not so much because it is my fulmination as for the reason that it has had the approbation of many of the best minds in the great port of New Orleans from which go out shiploads of cotton to every port of the world. Your reading of the speech and the answers which I hope for, will be flattering to my self-esteem, and stimulating to those who have indorsed its utterances, because it reflects their own thoughts on a subject that is and should be of the greatest concern to the South.

The CHAIRMAN. The gentleman from Louisiana asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. O'CONNOR of Louisiana. Mr. Chairman, Brazil's coffee valorization scheme, long heralded as a monster piece of governmental aid, now proves to be an economic boomerang with serious consequences for the very people—the coffee producers of Brazil—in whose interest it was devised.

Through its valorization scheme, Brazil not only was able for a time to regulate the marketing of coffee and maintain an artificial price, but actually succeeded in curtailing production through limitations placed on the planting of new coffee trees.

All seemed well until the fact dawned on the trade that Colombia, Panama, Costa Rica, Salvador, Mexico, and other countries were busily engaged in extending their coffee-raising industries at as rapid a rate as possible.

This year the world's surplus of coffee is monumental. Competition for world markets is keener than ever before. The age-old law of supply and requirement is back in force with a vengeance, and Brazil's coffee producers are a most unhappy lot.

Readjustment, hard though it be, will come through the normal and natural workings of an economic law as old as mankind, and not through schemes which violate that law.

When we enacted our Federal Farm Board law, with its provision for Federal marketing of cotton and grain and other commodities, we were told that Brazil's coffee valorization scheme had worked beautifully, and some of the Members of this House were thereby persuaded to vote large authority and large sums for a somewhat similar purpose.

I am now wondering whether we saw the problem of our farms and the remedy clearly enough.

Our farmers are in distress. I, for one—and I am sure all of you—favor any action that will really and truly improve the economic position of our farms. But I am fearful that, while our intentions were the best, we have launched a scheme of things which somehow violates that ancient law of which I have spoken, and that a severe penalty will have to be paid for every such violation.

Some years ago, as a measure of offsetting the destructive work of the cotton crop-reducing boll weevil, our cotton planters were advised to plant short-staple, quick-maturing seed.

I am now told that a great deal of the surplus cotton carried over from the last crop is too short in staple to serve normal requirements. In other words, the average staple has been reduced during the past 10 years.

I am also told that during the past 10 years cotton producers in other parts of the world have been diligently engaged in improving the character of the cotton they produce.

Finally, I am told that in the season just ended less than normal quantities of American-grown cotton have found their way into overseas markets, while more than normal quantities of other growths have been sold.

With the best intentions in the world the Federal Farm Board has endeavored to "peg" the cotton and wheat markets and hold the values of these commodities at levels higher than would otherwise be the case, and to that end have accumulated heavy holdings of both cotton and grain.

Essential to the success of such a move, pending the development of a new and larger requirement by markets able and willing to pay higher prices, are crop shortages another year.

To this end the cotton producers at least are being urged to reduce acreage. Not one word is being said about producing cotton at less cost.

Fewer high-cost bales might bring some temporary relief. But what about the effect on the cotton-producing industry in other parts of the world?

The wage scales in India and Egypt are low. The lands in those countries are fertile. An enormous expansion of their cotton-producing enterprise is possible.

Recently Russia completed a 1,000-mile railroad into Turkestan in order to open up very extensive lands capable of producing many millions of bales of cotton annually, cotton capable of competing directly with the American-grown article. The scale of living in Turkestan is very low. The cost of producing cotton there is correspondingly low. In all probability Russia will soon attempt to compete with the United States in supplying the European cotton market.

Would not our objective be best served by devoting intensive thought to the problem of producing two bales of better cotton at the present cost of producing a single bale of a poorer variety?

Mass production at a lower unit cost has given an enormous economic advantage to our industrial enterprises.

But we still cultivate and harvest cotton by the more costly hand method.

Mass production of cotton at relatively low cost would do more to hold competition within bounds than anything else we could do.

Curtailed acreage and continued high cost of production will give the same sort of impetus to the extension of foreign growths that Brazil's coffee valorization scheme gave to the development of coffee growing in countries other than Brazil.

I am perplexed in other directions, too.

During the past half century a daily cash market has existed for cotton, and for wheat also. Recently I have been investigating these matters and I find that the machinery of the modern market for commodities is so designed as to be equally fair to buyer and seller. The whole has been regulated by congressional act and by agricultural bureau regulations and standards.

While the procedure does not appear to be generally understood, it seems simple enough when one takes the trouble to investigate it.

The farmer hauls his cotton to the nearest interior marketing town. There he finds a number of buyers, each bidding against the other and each ready to pay the market price of that day in cash to the farmer.

Sales take place.

Each time a buyer purchases 100 bales he promptly sells a future hedge. With his cotton hedged and no longer subject, in so far as he is concerned, to price fluctuations of a major character, the merchant assembles it, classes it, borrows around 95 per cent of its value from his banker, and then sets out to buy more cotton, meanwhile seeking consumer buyers for round lots of even running grades and staple.

Now contrast this system with the system in operation before the days of future or hedge trading.

In those days the merchant merely acted as the agent for the producer. The producer might borrow, say 50 per cent of value in cash from his agent, paying a pretty high rate of interest. Or his agent might advance him supplies and mules, all at an extra profit. The cotton not being hedged against a decline, bankers did not regard it as A-1 collateral and would lend only about half its value, and then only at high rates of interest. Eventually, the agent found a spinner purchaser. In the interim, the entire financial and speculative load of carrying the cotton was charged against the farmer's account.

To create a daily cash market for the farmer, and at the same time to shift the speculative risk from the merchant, the future trading system was devised.

I have looked into this present-day system and it squares with what I conceive to be sound economic law.

While the hedging system does not fix the value of the crop, since every hedge contract must be worked out on the basis of actual spot values, it does create a way for the shifting of the speculative risk from spot owners or spinners who will need cotton, to the speculators who supply the "short" or "long" contracts not supplied by the trade.

To me the trouble with the cotton market does not appear to lie with or to originate in the scientific system of marketing which experts—sellers and buyers both—have set up, but rather with the practice of the cotton growers of producing all the cotton they can produce, without much thought as to cost, whether the world will need much or little cotton.

The marketing machinery is designed merely to bring buyers and sellers together under competitive conditions of trade, to supply the means of avoiding, or at least of greatly minimizing, speculative risks by those who desire to avoid such risks, and to create the means of translating cotton into the best type of bank collateral pending its final sale to a consumer.

The eagerness of sellers or buyers, as the case may be, the state of trade, the relationship supply bears requirement, present and future, determine the value of a pound of middling, and the value of a pound of middling is the final determinator of the value of the future or hedge contract.

It is this system which supplies a daily cash market for the farmer's cotton. The system itself in no way is responsible for the low price now being received by the farmer.

In our efforts to help the farmer we have, I fear, overreached the mark.

The Federal Farm Board has set up marketing machinery of its own in face of the fact that the most scientific marketing machinery man has ever been able to devise already exists. But the Farm Board has not done the one thing that the farmer most needs—it has not created an additional demand and requirement for cotton.

Instead, it has loaned the farmer more money per pound than consumers will pay for cotton, and now recommends as a remedy not greater economy in the production of cotton in order to check the expansion of foreign production but reduced acreage and the production of a few instead of many high-cost bales.

Such a program carried to its logical conclusion would ultimately result in the total destruction of our export business in cotton and the restriction of the market available to American cotton producers to American mills.

It does seem to me that our Farm Board has gone at the job of helping the farmer from the wrong end.

It can hardly hope to set up a more efficient marketing system than trained and experienced merchants have set up.

But it can encourage the creation of strategically located warehouses for unhedged cotton, which will issue bonded warehouse receipts showing grade, character, staple, weight, and insurance carried.

It can aid and encourage the creation of rediscounting facilities for loans against such warehouse receipts, thus enabling local banks to carry such loans at the most favorable interest rates.

It can provide country schools of instruction in farm economy, and in elemental world-trade economy in so far as it affects cotton.

It can appear before Congress as a well-informed advocate of fair play for the agriculturist in the matter of tariff legislation.

It can, in so far as possible, anticipate world requirement, and advise the producer in advance of the planting season.

In season and out, it can tell the farmer the truth regarding his own economic errors. At least some of them will profit thereby.

Once upon a time the American cotton producer enjoyed a practical monopoly. He no longer has that advantage but must now compete for his outlets with cotton producers in other parts of the world. England is irrigating the Nile Valley in order to get more Egyptian cotton. Russia has opened up Turkestan in order to compete directly with the American cotton producer. India is striving in every way to improve the staple and quality of its cotton.

The Farm Board can not prevent this development unless it can aid American cotton producers in radically lowering their costs of production.

The Farm Board's marketing bureau can no more control the law of supply and requirement than can trained merchants.

Speculation can not now help because speculative confidence has been destroyed. Nobody knows just what the Government's marketing bureau will do next in its attempt to peg the price of cotton at a time when supply exceeds requirement.

In the last year our exports of cotton fell off 1,427,000 bales.

Meanwhile the Government has become a speculator in cotton in a very large way, and its losses to date are enormous. The value of cotton has steadily declined ever since the Government entered the field as a competitor of the long-established cotton merchants. Nobody knows when the Government will find it necessary to unload its heavy holdings, consequently trade buyers stand aside and wait.

The story of how successful the Government's efforts to hold the cotton market have been is best told by the record.

In August, 1929, the average value of a bale of cotton was $94.39; in September, $94.05; in October, $91.38; in November, $86.42; in December, $85.92; in January, 1930, $85.56; in February, $78.03; in March, $76.80; in April, $79.50; in May, $78.04; in June, $67.87; in July, $61.98.

During all that time the Government was, more and more, actively speculating in cotton, while the trade itself was, more and more, standing aside. In this way the normal market has become unbalanced and many spot merchants prefer to remain inactive while awaiting the outcome of the Government's endeavors.

In Soviet Russia private business enterprise is frowned on and destroyed. I do not know what the outcome there will be.

But in America, the basis of our world record breaking economic success has been the encouragement of business enterprise. Under our system we can and do pay the highest wages. Our average income is far greater than that of any other country. Our per capita wealth is more than twice that of the next best conditioned people.

We have prospered under our system.

Now, because there is a temporary depression in world trade at a time when our fields have produced abundantly, are we to so cripple our admirable business machinery by short-visioned governmental action as to seriously handicap us in holding and developing our economic position when business shall revive?

Under the modern system of buying and selling for future delivery, any merchant in good standing, even though his cash capital be limited, can engage in the business of buying the farmers' cotton, assorting it into round lots, and selling it to spinners and other consumers, simply and solely because future trading enables him to reduce the speculative risk to a minimum.

Formerly only the merchant with relatively large capital could engage in such a business.

It follows that competition in buying cotton, until the Government entered the field, was far keener than formerly, and that the margin of profit required by the middleman was much less than it was in the days before future trading.

On the other hand, the future hedge has made it possible for spinners to sell yarns many months, even years, in advance of delivery—often long before the seed from which the cotton will come has been planted, and always before the price at which cotton will sell when they shall need it can be known.

Their sales of yarns must be made at a definite price which must include the spinner's own normal profit. Therefore, they must know the price they will have to pay for cotton from which to spin that yarn.

They turn to the future market, buy future contracts for the delivery of the number of bales they will require, of any grade approved by the Federal Government as tenderable cotton—that is the kind the farmer produces—at the price named. On the basis of that purchase they make their price for the future delivery of yarn, and sales are concluded.

Later on they find merchants willing to enter into contracts to deliver to the spinner the exact number of bales of the particular grades required, and at the time they will be needed, from which to spin the yarn called for in the spinners' sales contracts. This trade is closed, and spinners then sell to the highest bidder on the floor of the exchange the future or hedge contracts they have been carrying as a protection against price fluctuation, because they no longer require such protection in those transactions.

They bought their future hedges at the market and they sell them at the market. Their gain or loss, as the case might be, is absorbed by the higher or lower price they must pay the merchant for the particular grades desired.

Thus the future hedge enables the merchant to buy the farmer's cotton, and pay the market price in cash, when the farmer wants to sell, whether the spinner be ready to buy or not, and it enables the spinner to sell yarns months ahead, thus creating a requirement for cotton long before the size of the crop or the value of a pound of it can be known.

This is so because the future market supplies a means through which those who produce, merchandise, and consume cotton may shift the speculative risk of price changes from themselves to others who, in the hope of gain, are willing to shoulder that risk.

And therein lies the only fundamental difference between the ancient and modern market for world-used commodities.

Russia has destroyed business enterprise, and, in its place, has set up a governmental monopoly in the marketing of commodities. Are we, richest Nation on earth as a result of the long maintenance of an open opportunity for business enterprise, to follow in Russia's footsteps?

Our efforts to set up a Government monopoly in the marketing of cotton would suggest as much.

Our cotton trade is sick because world trade is sick. The disease will run its course and the patient will recover. Meanwhile the nostrums the Government may cook up can not help but may do permanent harm. There is but one remedy—greater economy in production—and nobody seems to be urging that remedy. I here and now urge it as a better way out of our difficulties.

But the economies so necessary to secure our ends must be effectuated without adversely affecting labor. We can not decrease the purchasing power of the toiler without adding to the agonies of our travail.

Trade, the Promethean giant of civilization, is bound to the rock of hard times. Stark poverty is gnawing at its vitals and the night of despair seems unending. It has violated the law by stealing the fire of consumption from the masses of the world. But it will be unbound when it has expiated its offense of violating the eternal and unceasing law of supply and demand, and cured itself of the grevious wound inflicted by overproduction, which drew the life blood, the profits of commerce, into the coffers of the few, while the many knew not where to lay their heads. Industry has learned a terrible lesson, and the day when it does come will be all the brighter that the night has been so long and so dark. The world has been made to carry its cross for the sins of those in whose leadership the myriads reposed confidence. There will be a resurrection through obedience to those laws without which trade must again and again suffer bloody sweats.

With contrite spirit let us look to the morn and seek and find consolation in Cowper's immortal lines:

God moves in a mysterious way
His wonders to perform;
He plants his steps in the sea,
And rides upon the storm.

* * * *

Ye fearful saints, fresh courage take,
The clouds ye so much dread
Are big with mercy, and shall break
With blessings on your head.

The Clerk read as follows:

GENERAL EXPENSES

For traveling expenses of officers and employees, including employment of stenographers and other assistants when necessary; for separate maps of public-land States and Alaska, including maps showing areas designated by the Secretary of the Interior under the enlarged homestead acts, prepared by the General Land Office; for the reproduction by photolithography or otherwise of official plats of surveys; for expenses of restoration to the public domain of lands in forest reserves and of lands temporarily with-

drawn for forest-reserve purposes; and for expenses of hearings or other proceedings held by order of the General Land Office to determine the character of lands, whether alleged fraudulent entries are of that character or have been made in compliance with the law, and of hearings in disbarment proceedings, $30,000: *Provided*, That hereafter where depositions are taken for use in such hearings the fees of the officer taking them shall be 25 cents per folio for taking and certifying same and 5 cents per folio for each copy furnished to a party on request.

Mr. STAFFORD. Mr. Chairman, I make the point of order to the paragraph just read in order to make an inquiry of the chairman of the subcommittee. I wish to ask the basis for the determination by the committee as to fees to be paid for making copies of hearings and certifying to them.

Mr. CRAMTON. Mr. Chairman, I am glad the gentleman from Wisconsin has called that proviso to our attention. The situation is that the proviso has been carried for a number of years at this place in the bill without the word "hereafter" being included. In the code that provision appears as a part of the permanent law. If the gentleman will read it without the word "hereafter," he will note that it is not a limitation; it does not say "depositions paid out of this appropriation." There is nothing of the kind. I think you could make an argument that it is permanent law, but in any event the committee thought they would clean up the bill, dispose of it, and put in the word "hereafter." My opinion is that it is permanent law, but if not, without such a provision I understand there would be some question about what change should be made.

Mr. STAFFORD. The explanation is satisfactory to me, but while I am on my feet I would like to inquire as to the following paragraph, "$15,000 for maps for Members of Congress." Last year I remember the gentleman from Georgia [Mr. LANKFORD] was very insistent that an appropriation should be made for this purpose. Is this $15,000 the customary appropriation that is made in alternate years?

Mr. CRAMTON. That is the present custom of the committee, and this is the year that the appropriation is to be made.

Mr. STAFFORD. Can the gentleman inform the membership as to how many maps will be available to each Member of the House under this provision?

Mr. CRAMTON. Twelve maps per Member.

Mr. STAFFORD. Years back I remember the membership received a much larger number to their credit whenever the Congress would appropriate, and I have an interrogation point in my mind as to whether it is because the cost of the maps has increased or is due to the fact that a less appropriation is made than was made years ago.

Mr. CRAMTON. The appropriation is slightly smaller than was formerly the case. That is, back in 1922 to 1925 it was $18,000 or $20,000. It then dropped from $20,000 to $18,000. Then in 1927 it dropped to $15,000, and since then it has been carried at $15,000.

Mr. STAFFORD. I presume the cost of engraving and printing and mounting of these maps has considerably increased with the mounting cost of labor.

Mr. CRAMTON. No doubt, and that would, of course, affect the number.

Mr. STAFFORD. Mr. Chairman, I withdraw the reservation of the point of order.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Surveying public lands: For surveys and resurveys of public lands, examination of surveys heretofore made and reported to be defective or fraudulent, inspecting mineral deposits, coal fields, and timber districts, making fragmentary surveys, and such other surveys or examinations as may be required for identification of lands for purposes of evidence in any suit or proceeding in behalf of the United States, under the supervision of the Commissioner of the General Land Office and direction of the Secretary of the Interior, $700,000: *Provided*, That not to exceed $5,000 of this appropriation may be expended for salaries of employees of the field surveying service temporarily detailed to the General Land Office: *Provided further*, That not to exceed $15,000 of this appropriation may be used for the survey, classification, and sale of the lands and timber of the so-called Oregon and California railroad lands and the Coos Bay wagon road lands: *Provided further*, That not to exceed $50,000 of this appropriation may be used for surveys and resurveys, under the rectangular system provided by law, of public lands deemed to be valuable for oil and oil shale: *Provided further*, That no part of this appropriation shall be available for surveys or resurveys of public lands in any State which, under the act of August 18, 1894 (U. S. C., title 43, sec. 863), advances money to the United States for such purposes for expenditure during the fiscal year 1932: *Provided further*, That this appropriation may be expended for surveys made under the supervision of the Commissioner of the General Land Office, but when expended for surveys that would not otherwise be chargeable hereto it shall be reimbursed from the applicable appropriation, fund, or special deposit.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word for the purpose of getting some information with respect to the reason for the exception in the fourth proviso on page 9, line 5:

Provided further, That no part of this appropriation shall be available for surveys or resurveys of public lands in any State which, under the act of August 18, 1894, advances money to the United States for such purposes for expenditure during the fiscal year 1932.

Mr. CRAMTON. Mr. Chairman, I remember the situation which brought about that proviso. Under the statute referred to a State might advance money for this work of surveying, and may I preface what I am going to say by the statement that there is such a large acreage of public lands yet to be surveyed that at the present rate we are proceeding it will take about 250 years to complete the work? That is figured on the basis of a comparison of acreage. The law permits any State to make an advance of money to be placed at the disposal of the Land Office, to be used in surveying that State, and then some time thereafter out of this appropriation receive that money back again. One State evolved the idea of providing a revolving fund of $50,000 or $100,000. It would advance it during the year to the General Land Office for surveys in that State. The surveys would be made. They would come in on the next deficiency appropriation bill and present their claims and say that they were entitled to the money and an appropriation would be made.

Immediately they would take that money and advance it again to the General Land Office, so that for one appropriation of $50,000 or $100,000 they were getting a preference in a way that we thought was not desirable, and this language resulted. I think I have stated that accurately, as it has developed in my mind.

Mr. STAFFORD. My mind is much more vague than the gentleman's as to just what the status of the surveys of the public lands was when I served some fifteen or more years ago on the committee having in charge the legislative, executive, and judicial appropriation bill, which then had jurisdiction over this expenditure. As I recall, there was a disposition upon the part of the members of that committee at that time to try to devise some plan whereby we could complete the surveys of all of the public lands. The gentleman surprises me when he makes the statement that it will require 250 years to make a complete survey of all of our public lands. I did not think at that time, and certainly I do not think now, that we were so far backward in making the survey. Will the gentleman be kind enough to inform the committee as to whether a survey of our public lands is backward in only certain of the Western States, or whether that is more characteristic of the lands in Alaska than in the Western States.

Mr. CRAMTON. If the gentleman will look at pages 115–116 of the hearings, he will find a tabulation that will show the amount of acreage surveyed each year from 1924 on, and in each State, and the amount remaining unsurveyed, up to June 30, 1930. Of course, the statement I have made of 250 years is arbitrary, and perhaps not a well-balanced statement. Their work now is in a considerable part, as the hearings will show more in detail, a correction and checking up of all the old surveys that were not properly made.

Nevertheless, the statement made here shows that in 1924 there were 5,151,000 acres surveyed; in 1925, 3,300,000 acres surveyed; in 1926, 1,900,000 acres surveyed, and in 1927, 3,900,000 acres; in 1928, 1,500,000, and so on—around about 2,000,000 acres a year. Up to June 30, 1930, the total acreage surveyed was 1,304,000,000 acres, and of that unsurveyed 515,000,000 acres, and on the arbitrary calculation of

2,000,000 acres per year would mean 250 years to complete the survey, but that perhaps is not a fair statement.

Mr. STAFFORD. When the gentleman made his first statement I was thinking it provided for original surveys, and not resurveys.

Mr. CRAMTON. The item includes resurveys.

Mr. STAFFORD. Can the gentleman give any information to the committee concerning the public lands of the country? Have all been originally surveyed?

Mr. CRAMTON. They have not all been originally surveyed.

Mr. STAFFORD. Can the gentleman state where there has not been any general survey what proportion has never been surveyed?

Mr. CRAMTON. As I stated, 515,000,000 acres. In addition to these new surveys that I mentioned, about 2,000,000 acres a year of new surveys. There are the old check-ups as well.

Mr. STAFFORD. I notice there are 515,000,000 acres unsurveyed, of which 376,000,000 are in Alaska, while most of the other lands unsurveyed are in the 14 or 15 Western States.

Mr. CRAMTON. Absolutely.

The CHAIRMAN. The gentleman's time has expired. The pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

Registers: For salaries and commissions of registers of district land offices, $82,500.

Mr. CRAMTON. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Michigan.

The Clerk read as follows:

Amendment offered by Mr. CRAMTON: Line 17, page 9, strike out "$82,500" and insert "$84,600."

Mr. CRAMTON. Mr. Chairman, I will only state that the appropriation for the current year and the Budget estimate for 1932 was in each case $88,000. After further consideration we feel that the cut made by the committee was perhaps too deep, and therefore we propose the amendment.

Mr. STAFFORD. I suppose the purpose of the cut is to eliminate some of the registers of district land offices?

Mr. CRAMTON. Yes.

Mr. STAFFORD. Not to lower the salaries of those now existing?

Mr. CRAMTON. No. That is a statutory matter.

Mr. STAFFORD. Has the gentleman's committee considered the propriety of abolishing some of these offices which have very little work, like that in Wisconsin and other States in the West?

Mr. CRAMTON. That is what is involved in the reduction recommended by the committee.

Mr. STAFFORD. The determination of the elimination will be left to the discretion of your committee?

Mr. CRAMTON. Yes.

Mr. TILSON. In last year's bill there was a limitation on the salaries of these registers. I notice that has been dropped out. Have their salaries been fixed by statute?

Mr. CRAMTON. They have been fixed by statute, and it is not necessary to carry further that clause in the law.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Michigan.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For lease, purchase, repair, and improvement of agency buildings, exclusive of hospital buildings, including the purchase of necessary lands and the installation, repair, and improvement of heating, lighting, power, and sewerage and water systems in connection therewith, $225,000; for construction of physical improvements, exclusive of hospitals, $61,000; in all, $286,000, and in addition thereto the unexpended balance for new construction under this head, contained in the act of March 4, 1929 (45 Stat. 1567), is hereby reappropriated and made available for construction of physical improvements until June 30, 1932: *Provided*, That this appropriation shall be available for the payment of salaries and expenses of persons employed in the supervision of construction or repair work of roads and bridges on Indian reservations and other lands devoted to the Indian Service: *Provided further*, That not more than $3,500 shall be expended for new construction at any one agency except as follows: Not to exceed $12,000 for employees' building, Blackfeet Agency, Mont.; $10,000 for employees' building and $20,000 for four employees' cottages, Shoshone Agency, Wyo.; $7,500 for two employees' cottages, Hoopa Valley Agency, Calif.; $8,000 for two employees' cottages, Cherokee Agency, N. C.; $8,000 for three employees' cottages, Zuni Agency, N. Mex.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Wisconsin moves to strike out the last word.

Mr. STAFFORD. I wish to inquire as to the policy of the committee in providing for employees' cottages on the different reservations, and whether the work is current, so far as concerns making provision for needed housing facilities for the various employees on the different reservations?

Mr. CRAMTON. My judgment would be that it is substantially current. I have no doubt that if we had invited from the bureau a list of the buildings needed in the whole field, such a list might have been impressive. On the other hand, I believe they are being taken care of at a satisfactory rate.

Mr. STAFFORD. Then there is no disposition on the part of the committee to refuse to provide housing accommodations where they are needed?

Mr. CRAMTON. No. I do not believe our committee has ever refused an item of that kind. If they were asked, the bureau no doubt would submit a supplemental list that might be impressive.

Mr. STAFFORD. Oh, there is no question as to the power of the bureau to submit a very extensive list if it were known a receptive consideration would be given by the committee.

Mr. CRAMTON. In this particular case I would say that the committee for a time considered the striking out of the provision for $8,000 for two cottages at the Cherokee Agency in North Carolina because there is legislation winding up the affairs of the Cherokees.

But information comes to the committee, and there is quite a feeling on the part of those well acquainted with the conditions, that it is not in the interest of these Cherokees that their affairs be wound up speedily. Hence in another place in the bill, where there was an unexpended balance, the Budget proposed this language in connection with the winding up of their affairs and the allotment of their land:

For carrying out the provisions of the act entitled "An act providing for the final disposition of the affairs of the Eastern Band of Cherokee Indians in North Carolina," approved June 4, 1924 (43 Stat., p. 376), the unexpended balance of the appropriation for the fiscal year 1929 for this purpose is hereby made available until June 30, 1932.

The committee decided not to recommend that appropriation, as we feel that further consideration should be given this subject in legislation. Having taken that action, and in view of the fact that we hope their affairs will not be wound up too soon and being advised that there is real need for these cottages and that they are likely to need them in any event for a considerable period, we have included here the item of $8,000 for employees' cottages for the East Cherokees.

Mr. STAFFORD. Mr. Chairman, I withdraw the pro forma amendment.

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

Not to exceed $160,000 of applicable appropriations made herein for the Bureau of Indian Affairs shall be available for the maintenance, repair, and operation of motor-propelled and horse-drawn passenger-carrying vehicles for the use of superintendents, farmers, physicians, field matrons, allotting, irrigation, and other employees in the Indian field service: *Provided*, That not to exceed $1,000 may be used in the purchase of horse-drawn passenger-carrying vehicles, and not to exceed $125,000 for the purchase and exchange of motor-propelled passenger-carrying vehicles, and that such vehicles shall be used only for official service.

Mr. CRAMTON. Mr. Chairman, I propose at this point to move that the committee rise. Before doing so, I would like to say that I have stated to some two or three Members that to-morrow being Calendar Wednesday, our bill would not be read further before Thursday. Since stating that to those Members, I have talked with a member of the Post Office Committee, which committee has the call to-morrow under the Calendar Wednesday rule, and he is of the opinion that their business will not take the entire afternoon. Of course, no other committee would desire to come in, and, that being the case, I would like to state now that if the business of the Committee on the Post Office and Post Roads under the Calendar Wednesday rule to-morrow is completed so as to leave time, I will move to continue the consideration of this bill.

I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. CHINDBLOM, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (H. R. 14675) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1932, and for other purposes, had come to no resolution thereon.

THE VETERANS' BILL

Mr. SANDERS of Texas. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SANDERS of Texas. Mr. Speaker, under the rules of the House, there is this day a petition on the desk of the Clerk to bring from the Ways and Means Committee H. R. 3493, a bill to provide for the immediate payment to veterans the face value of their adjusted-service certificates, which was introduced in the House on May 28, 1929, by my colleague from Texas, the Hon. WRIGHT PATMAN. I have signed this petition in order that this bill may be brought to this House for consideration at the present session of Congress. This bill provides that the Secretary of the Treasury be authorized and directed to pay to any veteran making application therefor, and upon receipt of his adjusted-service certificate properly indorsed, an amount equal to the face value of the certificate.

In section 2 of this bill provision is made for the issuance of bonds as may be needed to carry out the purpose of the bill. This could easily be accomplished without upsetting or disturbing any financial policy of the administration, and, in my judgment, it would do more to relieve the distressed conditions of the country than many measures which have been proposed here, for it would mean putting into immediate circulation $3,513,745,560, of which amount there is in the Treasury at this time, held as a reserve fund to retire these certificates when due, $748,222,715, which would leave the amount to be taken care of by the bond issue of $2,765,522,845. This indebtedness is a part of the World War indebtedness of the United States and represents the most important part of that indebtedness, for had it not been for the service rendered by these men where would we be to-day? And had not they responded when the country called, what would have been the result of the war? This bill, should it become a law, would put into circulation in Texas approximately $142,306,695.18, and each State in the Union would receive a corresponding benefit. There are 3,478,956 of these veterans residing in every section of the United States. Their certificates range in amounts from $51 to $1,585. These certificates represent a debt which our Government must at some time pay. It is good business for the Government to pay it now because it will be saving money in "the long run." Our other war debt, exclusive of this, was about $26,000,000,000, and it has been reduced to about $16,000,000,000, and if there is to be an extension of debt paying, the extension should apply to this main debt, and there is no reason why it should not apply. Just now we are considering the financial depression and the unparalleled unemployment situation, and this proposed legislation is in direct line to help alleviate that situation.

The Government has been very liberal in many respects. It has been liberal to the railroads of the country. Congress previously appropriated $10,000,000 for a Department of Justice Building here, which is not needed, and $4,750,000 for a Labor Building and a like amount for an Interior Building, the demand for neither being imperative. For refacing the State, War, and Navy Building three million has been appropriated. This was not imperative, nor was it necessary. Many other extravagant and unnecessary appropriations have been made, and the Government is tearing down splendid buildings in Washington not because it is necessary but simply to make the city more beautiful. To the shame of our Government, it has canceled $11,000,000,000 of war debts to keep from reducing our unparalleled tariff bill. Besides the Secretary of the Treasury has refunded since he has been in office approximately $3,000,000,000 to the great corporations and trusts in this country. Had these refunds not have been made, there would be ample money in the Treasury now to take care of these service certificates for the ex-service men. In the Department of the Interior appropriation bill now pending $400,000 is made available for Howard University, a negro institution, with a like amount to be further expended, and for what—a library. Practically all of this vast amount has been expended in the city of Washington. Let the country get the facts and render judgment accordingly.

MUSCLE SHOALS

Mr. GLOVER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of Muscle Shoals.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. GLOVER. Mr. Speaker, ladies and gentlemen of the House, on yesterday evening in this Congress we listened to the address of the gentleman from Massachusetts [Mr. TREADWAY] on the important subject of Muscle Shoals, and in that address he is quoted as using the following language: "I have gone into these details in order to remind the House that Muscle Shoals was conceived in iniquity, deception, and fraud." I am surprised at such language coming from this distinguished gentleman who is ordinarily conservative. Webster defines iniquity as follows: "Deviation from right; wickedness; gross injustice." Webster also defines deception as follows: "The act of deceiving; deceit; the state of being deceived; anything that deceives; a delusion." This same authority defines fraud as follows "Deception with the object of gaining by another's loss; craft; trickery; guile; a cheat."

The developing of Muscle Shoals instead of being conceived in iniquity, deception, and fraud was conceived in the brain of our best men and our greatest statesmen, one of whom was our great President Woodrow Wilson. No man can rightfully charge him with iniquity, deception, or fraud. Some of our greatest men in this Congress are men who have spent a great deal of thought and have given much time to the investigation of Muscle Shoals and no thought of iniquity, deception, or fraud has ever entered their minds in my opinion, nor is there any such thing reflected by their records.

The motive for development of Muscle Shoals was that it might be used in time of war as a defense to this Nation and to be used for the developing or making of nitrogen to be used in making fertilizer in time of peace.

The highest duty of any nation is to prepare for its own defense and that was the purpose in developing Muscle Shoals. We were at war when most of the expenditure of money was made to develop Muscle Shoals. We hope it will not be needed again for that purpose, but who knows? If it is needed we will have it for our defense. Then when we are not needing it for that purpose why let it stand idle and not use it for other noble purposes for which it was

acquired and developed, the making of nitrogen to be given to the farmers at the cost of production, and which, in my opinion, will reduce the price of making fertilizer at least 33⅓ per cent.

High cost of fertilizer is the worst enemy the farmer has to contend with. It is believed by some that there is, if not a trust, an agreement, by the makers of fertilizers whereby they are enabled to get an exceedingly high price for it to their profit, and to the detriment of the farmer.

The operation of Muscle Shoals, which is now owned and controlled by the Government, would at least, if operated in peace times develop the fact of the actual cost of nitrogen and electric power. This is what the fertilizer makers do not want made known.

The argument was made by the gentleman from Massachusetts that it would be putting the Government in business. Whenever there is an attempt to help the farmer in distress by Congress this is the cry that goes up, that it is putting the Government in business. The development of Muscle Shoals and the using of it in times of peace for making nitrogen for fertilizer is far from putting the Government in business, as the gentleman should well know.

We hope that the bill will be out of conference soon and that this great power should be utilized for the good of agriculture in times of peace and be forever kept for our protection in times of war.

INTERPARLIAMENTARY UNION

Mr. MORTON D. HULL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a paper prepared by me for the Interparliamentary Union which met in London last July.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MORTON D. HULL. The Interparliamentary Union was organized many years ago to study all questions of an international character suitable for settlement by parliamentary action.

The first conference was held in Paris, during the World Exposition of 1889, upon the call of an informal meeting in 1888 of 9 English and 25 French parliamentarians brought together through the initiative of William Randal Cremer, British House of Commons, aided by Frederic Passy, French Chamber of Deputies, principally to study the problem of promoting arbitration treaties between the United States, Great Britain, and France. Nine parliaments were repretented.

Twenty-five other conferences have been held at intermittent times, and the Congress of the United States has been represented at each and makes annual appropriations to its budget. Thirty-two parliaments were represented at the London conference by four hundred and fifty delegates.

(The following study of the Paris pact has been prepared by Hon. MORTON D. HULL, Member of the Committee on Security, for a committee of the American group and approved by the committee. This committee consisted of Senator CAPPER, Senator CONNALLY, Representative KORELL, Representative BLOOM, and Mr. HULL as chairman. The American group has taken no action on the report of the committee, but has consented to its transmission to the central office of the Union as the conclusion of the committee alone.)

What is the Paris pact for the renunciation of war? It is a treaty between 56 nations, by which each nation makes with all the other cosignatory nations, individually and collectively, two commitments. By the first of these commitments each signatory nation binds itself to each of the other signatory nations to renounce war as an instrument of national policy. Such covenant of renunciation runs to each of the other signatory nations, not merely as a covenant of behavior toward each but as a covenant made to each with respect to behavior toward all other of the signatory nations. A breach of such covenant of renunciation by war undertaken against one becomes therefore a breach of covenant to all the signatory nations. The second of the two commitments outlined in this treaty is the pledge never to seek, except by pacific means, the settlement or solution of disputes of whatever nature or of whatever origin, which may arise among them. This is a positive commitment made by each to each and to all of the other signatory powers, not merely pledging an attitude and an approach to the settlement of differences arising between each covenanting party and each of the other covenanting parties, but in respect to differences arising between any of them. That is, a breach of the covenant to seek pacific means of settlement in a dispute between any two States becomes a breach toward all.

In other words, the treaty is not a collection of bilateral treaties, all bundled into one. It is rather a multilateral treaty in which each State is concerned in the strict observance of the covenants of the treaty by all the signatory powers in their relation to each other. This concern of each State in the relations of others is predicated on the conviction that war anywhere in the world affects all.

To the simple and direct covenant of the treaty itself there must be added certain interpretative documents in order to determine its full meaning. First among these is the report from the Senate Committee on Foreign Relations accompanying the treaty when reported to the Senate.[1]

This report expresses the understanding that the right of self-defense is in no way curtailed by the treaty, and that each nation is the "sole judge" of what constitutes the right of self-defense and of the necessity and extent of the same.

The report also contains this paragraph: "The United States regards the Monroe doctrine as a part of its national security and defense. Under the right of self-defense allowed by the treaty must necessarily be included the right to maintain the Monroe doctrine."

Following the interpretative reference to the Monroe doctrine contained in the Senate committee report, we take note of the interpretative reference made in the communication of the British Minister of Foreign Affairs, Sir Austen Chamberlain, in which he said: "There are certain regions of the world the welfare and integrity of which constitute a special and vital interest for our peace and safety. Their protection against attack is to the British Empire a measure of self-defense. It must be understood that His Majesty's Government in Great Britain accept the new treaty upon the distinct understanding that it does not prejudice their freedom of action in this respect." This has been called a British Monroe doctrine. If the American Monroe doctrine is to be read into the treaty, the British Monroe doctrine, commonly interpreted in the United States as applying to Egypt, must also be read into it.

There must also be read into the treaty the understanding expressed by the correspondence between Secretary Kellogg and the representatives of several of the league states, that wars waged against a covenant-breaking state under the covenant of the League of Nations, or under the treaties of Locarno, or under any of the treaties of defensive alliance made by France, are to be treated as defensive wars and not therefore in violation of the treaty.

What, then, does this pact of Paris with these interpretative understandings read into it mean?

The simplicity and directness of the pact, its lack of defined sanctions, have stirred great interest in it on the part of many people. It is predicated on an attitude of honor and moral force in the world, which is viewed somewhat cynically by many. Will it work, especially in view of the fact that the Senate report has read into the treaty a statement that the right of self-defense carries with it the right to be the "sole judge" of the necessity of self-defense? The answer to this question can be told better years hence than now. Any answer to this question now is a matter of opinion, and opinions are many and of wide variety.

The treaty has been spoken of by a distinguished Senator (Senator CLAUDE A. SWANSON) as "a friendly gesture for peace," but as a peace pact likely to be "ineffective and disappointing." It has been referred to by a distinguished teacher of international law (Prof. Roland S. Morris, University of Pennsylvania, in Proceedings of American Society of International Law, April, 1929) as "not a lawmaking treaty." This distinguished lawyer says:

"While it condemns aggressive war and allows defensive war, it deliberately avoids the one thing necessary to make it a legal obligation, and that is an agreed definition which can be legally applied to what is meant by defense and by aggression. It is a solemn and vastly important declaration of intention and policy, but it is far inferior in legal effectiveness to the Locarno treaty of mutual guaranty which does in fact define the right of self-defense, or to the provisions in the covenant of the League of Nations, which specifically outlaws all wars except (and here is material that the law can grip) those sanctioned by the League

[1] With reference to this report, it may be said that opinion varies as to the significance of a report in qualifying a legislative act. Prof. Quincy Wright on this subject says (p. 2671, vol. 70, CONGRESSIONAL RECORD):

"With respect to interpretation it seems both reasonable and in accord with practice to regard treaties between two or a small number of states as analogous to contracts, while multilateral law-making treaties bear more resemblance to statutes. The latter analogy seems especially applicable to multilateral treaties open to general accession, since the acceding states are usually officially cognizant only of the text and formal reservations and can not be supposed to have accepted interpretations suggested in the preliminary conversations of the original negotiators.

"The Kellogg Pact is not in precisely this class, because even the acceding powers have, though rather informally, been apprised of the preliminary correspondence. Thus it can not be said that the interpretative notes are without weight. * * * It is believed, however, that they are to be treated merely as evidence of the sense of the text and not as modifications of or exceptions from it, or even as conclusive interpretations."

Council against a state which violates the guaranties of the covenant."

However, another equally distinguished student of international law (Prof. Joseph P. Chamberlain, Columbia University, Proceedings of the American Society of International Law, April, 1929, page 92) speaks very specifically of the covenant to seek pacific means of settling international differences as a "binding legal obligation."

"It is an agreement between all of the nations which we hope will eventually become parties to the pact. That means that we have a right to ask the reasons for any war that is threatened or that begins between any two nations which have signed this agreement. That means that no war between any of the parties who agree to the pact, is a happening to which we are legally strangers."

The authority we are now quoting argues that the right to ask questions of a belligerent power carries with it the obligation to answer on the part of the belligerent power and the right to judge the answer on the part of the inquiring state.

The notes addressed to Russia and China over their troubles growing out of the Siberian Railway would seem to constitute a clear recognition of the right to make friendly inquiry of a nation which is apparently contemplating war.

While the state which is planning war or beginning war may have the assurance of the Senate report that it has the sole right to determine whether what it is doing or planning to do is of a defensive character, such sole right would seem somewhat illusory, and not conclusive of the matter, any more than in the case of an individual who, finding himself under the threat of attack which he believes threatens his life, kills the antagonist. Such individual has indeed the sole right to judge of the necessity of self-defense, but always subject to the review of the courts as to the good faith and need of the measure of defense adopted. The sole right to determine the necessity of defense, said by the Senate report to be reserved to each signatory, would therefore seem to be of a limited character because subject in a sense to the judgment of world public opinion.

Another distinguished lawyer in the field of international relations (Harold C. Havighurst) calls attention to the fact that many arbitration treaties of the past have reserved from their scope "questions of vital interest and of national honor, and domestic questions," with the right reserved to determine what questions come within this reservation. Surely, it is said, one can not say that such a treaty of arbitration with such reservation is without legal effect.

Another distinguished lawyer, Charles Evans Hughes, speaking of the pact, says (quoted in Proceedings of the American Society of International Law, April, 1929):

"Whenever there is a reasonable ground for seeking a pacific solution, the opinion that demands that solution is now armed with what is believed to be a national obligation involving the good faith and honor of the entire people. That is an enormous gain, and personally I care very little whether it is legal or moral."

Concerning the absence from the pact of any sanctions for its enforcement it has been suggested by a distinguished critic of the pact (David Hunter Miller, The Pact of Paris, p. 133) that a breach of the pact would be a breach of the covenant of the league, and the sanctions of the covenant would come into play—by the states members of the league—and that, while the United States does not pledge itself to become a party to the application of such sanctions, the possibility of our cooperation in the application of them is very definitely suggested in the provision of the preamble of the pact, that "Any signatory power which shall hereafter seek to promote its national interest by resort to war should be denied the benefits furnished by the treaty." This, it has been suggested, is a significant and cautionary reminder to any state seeking to avoid pacific settlement of an international issue. It suggests to the possible violator of the pact the possible partial or complete joinder of the United States with the league states in some form of sanctions, a possibility which may be just as effective because not known and specified in advance.

It would seem reasonable, however, that the attitude of the nations not parties to the league covenant should be made known, at least to some minimum degree, by some positive declaration in advance. Dr. Nicholas Murray Butler declares (quoted in the Proceedings of the American Society of International Law, April, 1929):

"Neutrality disappears, since no nation signatory to the pact of Paris can be neutral, that is, indifferent, when that solemn pact is broken by another signatory. Freedom of the seas, that highly important and once most contentious question, disappears likewise. The seas become free as a matter of course and without further debate when war is renounced as an instrument of policy."

Yet the issues of the freedom of the seas and of neutral versus belligerent rights are still clouds on the horizon until specifically disposed of. There is a profound understanding of human nature contained in the remarks of Ramsay MacDonald in his recent Guild Hall speech, that "Such questions as the freedom of the seas arouse at once old feelings, old cares, old points of view, and once again public opinion takes the old position." This may be reason enough for omitting the subject of the freedom of the seas from the coming naval conference, but sooner or later the problem must be met.

It would seem that the frank discussion of these issues may begin now. Does the pact make necessary a reconsideration of the former concept of neutrality? Of course, questions of the freedom of the seas and of the right of neutral powers to trade with a belligerent present the same problem approached from different directions.

Under the concept of neutrality heretofore accepted, nonbelligerent governments are required in time of war to be absolutely neutral and to abstain strictly from any act that will give aid or comfort to any belligerent. Yet the nationals of a neutral state are permitted to trade in munitions of war and other articles, subject only to capture by the nations at war with the nation to which the goods are being shipped. With the details of what constitutes contraband and what constitutes a proper blockade we are not concerned, except that the lack of definition in both cases has resulted in many misunderstandings.

With the coming into force of the covenant of the League of Nations with its Article XVI, there has undoubtedly come a modification of the former concept of neutrality for those states which are members of the league, with reference to those wars which are deemed defensive wars against an aggressor state. For wars arising out of the inability of the council to make unanimous decision and not provided for under the league covenant, it would appear that so far as neutrality is concerned the former doctrine of neutrality continues. Also, for states not members of the league, the former doctrine of neutrality remains untouched by the league covenant.

With the acceptance of the pact of Paris by nearly all the states, including those not members of the league, a new situation has developed. All have renounced war and pledged themselves to seek a pacific settlement of their differences. The covenant of renunciation runs to each as to the conduct of each toward all. Can a country not directly a party to the war permit, under those circumstances, its nationals to trade with a covenant-breaking state?

What would be the consequences if it did permit its nationals to engage in such trade as against the protest of a belligerent itself the victim of an aggression? Of course, it is impossible to anticipate the answer to a variety of questions which may arise. A question may arise as to whether an aggrieved state may urge a claim for damages against a state countenancing such trade on the part of its nationals. Both states have accepted the Kellogg pact. The theory on which such a claim for damages would rest would be that the state permitting its nationals to trade with an aggressor state in war materials becomes by such act or failure to act an accessory to the belligerent and wrongful act of the aggressor state, and a participant therefore in its wrongful act. The opposing contention would be that the covenant to renounce war should be construed to apply only to government action, and not to the acts of its nationals. The difference existing in the former conception of neutrality between the restriction it imposed on the attitude of a government and the lack of restriction on the attitude of the nationals of such government would be cited to support this contention. The question at issue, the clear answer to which is not found in the body of the pact, may be approached in a cautious, legalistic way, or in a broader way more in keeping with the purpose and spirit of the undertaking. A wealth of argument, including declarations of parties conspicuous in the consummation of the treaty, may be cited on either side. It may be suggested that the multilateral character of the obligation imposed by the treaty gives it the character of a criminal statute rather than of a contract.

In civil society an act against an individual by another individual, prohibited by criminal law, becomes an offense against all. It concerns not merely the individual who has suffered, but society in general. In a similar way a violation of the Paris pact may be considered an offense against all, in which case the treaty takes on the character of a criminal statute. In this instance a treaty of unusual solemnity and importance has been broken by the aggressor. Whether such act by the aggressor state is an international crime or a breach or contract, its meaning will be found not merely in fine-spun theories of the legalistic mind but in the natural assumptions which at the time of the incident attach to a treaty of this unusual importance. There is little question as to what those assumptions would be in the present state of world opinion. They would mold public opinion to the conclusion that the covenant-breaking state was an international outlaw, its aggression an international crime, and the action of any state permitting its nationals to trade with such aggressor state, particularly in arms and munitions of war, a participation in the wrongful acts of the outlaw state. And any neutral tribunal might conceivably so decide. Whatever the conclusion of such a tribunal, it would seem that the application of a discriminatory embargo against a covenant-breaking state would not be an unneutral act, and would not subject the state enforcing such an embargo to a claim for damages coming from the state discriminated against.

Under the circumstances it is clear that neutrality as previously defined in international law must be abandoned altogether or redefined in terms that will be fitted to modern conditions in the associated life of nations.

Notice may here be taken of the fact that in the early days of the history of the United States as a government, in the presidency of George Washington, the Government of the United States did put some restrictions on the right of the individual citizen to give aid and comfort to a belligerent. The statutes of the United States passed in 1794 and still in force prohibit a citizen of the United States from enlisting or accepting a commission in the military service of a foreign country, at war with a country with which the United States is at peace, or augmenting the equipment of a foreign warship in United States ports.

In any redefinition of neutrality or movement toward its complete abandonment, the effort will be to make the rights and duties of nationals more consistent with the rights and duties of the governments themselves.

As evidence that there is a demand that the doctrine of neutrality be recast or abandoned, attention is called to the fact that, almost immediately after the ratification of the Paris pact by the United States Senate, there were introduced into the Congress of the United States four different joint resolutions intended to meet the situation. One is the Burton resolution, reintroduced by Representative FISH, of New York, with modifications. Its proposal is for a more complete neutrality than ever, at least as applied to arms, munitions, and implements of war.

The second resolution, introduced by Representative PORTER, of Pennsylvania, seeks to amend an existing statute for the control of arms shipments to states in which there is civil war. The existing statute authorizes the President, whenever he finds that in any American country, or in any country in which the United States has extraterritorial rights, conditions of domestic violence exist which may be promoted by the use of arms or munitions procured from the United States, to prohibit by proclamation the export of arms to such country under such limitations and exceptions as the President may prescribe.

This statute was passed for the discouragement of the revolutionary groups in our Spanish American states, whose chief activity in the past has been getting up revolutions and who find their chief source of supplies in the United States. Mr. Porter proposes to introduce the words "or of international conflict" into the statute, so that it will read that whenever the President finds that conditions of domestic violence or of international conflict exist in any country the President shall have the embargo power on arms and ammunition to such country, with such limitations and exceptions as the President prescribes. This phrase, "such limitations and exceptions as the President prescribes," apparently permits a discrimination as to the articles of warfare which may be the subject of the embargo and the State or parties to which their exportation is prohibited.

The third and fourth of these resolutions are the Korell resolution, introduced by Representative KORELL, of Oregon, and the Capper resolution, introduced by Senator CAPPER, of Kansas. Both provide that whenever the President by proclamation declares that a country has violated the Kellogg Pact it shall be unlawful to export to such aggressor state arms, munitions, and implements of war, and the Capper resolution adds, "other articles for use in war." Of these two resolutions it may be noticed that they are not resolutions of neutrality, since the embargo applies only to the aggressor nation. They represent a complete departure from the concept of neutrality. It would, under either the Korell or Capper resolutions, be perfectly proper for the nationals of the United States of America to furnish arms, munitions, or implements of war to a country attacked by an aggressor. If it be said that it is sometimes difficult to determine the aggressor state, friends of these resolutions answer, "This, indeed, might have been so at one time, but with the various treaties of arbitration and conciliation and provision for judicial review before the Court of International Justice, this difficulty no longer exists. The aggressor nation," it is contended "is obviously the one which, being committed to some such scheme for peaceful settlement, refuses to use it."

The Capper resolution differs from all the other resolutions in one respect. It not only provides for an embargo on arms, munitions, and implements of war, but it also provides that it will be the policy of the Government to treat all other articles for use in war exported to such covenant-breaking state as contraband and subject to capture. And it invites agreement with other states to the like effect, apparently in duplication of the provision of Article XVI of the covenant of the league.

These resolutions are referred to not for the purpose of considering their merits. They evidence a feeling of a considerable number of the Members of Congress of the need of a reconsideration of the subject matter to which they refer. Without undertaking here a redefinition of neutrality or approving any of the plans for its modification, it seems reasonable to assume that it will be extensively reexamined in the direction of a cooperative effort for the discouragement of war.

The simplicity of the Paris pact and the lack of any implementation to enforce its covenants has brought forth from distinguished American commentators the suggestion that there should be negotiated some treaty among the nations party to the pact for a plan of conference and adjustment of any difficulty that can not be settled by the ordinary methods of diplomacy. We quote at length from Mr. Charles Evans Hughes's address before the American Society of International Law in April, 1929. Mr. Hughes said:

"Our Government is not a member of the League of Nations and can not participate as a member in its activities. It may, however, appropriately take part, and has always been ready to take part, in international conferences in the interest of peace. When a few years ago we were dealing with difficult situations in the Far East, there was negotiated and ratified what is called the 4-power treaty between the United States, the British Empire, France, and Japan, in which it was agreed that if there should develop between any of the parties a controversy arising out of any Pacific question and involving their rights, as stated, which was not satisfactorily settled by diplomacy * * * they should invite the other parties to a joint conference to which the whole subject would be referred for consideration and adjustment. It was also provided that if such rights were threatened by the 'aggressive action of any other power' the parties should 'communicate with one another fully and frankly in order to arrive at an understanding as to the most efficient measures to be taken, jointly or separately, to meet the exigencies of the particular situation.'"

Curiously enough, Mr. John W. Davis, former ambassador to Great Britain and Democratic Party candidate for the Presidency in 1924, has suggested the same idea, apparently without concert with Mr. Hughes.

Mr. Davis says:

"There must be introduced, in short, into the rest of the world the principle established for the Pacific area by the 4-power treaty of 1921, that of joint conference for consideration and adjustment." (Foreign Affairs, April, 1929.)

In this connection we also call attention to a statement made by Mr. Hoover in his Armistice Day speech:

"What we urgently need in this direction is a further development of methods for reference of unsettled controversies to joint inquiry by the parties, assisted by friendly nations, in order that action may be stayed and that the aggressor may be subjected to the searchlight of public opinion."

If war anywhere affects all nations, then it follows that all nations have a common concern in its prevention. The suggestion, therefore, of conference for consideration and adjustment seems to point the way to interesting and desirable developments. Community of interest should lead to community of action.

Mr. MORTON D. HULL. Mr. Speaker, I also ask unanimous consent to extend my remarks by printing in the RECORD an address delivered by me at the meeting of the Interparliamentary Union in London last July.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The address is as follows:

Briefly reviewing the suggestions contained in the report of the American committee, we note that the pact of Paris for the renunciation of war is a covenant of each signatory nation to all the signatory nations with respect to behavior toward any of the signatory nations, so that a breach of the pledge to renounce war as an instrument of policy and to seek only pacific means of settlement of differences with other nations is a breach toward all the signatory nations. Each has an interest in the behavior of all. As a corollary we hold that each and every nation signatory to the pact has a right, without violating international courtesy, to make friendly representation to other nations that are parties to the pact and that are threatening war and to inquire of them the causes of their differences. Of course, the right to make friendly inquiry about a matter that concerns all includes the right to expect an answer and to sit in judgment on the sufficiency of the answer.

We noted also in our report that the war renounced by the pact is war as an instrument of national policy—in other words, aggressive war, not defensive war—and that, according to the understandings developed by the correspondence between the signatory States during the negotiation of the treaty, wars waged against a covenant-breaking state under the covenant of the League of Nations, or under the treaties of Locarno, or under any of the treaties of defensive alliance made by France, are to be treated as defensive wars and are not, therefore, in violation of the pact. We noted also under the definitions of defense found in the Senate report the right to maintain the Monroe Doctrine, and in the correspondence with the British Minister of Foreign Affairs the right to maintain certain regional interests outside the domestic territories of Great Britain as matters of defense.

We have noted also that the right of friendly inquiry arising out of the very nature of this instrument and the right to expect an answer thereto are a limitation on the right to be the "sole judge" of the necessity of self-defense which, by the report of the Senate committee, each state is said to possess.

With this brief statement as to what the pact of Paris is, we proceed directly to the inquiry as to the situation that would arise if the pact be broken. The pact provides no sanctions. There are no express obligations imposed on the signatory nations. It is true that in the preamble to the pact it is provided that any signatory state seeking to promote its national interests by resort to war should be denied the benefits of this treaty. But this is only a threat of sanctions undefined. We have noted also that a breach of the treaty would be a breach of the covenant of the League of Nations. For nations members of the league the course of conduct is apparently charted by the covenant. How far the course so charted will be followed remains to be developed by events.

Does the declaration of Article II of the covenant of the League of Nations, that any war or threat of war, whether immediately affecting any of the members of the league or not, is thereby declared a matter of concern to the whole league, mean anything? Does it express the real conviction of world opinion? Do the people of the United States believe that Mr. Coolidge was right when he said in his Memorial Day speech in 1928, "Whether so intended or not, any nations engaging in war would necessarily be engaged in a course prejudicial to us"? Do they believe that Mr. Hoover was right when in his Armistice Day speech of last November he said, "From every selfish point of view the preservation of peace among other nations is of interest to us"?

These questions addressed in my own country to the man on the street would probably elicit an answer somewhat as follows: "Yes; war anywhere probably does affect all, but not in the same degree. Why, therefore, should we be drawn into these affairs when they concern more directly remote parts of the world?" He will admit academically that war anywhere affects him, but the thought lacks graphic significance to him, and he probably is right when he says that war anywhere does not concern all equally. When, therefore, we say in the report of the American committee that neutrality as previously defined must be abandoned altogether or redefined in terms that will be fitted to modern conditions in the associated life of nations we are inclined to the alternative of a redefinition. The abandonment of neutrality is something that to the layman means belligerency. He has no alternatives between them, and he does not care to see his country drawn into war in matters that primarily affect others. It is this consideration that has prompted one commentator to suggest the recognition of a new status for a nation not party to war—a form of neutrality, but not neutrality as previously known, viz, partiality.

It was this consideration that prompted the suggestion in the report of the American committee that the application of a discriminatory embargo against a covenant-breaking state would not be an unneutral act. It would be an unneutral act under past definitions. But if a breach of the pact of Paris toward one is a breach toward all, it would seem that third-party states whose right to have others keep faith has been broken might at least, without inviting a claim for damages against themselves, place a discriminatory embargo against the covenant-breaking state.

The covert threat of the preamble of the pact of Paris that any nation violating the pact of Paris "should be denied the benefit of this treaty" points to the need of some such action on the part of the nations which are parties to the pact. We are not considering what action the rest of the world who are parties to the league covenant may take under its provisions. What action may the nations who are parties to the pact of Paris take? The benefits of the pact of Paris are the assurances of friendly relations in the world community of nations.

If a nation violates the treaty and becomes an aggressor against a neighboring nation, it has been amply advised by the preamble to the pact that other nations to the pact are absolved from the obligation of friendly intercourse.

It may be said, too, that this interesting declaration in the preamble points the way of duty to the neutral states to deny to the aggressor state access to its markets for the purpose of supplying itself with the essential materials of war, or, indeed, with any materials in war, where "contraband" is all inclusive.

This duty may be stated as a moral duty. It seems to me that it may well be stated as an international obligation, whether legal or moral, of binding force, built upon the common world-wide conception of the pact of Paris as an agreement to outlaw war—an obligation which can not be shunted or put aside by any casuistry of the legalistic mind; an obligation which, whether you call it moral or legal, is compelling and can not be evaded and which in the long run marks the way of self-interest.

In conclusion, permit me to say that the states which are members of the League of Nations have fairly definitely charted their course in case of the outbreak of war by the provisions of Article XVI of the covenant of the league. As to states not parties to the league, and particularly my own country, I may say that the pact of Paris charts a course of conduct more by inference, perhaps, than by express terms, and that that course of conduct runs parallel with, if it does not coincide with, the course charted in the league covenant.

It would be well, perhaps, if that chart might be more explicitly defined, but I see no early promise that it will be.

To the thoughtful and orderly mind interested in the building up of a complete scheme of international relations that shall keep the peace among the nations, the pact of Paris may seem a very feeble and faulty document. Perhaps it is, but as in the case of the development of the individual, it is sometimes more important to know in which direction he is headed, than where he is at any particular time. So I think we may look at the pact of Paris, and the covenant of the league, and the Locarno treaties, and the permanent court as significant indications of the way the world is headed, and find our satisfactions in helping on the effort for a world better fitted for the more abundant life of mankind, than the warring world of the past.

REPEAL OF OBSOLETE STATUTES

Mr. FITZGERALD. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 10198) to repeal obsolete statutes and to improve the United States Code, with Senate amendments, and agree to the Senate amendments.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

Mr. CRAMTON. Mr. Speaker, reserving the right to object, which I do not anticipate doing, I would like to ask if the Senate amendments add to the bill?

Mr. FITZGERALD. They subtract. The Senate amendments strike out 26 and add 4 sections to the bill. The bill as passed by the House provided for the repeal of 98 obsolete sections. The bill was checked by the legislative counsel in the Senate, and, an illustration of some of the sections which the House agreed to repeal, which the Senate would not agree to, are sections relating to the conduct of Indian agents. The department thought that as we no longer have any Indian agents, all the duties now being performed by bonded superintendents, all of those statutes are like "pictures left hanging upon a wall which has been torn down," and that they should be repealed, but, in extreme caution, the legislative counsel of the Senate said it was questionable whether they should be repealed or not, so we acquiesce and make progress by repealing the lesser number of sections on which we agree. There are four substitutions.

Mr. CRAMTON. This is the only bill of this kind that has recently come out of the gentleman's committee?

Mr. FITZGERALD. This is the first of a prospective series. This is the first and only one.

Mr. CRAMTON. I had the impression that one became law last session.

Mr. FITZGERALD. No. It was reported favorably by the Committee on the Judiciary of the Senate, but was not passed until last Wednesday, December 3.

Mr. GARNER. Reserving the right to object, may I ask the gentleman if this is a unanimous agreement on the part of the conferees of the House?

Mr. FITZGERALD. There were no conferees. The House committee met and agreed to the Senate amendments. It is quite a complicated matter, but I can go into it if you desire. It will take possibly a half an hour to analyze the amendments.

Mr. GARNER. How does the gentleman get the bill back to the floor of the House without some kind of a conference report?

Mr. FITZGERALD. By asking that the House agree to the Senate amendments. It has been before our Revision of the Laws Committee.

Mr. GARNER. And this is a unanimous report from the gentleman's committee?

Mr. FITZGERALD. This is a unanimous report from our committee; yes, sir.

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

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. FITZGERALD. Although there are thousands of sections of the statutes that should be repealed, we must go slowly, and if the advisability of any suggestion is disputed or questioned we must yield to make progress.

On March 3, 1927, two days after the United States Code became available, I called attention of the House to the desirability of repealing a mass of obsolete and redundant matter in the statutes which serves no purpose and confuses one resorting to the Code for information.

During the past two years protest has increased in the public press of the country against the great number of useless laws. The retention of laws which no longer have force and are rubbish is deplored. In my own State of Ohio, Hon. Gilbert Morgan, a member of the legislature and an able and industrious lawyer, secured the passage of bills in 1927 and 1929 repealing 1,054 obsolete superseded statutes. I quote from his statement of June 29, 1929:

In 1910 Ohio passed a General Code. It took the place of the Revised Statutes (official edition), 1880, and other private editions. Ohio's first compilation of laws was published by Chase in 1833. The General Code was the result of the work of a codifying commission. It was passed as one act, and by it were repealed all other laws. It contained no new laws, although rearrangement changed the text and sometimes the meaning. For a few hours the State had in four volumes its entire statute law. Then the amendments began and have been going on ever since.

Urged forward by the societies and associations for this and that, the lawgivers of each State are inveigled and exhorted into passing many bills. The grist of acts not only complicates the situation, but most of the sponsors of projects do not take the pains to inquire whether their ideas are already in the form of laws. Conflicts and discrepancies make no difference. On with the dance, let law be unconfined. The results are that Ohio, like all States, carries a large amount of waste and useless material on its books. This does not concern the proponent of law, because he

never reads anything he himself does not advocate. The practitioner chooses the few sections of the code that he needs and does not read the rest.

A great deal of the time of the courts is spent in trying to unravel the snarl of conflicting statutes. Students of legislation talk about the situation, but as yet nothing has been done to remedy it. Changing conditions render obsolete many sections. Unless repealed, such worn-out regulations remain effective.

It would be easy to repeal large portions of the codes were it not for the fact that many enactments refer to existing sections. The enterprising publisher of Ohio's 1-volume code has printed at the bottom of each section cross reference to former analogous sections and to all other sections where mention is made of that section. This makes it possible to repeal laws without jeopardizing other sections.

In 1927 a bill was introduced by the writer to repeal a considerable number of laws. When passed it did away with 201 sections. In 1929 another bill passed repealing 853 sections. Already data for a bill is being collected for 1931 to repeal still more, and another one to take care of conflicts between various laws. Where courts have found sections to be unconstitutional in part the writer will propose in each case the rewriting of the section to make it constitutional.

This work is all being done by the writer with the help of practicing lawyers and members of the general assembly. Continual revision would make Ohio's the best code in the United States. It is becoming popular among judges and lawyers. It does not benefit them as much as the general public. When the constituents ask their representatives and senators what aid they are giving in this task it will make it easier.

A newspaper recently called a member a "100 per cent legislator," because all his bills had become law. One of the first duties of each member should be to make more perfect the entire body of laws. The voters can easily accomplish that. If it means votes for a candidate to be useful, he will be, even though he might have to do a little real work.

When legislative bodies take pride in the result of their sessions, then, and only then, will we have results. Till now there has been little esprit de corps.

I have certain editorials, articles, and quotations relative to the repeal of obsolete laws and the need for the development of a system to state the laws simply and accurately. I read the following editorials from the Washington Post of May 21, 1929, and from the Washington Evening Star of June 12, 1929:

NEW YORK, May 21.—Gov. Harry F. Byrd, of Virginia, proposed a new kind of reform to-day at a luncheon of the downtown association when he suggested a session for every legislature for the sole purpose of repealing unnecessary laws.

The luncheon was given in Governor Byrd's honor by the National Institute of Public Administration, with Raymond B. Fosdick presiding.

"Good morals, I believe, would not suffer," said the Virginian; "good order would be better preserved, and good will of the citizen for his State would be increased if we could have one session of every State legislature at which no law would be passed except to repeal unnecessary existing laws."

In the various States the legislatures now closing up their sessions and adjourning have enacted many statutes, but it is safe to say that few old and useless or even harmful laws have been repealed by them. Consider, for example, the disgraceful conduct of the Illinois Legislature, which is about to adjourn after having refused pointedly to repeal either the Small immunity law or the Crowe law prohibiting the naming of special prosecutors in times of manifest need.

Governor Byrd of Virginia, one of the able, vigorous, and independent State executives, has made the pertinent suggestion that the legislature of every Commonwealth in the Union be called together in special session for the sole purpose, expressly stated in the call, of overhauling the statute books and repealing every law that has outlasted the conditions which dictated its enactment or that ought to be wiped out for any other reason.

That there are many such obsolete or injurious statutes everybody recognizes. That it is difficult to get rid of them at an ordinary session is equally well known. The experiment proposed by the Virginia executive is worth trying. A repeal session would focus the attention of the whole State upon the negative task of clearing and straightening out a deplorable mess of statutory ambiguities, inconsistencies, absurdities, and rascalities.

Governor Byrd should set an example to his fellow governors by calling a session of the Virginia Legislature for the beneficial purpose in question.

I quote in addition two editorials, one from the Dayton Herald, of my home city, Dayton, Ohio, dated Tuesday, June 18, 1929, and another from the London Daily Mail of October 2, 1929, as follows:

AMERICA'S LAWMAKING MACHINES

Discussing the suggestion of Governor Byrd, of Virginia, that a special session of all legislatures be called for the purpose of repealing obsolete and unworkable laws, the New York Post observes:

"It is a formidable fact that the laws may die, but they rarely disappear. There are hundreds of enactments written into statute books that have lost all point and application and are no more than curious monuments to vanished conditions. Yet they are still on the books and still the law, and once in a while they rise from their graves to cause confusion and annoyance. No real attempt has been made to lay these ghosts of the past."

In indorsing these sentiments, the Detroit News says:

"It is hardly necessary to say that we are heartily in favor of Governor Byrd's suggestion, although we realize that there are mighty few legislatures that can be trusted to do a first-class job of pruning, as most of them have made a specialty of 'loading up' the statute books and would probably take advantage of a special session to prove their theory that no law is so defunct that it can't be resuscitated and made to work by an injection of Doctor Bunkum's famous legislative serum. Instead of pruning the statute books they would want to do an extensive job of grafting and tinkering, the inevitable result of which would be an intensification of the evil from which most civilized societies are now suffering.

"In some remarks which he made just before he retired from the Senate, that keen-eyed and courageous analyst of our social and political conditions, James A. Reed, said:

"'We have written upon the statute books of this country over 600,000 laws, and the Federal Government alone has in excess of 10,000. We have forbidden so many things that it is probable that not a single human being over 10 years old has not violated some statute law.'

"There is something to bite on in that statement."

This country has passed beyond the canal and the horse-and-buggy stage of development. It has largely left poverty and destitution behind and given to every child in the country an increased opportunity for better education. Only the law lags with its two chief weaknesses—its quantity and its quality. It is at the root of the crime problem, and it gnaws away at the stalk and trunk of progress. It frequently makes innocent lawbreakers of people who want to try to be good citizens, and at the same time it permits criminals to escape their dues and deserts.

America has too many laws and too little justice. It is the victim of mass production. The session advocated by Governor Byrd would be both timely and productive.

In his presidential address to the Law Society at Bournemouth yesterday Mr. W. H. Foster maintained that Great Britain is suffering "acute indigestion" from "a surfeit of legislation." The output in recent years, he said, had been abnormal, and the public wanted to see it diminished.

To deal with this situation he put forward some suggestions of an exceedingly drastic kind, which, so far as women are concerned—and they are now more than half the electorate—would never receive their support. But as to the general truth of his contention there can be no doubt whatever. Only 10 days ago at the Friendly Societies' conference Mr. Seabrook declared that "what was sadly needed in the realm of national health-insurance legislation was a rest." And last year a well-known shipowner called for "a holiday from legislation which is usually costly both to the Nation and the industries it is intended to benefit."

What makes the surfeit of laws in Britain yet more indigestible is, as Mr. Foster said yesterday, "the avalanche of ministerial orders, rules, regulations, circulars, and memoranda" which are showered upon our unfortunate farmers and our manufacturers. In most cases the intentions are of the best. The officials, who in one of the worst crises of agriculture, issued first the ideal cowsheds order and then the veto on preservatives in cream and butter, had unexceptional aims. But they forgot the limited means and manifold difficulties with which the British farmer was struggling; and the direct effect of their well-meant interference was to hit him hard and bring bankruptcy on quite a number of his order.

In certain communities, notably in many of the State governments of the United States, special restrictions are placed on the legislatures to prevent the nuisance of too much legislation. They are only allowed to meet once every two years, and even then their sessions are limited to a comparatively small number of days. No one has yet suggested such a restriction in Britain.

I quote in addition from the Washington Post of January 1, 1930, the following editorial:

OBSOLETE LAWS

Representative FITZGERALD, of Ohio, is sponsoring a movement to expurgate all obsolete laws from the Federal statute books. His proposal is akin to that of Governor Byrd, of Virginia, that each State hold a legislative session for the exclusive purpose of repealing useless laws. It does not appear practical to suggest an extra session of Congress for that purpose, but Mr. FITZGERALD is working out a plan for gradually sifting out the rubbish from the national code of law.

As chairman of the House Committee on Revision of Laws he has introduced a bill providing for repeal of nearly 150 obsolete statutes. These enactments apply to the War, Navy, and Interior Departments. Since they tend to confuse and complicate affairs, heads of the three departments are supporting the bill. A number of executive offices have been cooperating with the committee in searching out useless statutes. Mr. FITZGERALD expects to secure agreement to the repeal of approximately 2,000 laws which have outlived the reasons for their enactment. He has undertaken a compilation of all sections of the Code which ought to be repealed.

In spite of the willingness of some departments to be rid of their excess baggage, Representative FITZGERALD notes a "sort of fetish worship of old laws." Revocation of hundreds of statutes

that are inoperative is opposed because of a feeling that some day they might be useful for some purpose. Innumerable measures which could never be enacted at present will remain on the books as testimony of this fetish. But the worst rubbish can be cleaned out and the Committee on Laws is to be commended for attempting it.

This effort at wholesale expurgation is the entering wedge of the committee's campaign to codify the Federal statutes. The existing code is a cumbersome welter of overlapping laws. Representative FITZGERALD estimates that if it were rewritten its substance could be expressed with infinitely greater clarity in one-half the number of words. The committee hopes to prepare a code that will couch every law in simple, clear language, and which can be kept up to date as new laws are enacted. The saving of time, money, and litigation that such a code would make possible can hardly be overestimated.

This project has special significance just now when the whole country is wrought up over law enforcement. The committee has set for itself an enormous task. It should have full cooperation from both Congress and the executive departments.

I read also an editorial from the Washington Post of October 24, 1929, another editorial relating to "Wiping Out Useless Laws," as follows:

The idea of a special session of all State legislatures to weed out all unnecessary, obsolete, and unwise statutes is gaining momentum. Governor Byrd, of Virginia, advocated such a session several months ago at a dinner given in his honor by the National Institute of Public Administration. "Good morals would not suffer," he said, "good order would be better preserved, and good will of the citizen for his State would be increased if we could have one session of every State legislature at which no law would be passed except to repeal unnecessary existing laws."

The suggestion was favorably received throughout the country. It has won the support of the American Bar Association. At the convention of the association in Memphis Guerney E. Newlin, president, appealed to State legislatures to end their "orgy of lawmaking" and devote one session to clearing their statute books of rubbish.

The universal demand that legislatures confine themselves to "necessary" laws has had little effect on the legislative output because of the loose interpretation of the word "necessary." It is estimated that 40,000 new laws are added to the books of Federal, State, and city governments each year, and that the total reaches 2,400,000. Vigorous attempts have been made to remedy the situation, but they usually result in a new codification of statutes without discarding the chaff or in attempts to hold the new output to a minimum. The Vermont Legislature, for example, enacted almost no new legislation this year. Its session was the shortest for 27 years. But the legal rubbish was allowed to remain intact.

The legislatures can not be expected to modernize the legal structure of their State unless a special session is devoted to that purpose. The demands for consideration of thousands of petty schemes preclude any serious consideration of retrenchment in the regular sessions.

Another proposal intended to rid the States of superfluous laws is that a time limit be included in every law. Under this plan every law would be repealed automatically within a certain time, 20 years, for example. If would not be difficult to reenact statutes which had proved their worth in operation, and a rule could be adopted providing that a second enactment would assure such measures of a permanent place on the books unless specifically repealed.

When the legislatures take time off from their "orgy of lawmaking" and accept these suggestions they will make a great contribution to the cause of law observance.

I now read an editorial from the New York Times of February 16, 1930, entitled "Soft and Woolly," as follows:

The conclusion is irresistible that, if Abraham Lincoln in his time succeeded in doing so much for himself and for others, one reason was that he knew how to get out of the English language effects other than those of a pair of carpet slippers on a newly varnished floor. When he wrote it was not as if in a dream, and when he talked it was not as if on a bet. The comparison is not necessarily between to-day and the Gettysburg Address. In 1849 Lincoln wrote a letter on the extremely prosaic subject of a political job, and this is the way he put it:

"DEAR SIR: It is now certain that either Mr. Butterfield or I will be Commissioner of the Land Office. If you are willing to give me the preference please write me to that effect, at Washington, whither I am now going. There is not a moment of time to be lost. Yours truly."

Can you imagine any politician to-day lining up for a job worth more than $300 a year, in 50 words? If Lincoln were writing in the manner nearly everybody does nowadays, he would have begged to inform his correspondent that his attention had been called to the fact that a vacancy had occurred in the position of Commissioner of the Land Office, and that yielding to long and ultimately irresistible pressure from his friends he had reluctantly consented to avail himself of the opportunities for service in connection with said post of Commissioner of the Land Office in consideration of the contemplated organization of methods of cooperation for the preparation of the inauguration, etc.

WORDS

One of the principal things that are wrong with our law enforcement is just plain verbiage. Judges use five words where one would do, and lawyers use 25 words—long ones. Expert opinions run on for hours. Thirty witnesses are summoned where two would be enough to establish a point. Briefs run to the brief length of a hundred thousand words. It is the same with semi-judicial procedure. In the course of hearings before a Senate committee someone always "reads into the record" a trifle of 600 pages and 180,000 words on grade crossings in the southern parishes of Louisiana. Our public life is increasingly congested with skyscraping edifices of words, shutting off each other's light and air and inducing paralysis of traffic.

If Abraham Lincoln were emancipating the slaves in the 1930 manner he would do so because his attention had been called to the existence of negro slavery in the United States, and he would never get all the negroes emancipated in less than 20,000 words.

I read an editorial appearing in the Dayton (Ohio) Journal of April 12, 1930, as follows:

THE FLOOD OF LAW

During 1929 the State legislatures of 43 States passed 16,921 new laws, a survey by competent authority reveals. This is quite a lot, but less than a third of the 50,000 new measures that were proposed by ambitious legislators who believe that society could be further improved by adopting their plans. Doubtless many of the rejected proposals again will be presented.

There seems to be a profound and deep-seated idea among those who are chosen to represent the people in their general assemblies that the way to improve conditions is to pass more laws. If something is not right, pass a law about it. If anything can be improved, pass a law. The result is the American people have more law to the square inch—and less enforcement—than any other people on earth.

What this country needs is not more law but less. Hundreds of obsolete, unenforceable, special-privilege granting laws encumber the statute books of most States. They complicate the situation, engender lack of respect for the law and the courts, and increase taxes tremendously. Moreover, many of them increase crime and criminality.

Patrick Henry once said that one of the things necessary to the maintenance of free government is "a frequent recurrence to fundamental principles." This is what this country needs to-day. Fewer and better laws and stricter enforcement—these are the present needs.

Also in the Dayton Herald of June 5, 1930, there appeared the following article, which I read:

THE FLOOD OF NEW LAWS

To the EDITOR OF THE HERALD:

The faith of Americans in laws is phenomenal. To stop crime, to make people good citizens we have only to get an enactment onto the statute book. The adjournment of the Sixty-second Congress left 38,200 bills pending. The Seventy-first Congress is now in session. No one knows what the total number of pending bills will be when it adjourns. State legislatures swell the flood. Within a few days of the opening of the New York Legislature of 1919 over 1,200 bills were introduced. Said a New York lawyer to an acquaintance: "Do you know how many laws you, as a good citizen, obey?" "Couldn't guess," was the reply. "It is not possible to state the number exactly," said the lawyer, "but as accurately as the number calculated by the author of a voluminous digest the number is 21,260." "Why, I had no idea I was such a good man as all that," replied the "good citizen."

I wonder what an Ohio "good citizen" would say.

TOO MANY LAWS.

Adoption of the code involved no change in the law. Much of the archaic matter, the contradictions and absurdities had to be retained in it. Only a complete revision can eliminate and correct them. The code, however, sets forth all the general and permanent laws under a system of classification scientifically arranged by the staffs of the two great law-publishing companies of this country trained and experienced in statutory compilation. The statutes governing a subject or related to it were codified accordingly, in proper titles. Thus the crudities and deformities of the Federal laws now stand out more clearly and furnish the basis for correction and revision.

The code, for instance, has shown that Indian agents have been replaced by bonded superintendents (see 25 U. S. C. 26, and 25 U. S. C. 66). The first enactment ought to have been specifically repealed but was not, and has been retained in the code despite the later law.

The advantage of codification is seen when studying such an act as Thirty-ninth Statute, page seven hundred fifty-two, to amend the Federal reserve act. In that volume of the Statutes at Large this law, which is in a jumbled mass, covers four pages and is not divided into sections. In the

code it is placed in title 12 and comprises 18 sections in three chapters, so that one need not read the entire act to find the particular portion sought.

Perhaps the act creating the Department of Labor is a better illustration (37 Stat. 736). Section 1 of that act is cited in 11 different titles of the code and over 100 times. This means that if it were not for the code one would have to refer to the original act so often to understand its application and effect. Many such laborious tasks are averted by the use of the code.

The Committee on Revision of the Laws is awaiting a report of the Treasury Department on title 26, Internal Revenue, of the code, which consists of a restatement of the internal revenue laws in improved and simpler language and logical rearrangement of the subject matter. It has been prepared by the Congressional Joint Committee on Internal Revenue Taxation and will be offered to the Congress as a bill with the idea of substituting it for the present code title and as a sort of model or guide for the revision of other titles.

I note in the advices received from Berlin that one of the leading jurists there, Dr. Johannes Werthauer, has recently compiled a new penal code which is described as "consisting of only 21 paragraphs instead of the present 413, superseding 10,000 laws; avoiding much legal phraseology he has written his new code in language that can be 'understood of the people.'"

It is with this idea in mind that the Revision of the Laws Committee is proceeding and possibly may be in a position to present to the House a thorough revision of the immigration and naturalization laws and also those relating to the public lands within the near future.

The great need for a solution of the perplexing problem of keeping a nation's laws in a form easily understood and readily accessible, is shown by the following examples of legislative absurdities, contradictions, mistakes, and inconsistencies:

By the act of August 5, 1882 (22 Stat. 301, c. 399), Congress attempted to amend a law which no longer existed. That act amended Revised Statutes 1675 by inserting certain language after the words "Liberia, $4,000." These words were in that section of the Revised Statutes as originally enacted, but had been previously stricken out by the amending act of March 3, 1875 (18 Stat. 483, c. 153).

It appears that at the time of the enactment of the national defense act of June 3, 1916 (39 Stat. 166 et seq.), there were statutes in effect authorizing:

(a) The detail of retired officers to duty at educational institutions with their own consent on retired pay;

(b) Without their own consent on retired pay (but with the difference between active and retired pay from the institutions);

(c) With their own consent on retired pay (but with commutation of quarters to be paid by the institutions); and

(d) With their own consent, with full allowances, and with either full or restricted pay, according to grade.

This confusing situation is best set forth in a letter dated February 14, 1930, which I have received from Maj. L. K. Underhill, of the office of the Judge Advocate General of the Army, and I quote the pertinent portion:

WASHINGTON, D. C., *February 14, 1930.*

Hon. ROY G. FITZGERALD,
House of Representatives.

MY DEAR COLONEL FITZGERALD: In compliance with your recent request that I bring to your special attention for your information confusing provisions of law which have come to my notice, and which could have been obviated by a codification of the laws, I invite your attention particularly to the various enactments relative to the placing of Army officers on duty at schools and colleges and to those relating to the furnishing of artificial limbs to veterans.

College duty. When retirement of Army officers was first provided for, the law authorized the assignment of retired officers to duty generally (12 Stat. 291), and retired officers on active duty were to receive full pay and allowances (12 Stat. 596).

In 1870, all assignment of retired officers to duty was prohibited. (16 Stat. 62.) About six months later an exception was made in favor of the detail of retired officers upon their own application as professors in colleges. (16 Stat. 320.) Such officers were to be entitled to no additional compensation. This provision, without the restriction as to compensation, was carried into the Revised Statutes as section 1260, and the restriction as to compensation was added in 1877. (19 Stat. 243.)

Meanwhile, in 1870 (16 Stat. 372) provision was made for the detail of retired officers to duty at the Soldiers' Home. This provision was carried into the Revised Statutes as section 1259, as amended in 1877. (19 Stat. 243.) However, there was also carried into section 1259 the provision derived from the act of 1870 (16 Stat. 62) which prohibited the detail of retired officers to any duty whatever, so that section 1259 purported to prohibit the detail of retired officers to any duty except at the Soldiers' Home, but was followed immediately by section 1260 authorizing their detail to duty at colleges.

There was in the Revised Statutes another section (sec. 1225) relating to the detail of a limited number of officers to duty at colleges. It referred to active officers only. After several amendments (19 Stat. 74, 23 Stat. 108, 25 Stat. 491, 26 Stat. 716), it was amended on November 3, 1893 (28 Stat. 7), so as to authorize the detail of retired officers upon their application with full pay, but not allowances. The acts of March 2, 1905 (33 Stat. 831), and of June 12, 1906 (34 Stat. 235), apparently restricted the pay and allowances of such officers above the grade of major. The act of March 3, 1909 (35 Stat. 738), amended the November 3, 1893, amendment of Revised Statutes 1225, so as to provide that retired officers on detail under that amendment should receive the full allowances of their rank, though the pay remained restricted as under the enactments of 1905 and 1906.

Meanwhile, on May 4, 1880 (24 Stat. 213), another provision of law was enacted authorizing the detail of retired officers to active duty at colleges without their consent, but restricting them to their retired pay, authorizing them, however, to receive from the colleges the difference between active and retired pay.

Another amendment to section 1225 Revised Statutes was enacted February 26, 1901 (31 Stat. 810), and amended April 21, 1904 (33 Stat. 225). Under these amendments additional retired officers were authorized for school duty with their own consent but limited to their retired pay, receiving commutation of quarters from the school.

At first glance it would appear that the earlier of these statutes had been superseded by the later ones. The act of August 6, 1894 (28 Stat. 235), however, makes it quite clear that these statutes (with the exception of the 1901 and 1904 amendments to Revised Statutes 1225, not then enacted) were all intended to be in effect at the same time. As to the 1901 and 1904 amendments, their text makes it clear that they were also intended to be in effect at the same time.

While there were minor differences between these different enactments, it is clear that they overlapped considerably in their scope, and it is quite apparent that it was intended that the purpose of the detail in each case was the teaching of military science and tactics (see act of August 6, 1894, 28 Stat. 235).

None of these enactments has been specifically repealed. Section 45 of the act of June 3, 1916, supra, and sections 33 and 35 of the act of June 4, 1920 (41 Stat. 759 et seq.), made new provision for the detail of retired officers to colleges and schools, with entirely different provisions as to compensation. It is a matter for statutory construction whether the enacments of 1920 cover the entire field or whether any of the earlier enactments remain in effect. The United States Code ignores all of the early enactments except R. S. 1260, which has been carried into the code in section 1178 of Title 10.

L. K. UNDERHILL.

I read also from a memorandum prepared by Mr. W. H. McClenon, of the legislative reference service of the Library of Congress, on January 16, 1930:

LIBRARY OF CONGRESS LEGISLATIVE REFERENCE SERVICE—SOME CURIOSITIES OF THE FEDERAL STATUTES

1. If a person should try to hang a picture on a wall that had been torn down seven years before, the result would probably be unsatisfactory. That is substantially what Congress attempted by the act of August 5, 1882 (22 Stat. 301, ch. 399), which amended Revised Statutes 1675 by inserting certain words after the words "Liberia, $4,000." These words were in Revised Statutes 1675 as originally enacted, but had been stricken out by the amending act of March 3, 1875 (18 Stat. 483, ch. 153).

2. Another instance of futile action on the part of Congress is found in section 1 of the act of June 12, 1917 (40 Stat. 102, ch. 26), in which section 1 of the war risk insurance act was "amended to read" in exactly the same way that it had read all the time. (The original bill contained at least one important amendment, which was stricken out in the course of its passage through the House or the Senate.)

3. Several times Congress has enacted an act "proposing" to amend an earlier provision (e. g., 38 Stat. 691, 958, ch. 93; 39 Stat. 725, ch. 441).

4. The act of October 6, 1917 (40 Stat. 385, c. 83, sec. 1), makes it unlawful to manufacture explosives, etc., "in such manner as to be detrimental to the public safety, except as in this act provided."

5. The act of September 26, 1918 (40 Stat. 971, sec. 7), amends Revised Statutes 5209 "as amended by the acts of April 6, 1869, and July 8, 1870." The Revised Statutes were originally enacted in 1874, and hence could scarcely have been amended five years earlier.

6. Congress has, however, occasionally attempted to amend an act not yet enacted. Thus, the act of July 1, 1918 (40 Stat. 653),

expressly amended "to read as follows" a provision not enacted until July 3 (40 Stat. 783). The following day this practice was repeated (see 40 Stat. 741, 814). But on July 8 of the same year (40 Stat. 822) Congress undertook to amend an act which was not approved until August 31 (40 Stat. 923).

7. On the other hand, Congress frequently fails to take account of provisions which have already been enacted. Thus, the act of June 23, 1913 (38 Stat. 65) imposed on the Secretary of Commerce and Labor duties relating to immigration, although on March 4, 1913 (37 Stat. 736, 737), the title of the Secretary was changed to Secretary of Commerce and his duties relating to immigration were transferred to the Secretary of Labor.

8. An even more striking instance of this sort is the act of May 16, 1918 (40 Stat. 550 c. 74), which conferred powers on judges of circuit courts, which courts had been abolished seven years before by section 289 of the Judicial Code of March 3, 1911 (36 Stat. 1167).

9. The act of March 4, 1917 (39 Stat. 1201, sec. 3), restricted the application of Revised Statutes 4716, which had been repealed August 29, 1916 (39 Stat. 649, sec. 1).

10. The District of Columbia prohibition act of March 3, 1917 (39 Stat. 1130, sec. 24), was declared to be operative from November 1, 1916, but section 1 of the act, which contained the establishment of prohibition, was made operative November 1, 1917.

11. The act of October 1, 1890 (35 Stat. 416), amended Revised Statutes 3893 to give an extended meaning to the word "indecent" as used in that section. Section 211 of the Criminal Code of 1909 (35 Stat. 1129) embodied Revised Statutes 3893 with certain modifications, but entirely ignored the 1908 amendment. That this omission was inadvertent would seem to be indicated by the fact that the 1908 amendment was repeated verbatim as an amendment to section 211 of the Criminal Code by the act of March 4, 1911 (36 Stat. 1339, sec. 2).

12. Occasionally the same provision is amended twice within a short time, under circumstances making it doubtful whether the first is superseded by the second, or whether both amendments should be treated as in force. Thus the act of March 1, 1921 (41 Stat. 1202, c. 102), was amended December 15, 1921 (42 Stat. 348, c. 3), by adding a section 2; by the act of April 7, 1922 (42 Stat. 492, c. 125), the original act was amended "to read as follows," with no reference to the act of December 15, 1921, but embodying much the same rule of law.

13. Similarly, Revised Statute 3220 was amended by the revenue act of 1928 (45 Stat. 878, sec. 619), by striking out a certain exception and inserting a somewhat broader exception. The same day Revised Statute 3220 was amended "to read as follows" (45 Stat. 996, sec. 3), omitting all reference to the original or the amended exception. The United States Code Supplement (26: 149) includes both amendments as in force, but the matter is not entirely free from doubt.

14. The act of September 14, 1922 (42 Stat. 839, sec. 4), amends "section 15" of the Judicial Code "to read as follows." The United States Code (28: 18, 19) treats this as an amendment of section 14, and the Department of Justice concurs in this view. Yet Congress has never amended the act of 1922 so as to indicate its true intention and correct the error in drafting.

15. The act of February 25, 1927 (44 Stat. 1232–33), contains no section 14, but two sections each numbered 16.

16. Occasionally Congress has apparently forgotten the correct designation of the nation; the act of May 22, 1926 (44 Stat. 618, c. 365, sec. 2), uses the expression "the maintenance of the dam by the United States." But probably the Government Printing Office is really responsible for this recognition or a supposed success of the Southern Confederacy.

17. There are a number of statutes that sound ambiguous by reason of the punctuation or the arrangement of the words. For example, the eighteenth amendment is declared to be applicable to "the United States and all territory subject to the jurisdiction thereof for beverage purposes."

18. Similarly, the act of August 29, 1916 (39 Stat. 549, sec. 15), refers to persons "not a citizen or subject of a foreign power 21 years of age or over."

19. Again, the act of June 20, 1906 (34 Stat. 313, c. 3442), prohibited the offering for sale of sponges "at any port or place in the United States of a smaller size than 4 inches in diameter."

20. The act of May 27, 1908 (35 Stat. 416), amended Revised Statutes 3893 to give an extended meaning to the word "indecent," as used in that section. Section 211 of the Criminal Code of 1909 (35 Stat. 1129) embodied Revised Statutes 3893 with certain modifications, but entirely ignored the 1908 amendment. That this omission was inadvertent would seem to be indicated by the fact that the 1908 amendment was repeated verbatim as an amendment to section 211 of the Criminal Code by the act of March 4, 1911 (36 Stat. 1339, sec. 2).

The above are merely samples. Similar cases to three or four times the above list could readily be set forth.

Maj. F. G. Munson, also of the Judge Advocate General's office, has prepared for me a list of references to statutes carelessly drafted and which indicate the need of revision and the adoption of a uniform style and attempt at an ideal of legislative expression. In this list it appears that an act of Congress (28 Stat. 664) authorized the sale of the old Chicago post office to "the lowest and best bidder." I read from it as follows:

WAR DEPARTMENT,
THE ADJUTANT GENERAL'S OFFICE,
Washington, January 20, 1930.

Memorandum for Hon. ROY G. FITZGERALD, M. C. (Personal.)
Subject: Examples of defective drafting of the Federal statutes.

There follow a number of instances that have come to the attention of the undersigned of defects in the Federal statutes of rather serious import—not all such instances, but perhaps the more striking ones.

Exactly opposite word used:

The act of February 13, 1893 (28 Stat. 664) authorized the sale of the old Chicago post office to "the lowest and best bidder." (Corrected in 28 Stat. 701.)

Use of "or" for "and" as creating, apparently, a peculiar crime:

Section 2, act of June 30, 1902 (32 Stat. 547), found in the United States Code as 22: 79, by use of "or" where probably "and" was intended, making consular officers who fail to file bonds when they accept certain fiduciary offices guilty of embezzlement.

Denouncing both the doing of an act and the not doing it:

The so-called meat inspection act, reenacted after its original passage with the addition of just one word in its five pages of text (the word "hereafter") (34 Stat. 667 and 1263), denounces both defacing or destroying certain marks, stamps, etc., and failing to deface or destroy them. This provision is now found in United States Code, 21: 79.

Peculiar references to former acts:

The act of March 3, 1891 (26 Stat. 1095), repealed, in toto, the act of June 14, 1878 (20 Stat. 113); it then proceeded to repeal "the following words of the last clause of section 2 of said act."

Revised Statutes 4264, on its face, relates to all vessels, but the act of February 27, 1877 (19 Stat. 250), amended it to include steam vessels. (I presume we must keep in mind the possibility that there had been a decision by the courts which made an apparently useless amendment necessary.)

The recent act of May 28, 1928 (45 Stat. 786) (see Supplement III 32: 181a of the U. S. C.), is entitled "An act to amend the national defense act." It incorrectly describes the act of February 14, 1927 (44 Stat. 1095), as adding an additional paragraph to section 113 of the national defense act, and ends with quotation marks at its section 1, which rather beclouds its meaning. What, for example, is the act referred to in section 2 thereof?

Apparently contradictory directions to an executive official:

The Secretary of the Interior was directed in the case of certain Indian contracts, "to enter, in writing, on such original contract, on the record in the office of the Commissioner of Indian Affairs wherein such original contract is recorded," etc. (18 Stat. 36.)

Changing titles but continuing to use the old titles:

"Assignees" in bankruptcy used where an earlier act in the same volume of the statutes had changed the word to "trustee." Compare bankruptcy act of July 1, 1898 (30 Stat. 544), and the act of March 3, 1899 (30 Stat. 1191).

Title "Public Printer" adopted June 20, 1874 (18 Stat. 88), but the old title "Congressional Printer" is found in an act of the next session (18 Stat. 347).

The act of July 1, 1902 (32 Stat. 712), is entitled "An act to increase the efficiency and change the name of the United States Marine-Hospital Service." Said act changed the name to "Public Health and Marine Hospital Service of the United States." Section 11 immigration act of March 3, 1903 (32 Stat. 1213), refers to it by the old title, but section 17 thereof is impartial and refers to it by both the old and the new titles.

The same immigration act contained an error which must have caused considerable embarrassment. By the act of February 14, 1903 (32 Stat. 825), the control of immigration was transferred from the Department of the Treasury to the newly created Department of Commerce and Labor, yet the immigration act of March 3, 1903, went through to become a law with no one apparently noticing that in every place where it should have read "Secretary of Commerce and Labor" it read "Secretary of the Treasury." It took the resolution of April 28, 1904 (33 Stat. 591), to correct this error, yet the then Department of Commerce and Labor wrote me that the Secretary of Commerce and Labor had assumed jurisdiction of immigration on July 1, 1903, when the organic act creating the Department of Commerce and Labor went into effect. This, I take it, was an almost necessary assumption of power which had been expressly conferred on another executive head, simply due to careless drafting.

Section 932 of the present District of Columbia Code provides in its first sentence that the attorney for the District of Columbia shall hereafter be known as the corporation counsel. Yet the next sentence provides that certain violations shall be prosecuted by "the city solicitor." (32 Stat. 537.)

Appropriation acts not conforming to authorization acts:

By the act of February 12, 1903 (32 Stat. 825), the justices of the Supreme Court were granted an increase of salary, each member of the court thereafter to receive $2,500 more; yet two weeks later they were appropriated for at the old rate. (32 Stat. 905.)

The converse case is found in the acts of the Forty-third Congress, where, after twice forbidding the publication of the laws in newspapers (18 Stat. 90, 317), the Congress appropriated $50,000 for that very purpose. (18 Stat. 349.)

Repeating provisions:

I recall the advantage you mentioned in treating certain provisions of law, repeated year after year, as purely temporary legisla-

tion, viz, that the Congress then may consider annually the advisability of continuing such provisions. Yet there must be a considerable number of such repeating provisions that really raise no question of policy but are repeated solely as a matter of course. On the other hand, the questions of policy which some of these repeating provisions raise could be taken up and settled once for all.

In the 1873–1907 volume of Scott & Beaman's Index Analysis of the Federal Statutes, pages 836, 837, it will be noted that pension legislation was for many years a fertile field for such "repeaters." Thus during that period we find that—

Surgeons must be present at examinations as a condition of receiving fees appears nineteen times.

Surgeons' fees are fixed twenty-seven times.

Number of applicants to be examined in a day prescribed twenty-six times.

in identical language. Yet, by adding the word "hereafter" in the act of May 28, 1908 (35 Stat. 419), the necessity of all this repetition was done away with.

In the War Department appropriation acts, as they have appeared in recent years, you will find 18 provisions constantly repeated. (The pamphlet prepared by me entitled "The national defense act" and "The pay readjustment act," for the House Committee on Military Affairs, lists these provisions in Table B on page 7 thereof.) Now obviously some of these provisions could be settled once for all and their repetition so constantly done away with. A beginning has, in fact, been made toward this object. The act of March 7, 1928 (45 Stat. 245), embodied in permanent form certain restrictions on the purchase of horses for the Army that had theretofore been in the form of "repeaters."

If, however, as a matter of policy it is considered wiser to keep a provision in a temporary status, so to speak, it would seem that it should be so worded that there could be no doubt about the intention of the Congress. You perhaps took some part in the discussion which was very energetically carried on several years ago on the question of the admission of the children of Government employees and of Army, Navy, and Marine Corps personnel to the public schools of the District of Columbia. As I recall the debate, no one ever suggested that the provision which was being discussed was permanent law, and probably no one regards it as such. Yet in the form in which it has appeared since 1917 (its inception so far as Army and Navy personnel was concerned), it is difficult to see why it is not permanent legislation. It reads, for example, in the act of February 28, 1923 (42 Stat. 1347), just as it reads in the latest act, that of February 25, 1929 (45 Stat. 1279), viz:

"The children of officers and men of the United States Army, Navy, and Marine Corps, and children of other employees of the United States stationed outside the District of Columbia shall be admitted to the public schools without payment of tuition."

You have felt this difficulty in the United States Code, and have attempted to meet it by the use of some such expression, in giving the later references, as that "The statutory provision constituting section 914 of this title (i. e., title 10) was repeated in the District of Columbia appropriation acts of May 10, 1926," etc. This appears to be a construction that the source act of the code is the permanent law and that the later acts are but repetitions of it, but obviously it leaves unsolved the problem of what is the law. If permanent legislation, it seems to me that you have a right to ask the Congress to tell you so in no vague and uncertain terms, but not to enact it year after year in such a form that all you can do is to pass the uncertainty on to the users of the code. This, of course, is but an example of numerous cases where you have been compelled to meet the difficulty in your supplement. The scholarly and scientific method would be a study of all these "repeaters" and then making an effort to ascertain from the various committees concerned to which they would not object being put in permanent form.

F. G. MUNSON,
Major, J. A. (D. O. L.).

Attention may be called to the fact that in the Sixty-eighth Congress the House of Representatives passed a bill (H. R. 12308) "amending certain sections of the Compiled Statutes of the United States," a private compilation, and in the Seventieth Congress a Senate bill (S. 2427) was introduced which sought to amend the General Code of the State of Ohio.

In the first instance, under authority of House Concurrent Resolution No. 48 (68th Cong., 2d sess.) the Clerk struck out the language relating to amending "sections 1575 and 1576 of the Compiled Statutes" in the engrossed bill. (See 43 Stat., pt. 2, p. 1618.)

The Senate bill sought to "enact supplemental section 8853–1 to section 8853 of the General Code relative to public railroad crossings of highways."

I read the following excerpts from addresses by the late Senator Albert J. Beveridge, the first of which appeared recently in the magazine The Shield, and the latter in the Saturday Evening Post, as follows:

No human being knows even how many statutes are hidden within the forbidding covers of the thousands of volumes that contain acts of Congress and legislatures.

No human being knows or can know what these innumerable laws mean.

No human being knows even the number of city ordinances, much less the purport of them.

No human being knows even the sum of rules and regulations that unceasingly pour from our countless bureaus, boards, commissions, and departments of Government, every one of which bureaucratic edicts has the force and effect of enactments by legislative bodies.

We complain of lawlessness, but is not the excess legislation a basic cause of lawlessness? How can anybody obey every law when nobody knows, or can know, how many laws there are or what they command or forbid?

If we, the people, no longer have the intelligence and courage to throw off the spell and command our legislators to stop deluging us with directive statutes and strangling us with autocratic regulations, we ourselves—we, the people—will have worked our own undoing, surrendered our liberties, made ourselves the slaves instead of the masters of the State. We ourselves—we, the people—will have become the Frankenstein of freedom and created the monster that will devour us.

"When the people are subjected to overmuch government the land is thrown into confusion. The greater the number of laws and enactments, the more thieves and robbers there will be."—Lao-Tze, 560 B. C.

MANY LAWS, MUCH INDIFFERENCE

There is the root of the evil, is it not?—the attempt to put all human activities into statutory strait-jackets—and these strait-jackets constructed, too, by those who know little or nothing of the industry or business they would thus encase.

We suffer from a plague of laws. Nobody knows the number of State and national laws and municipal ordinances that our legislative bodies have ground out, and it is impossible to keep track of the myriads of enactments and ordinances that pour from every lawmaking machine in America. We know only that there are hundreds of thousands of these products of the busy activity of our lawmakers, and that the number of these statutory shall and shall-nots constantly increase.

For instance, within two weeks after the convening of the present Congress 6,023 bills and 88 joint resolutions were introduced, and this proportion is maintained by most State legislatures. While, of course, comparatively few of these proposed laws are enacted, the aggregate of those that are crowded into our statute books, municipal, State, and national, is stupendous.

Indeed, to grasp the extent and multiplicity of them is beyond the power of the human mind. The most accomplished and best-informed lawyer in America does not and can not know the sum of even national legislation, to say nothing of the legal cascades that incessantly spout from our State legislatures and city councils; and there are thousands of statutes to get at the meaning of which requires careful study and delicate judgment. Yet every citizen must observe every line of them.

Can it be that this melancholy state of the public mind and feeling has to some extent been produced by excess legislation, which nobody understands but everybody must obey, and a vague fear inspired by overgovernment? Here is a serious matter for our statesmen; the public temper is more important than particular statutes.

But be that as it may, what caused the prodigious multiplication of laws which now cover the land like a tropic jungle? Was it not, perhaps, the result of wrong thinking? Did we not allow ourselves to become hypnotized by the false idea of government as an omnipotent and omniscient being which can do everything, stop all evil, give all good, make everybody prosperous, happy, and righteous?

At any rate, all of us will agree that we have too many laws and that some of them are too intricate and rigid for human uses, even for human comprehension.

I take this opportunity of calling the attention of the House to the fact that the long and arduous task of codifying the laws peculiar to the District of Columbia has been completed, and the first complete code for the District of Columbia is now available with a thorough index, tables of cross reference and of repealed statutes, history of the District with acts of cession and act of retrocession to Virginia, and appropriate maps.

Each Member of the House has two copies to his credit in the folding room, and copies may be purchased by the general public from the Superintendent of Documents for the cost of printing, $2.

When the District was formed, Congress provided that the laws of Great Britain, in force in Maryland on February 27, 1801, and the laws of Virginia should control the portions of the District, respectively, acquired by cession from those two States. The population was sparse, and there was little or no need for many years for reference to such British statutes. They were never compiled; they were never listed and never indexed. As the years went on and the population of the District grew, and business increased in importance, it became more and more essential that the laws governing

the District should be known. They were pitfalls for the unwary, and none but lawyers with a taste for antiquarian research and ample time were able to ascertain the law in many cases. On over 80 different occasions in the local courts reference has had to be made to some of these ancient and obscure statutes, most difficult of access.

The present new Code for the District of Columbia is the first attempt to set forth completely in a single volume all of the general and permanent law relating peculiarly to the District of Columbia.

The SPEAKER. The Clerk will report the Senate amendments.

The Clerk read the Senate amendments, as follows:

Page 2, line 5, strike out "paragraph" and insert "paragraph,".
Page 2, after line 8, insert:

"40 Stat. 152, seventh paragraph, act of June 12, 1917, c. 27 ..... Title 16, sec. 116."

Page 2, strike out line 9.
Page 2, after line 9, insert:

"40 Stat. 152, twelfth paragraph, act of June 12, 1917, c. 27 ..... Title 16, sec. 135."

Page 2, strike out line 18.
Page 2, strike out lines 19 to 21, inclusive.
Page 2, strike out lines 22 and 23.
Page 2, strike out line 24.
Page 2, strike out line 26.
Page 2, strike out line 27.
Page 2, strike out line 28.
Page 2, strike out line 33.
Page 2, strike out line 34.
Page 2, strike out lines 35 and 36.
Page 2, strike out lines 42 and 43.
Page 2, strike out line 44.
Page 3, strike out line 1.
Page 3, strike out line 2.
Page 3, strike out line 3.
Page 3, strike out line 4.
Page 3, strike out line 5.
Page 3, strike out line 26.
Page 3, strike out lines 27 and 28.
Page 3, strike out lines 30 and 31.
Page 3, strike out lines 34 and 35.
Page 3, strike out line 39.
Page 3, strike out line 40.
Page 3, strike out line 41.
Page 4, strike out line 12.
Page 4, after line 12, insert "R. S. 4205, title 46, section 99."
Page 4, line 22, strike out "—393, first 18 paragraphs."
Page 4, line 23, strike out "336" and insert "337."

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Senate amendments were agreed to.

ADJOURNMENT

Mr. CRAMTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 2 minutes p. m.) the House adjourned until to-morrow, Wednesday, December 10, 1930, at 12 o'clock noon.

COMMITTEE HEARINGS

Mr. TILSON submitted the following tentative list of committee hearings scheduled for Wednesday, December 10, 1930, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON APPROPRIATIONS

(10.30 a. m.)

War Department appropriation bill.

Sate, Justice, Commerce, and Labor Departments appropriation bill.

JOINT CONGRESSIONAL COMMITTEE ON INTERNAL REVENUE TAXATION

(10 a. m., room 321, House Office Building)

To consider depletion of mines.

COMMITTEE ON INDIAN AFFAIRS

(10.30 a. m.)

Authorizing the Secretary of the Interior to arrange with States for the education, medical attention, and relief of distress of Indians. (H. R. 9766.)

COMMITTEE ON NAVAL AFFAIRS

(10.30 a. m.)

To consider the naval construction program.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

692. A letter from the Secretary of War, transmitting a draft of a bill to authorize appropriation for construction at Randolph Field, San Antonio, Tex., and for other purposes; to the Committee on Military Affairs.

693. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination of Buffington Harbor, Ind.; to the Committee on Rivers and Harbors.

694. A letter from the Secretary of War, transmitting report from the Chief of Engineers, United States Army, on preliminary examination of Calcite Harbor, Mich.; to the Committee on Rivers and Harbors.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. WOOD: Committee on Appropriations. H. R. 14804. A bill making supplemental appropriations to provide for emergency construction on certain public works during the remainder of the fiscal year ending June 30, 1931, with a view to increasing employment; without amendment (Rept. No. 2084). Referred to the Committee of the Whole House on the state of the Union.

Mr. GRAHAM: Committee on the Judiciary. H. R. 14255. A bill to expedite the construction of public buildings and works outside of the District of Columbia by enabling possession and title of sites to be taken in advance of final judgment in proceedings for the acquisition thereof under the power of eminent domain; with amendment (Rept. No. 2086). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. GUYER: Committee on Claims. H. R. 5229. A bill for the relief of T. Brooks Alford; without amendment (Rept. No. 2085). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 13641) granting a pension to Annie Farrell; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 13671) granting a pension to Loretta J. Haines; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WOOD: A bill (H. R. 14804) making supplemental appropriations to provide for emergency construction on certain public works during the remainder of the fiscal year ending June 30, 1931, with a view to increasing employment; to the Committee of the Whole House on the state of the Union.

By Mr. BRAND of Georgia: A bill (H. R. 14805) to amend the act entitled "An act for the erection of a tablet or marker to be placed at some suitable point between Hartwell, Ga., and Alfords Bridge in the County of Hart, State of Georgia, on the national highway between these States of Georgia and South Carolina, to commemorate the memory of Nancy Hart"; to the Committee on the Library.

By Mr. CARTER of Wyoming: A bill (H. R. 14806) to authorize the erection of a United States veterans' hospital at or near Thermopolis, Wyo.; to the Committee on World War Veterans' Legislation.

By Mr. CARTWRIGHT: A bill (H. R. 14807) to authorize the Secretary of the Treasury to construct in Durant, Okla., on the site now used for a post office, an addition to the present Federal building for the use of the United States court and other Federal offices, and making an appropriation therefor; to the Committee on Public Buildings and Grounds.

By Mr. EDWARDS: A bill (H. R. 14808) to provide for the immediate payment of the adjusted-service certificates to veterans of the World War; to the Committee on Ways and Means.

By Mr. FULMER: A bill (H. R. 14809) to provide for the immediate payment to veterans of the present value of their adjusted-service certificates; to the Committee on Ways and Means.

By Mr. GOODWIN: A bill (H. R. 14810) to authorize the erection of a convalescent hospital on the military reservation at Fort Snelling, in the State of Minnesota, and to authorize the appropriation therefor; to the Committee on World War Veterans' Legislation.

By Mr. JAMES of Michigan: A bill (H. R. 14811) to authorize an appropriation for the purchase of land and buildings thereon joining the West Point Military Reservation, N. Y., and for other purposes; to the Committee on Military Affairs.

By Mr. MILLER: A bill (H. R. 14812) to authorize the Secretary of the Navy to proceed with the construction of a machine-shop building at the United States navy yard, Puget Sound, Wash.; to the Committee on Naval Affairs.

By Mr. NOLAN: A bill (H. R. 14813) to provide for the erection of an addition to the United States veterans' hospital at Fort Snelling, Minn., and to authorize the appropriation therefor; to the Committee on World War Veterans' Legislation.

By Mr. SPROUL of Kansas: A bill (H. R. 14814) to provide import duties on crude petroleum and its refined products imported into the United States from foreign countries; to the Committee on Ways and Means.

By Mr. SWICK: A bill (H. R. 14815) to authorize the erection of an addition to Veterans' Bureau hospital at Aspinwall, in the State of Pennsylvania, and to authorize the appropriation therefor; to the Committee on World War Veterans' Legislation.

By Mr. TARVER: A bill (H. R. 14816) to provide for the paving of the Government road, known as the Stephens Gap Road, commencing in the city of Chickamauga, Ga., and extending to Stephens Gap, constituting an approach road to Chickamauga and Chattanooga National Military Park; to the Committee on Military Affairs.

By Mr. COLTON: A bill (H. R. 14817) authorizing the Secretary of the Navy, in his discretion, to deliver to the custody of the Utah State Capitol Museum, of Salt Lake City, Utah, the silver service in use on the U. S. S. *Utah;* to the Committee on Naval Affairs.

By Mr. JOHNSON of Oklahoma: A bill (H. R. 14818) authorizing the payment of a pension of $40 per month to all persons who have served 20 years or more as members of the Indian police at any agency in the United States of America; to the Committee on Indian Affairs.

By Mr. REECE: A bill (H. R. 14819) to authorize the development of an aircraft combining a heavier-than-air type of airplane with a lighter-than-air craft suitable for transport purposes for the Army Air Corps; to the Committee on Military Affairs.

By Mr. ZIHLMAN: A bill (H. R. 14820) to amend section 8 of the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1914, and for other purposes," approved March 4, 1913, as amended; to the Committee on the District of Columbia.

By Mr. BANKHEAD: A bill (H. R. 14821) to provide for extending during the present emergency the time of payment of loans made by Federal land banks, and for other purposes; to the Committee on Banking and Currency.

By Mr. CRAIL: A bill (H. R. 14822) to amend section 2 of the Federal caustic poison act; to the Committee on Interstate and Foreign Commerce.

By Mr. McDUFFIE: A bill (H. R. 14823) to amend section 4 of the act entitled "An act to amend the act entitled 'An act to provide that the United Sates shall aid the States in the construction of rural post roads, and for other purposes,' approved July 11, 1916, as amended and supplemented, and for other purposes," approved May 21, 1928; to the Committee on the Post Offices and Post Roads.

By Mr. MERRITT: A bill (H. R. 14824) for the relief of the State of Connecticut; to the Committee on the Judiciary.

By Mr. WAINWRIGHT: A bill (H. R. 14825) to increase the efficiency of the Medical Department of the Regular Army; to the Committee on Military Affairs.

By Mr. DICKSTEIN: Joint resolution (H. J. Res. 429) relative to fees in naturalization proceedings; to the Committee on Immigration and Naturalization.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BEERS: A bill (H. R. 14826) granting an increase of pension to Laura V. Kauffman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14827) granting a pension to Minnie W. Jones; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14828) granting an increase of pension to Elizabeth G. Williams; to the Committee on Invalid Pensions.

By Mr. BRUMM: A bill (H. R. 14829) granting a pension to Maria C. Gallagher; to the Committee on Invalid Pensions.

By Mr. BURTNESS: A bill (H. R. 14830) for the relief of the Lehigh Briquetting Co.; to the Committee on Ways and Means.

By Mr. CARTER of California: A bill (H. R. 14831) for the relief of Arthur C. Pinson and Pearl Pinson; to the Committee on Claims.

By Mr. CELLER: A bill (H. R. 14832) for the relief of Harry Gernler; to the Committee on Claims.

By Mr. CRAIL: A bill (H. R. 14833) granting an increase of pension to William H. Baird; to the Committee on Pensions.

Also, a bill (H. R. 14834) granting a pension to Robert Ricketts; to the Committee on Pensions.

Also, a bill (H. R. 14835) granting a pension to Julia Benner; to the Committee on Invalid Pensions.

By Mr. DALLINGER: A bill (H. R. 14836) for the relief of Harry Downs; to the Committee on Military Affairs.

By Mr. DAVENPORT: A bill (H. R. 14837) granting an increase of pension to Julia E. Spencer; to the Committee on Invalid Pensions.

By Mr. DAVILA: A bill (H. R. 14838) for the relief of J. C. Besosa; to the Committee on Insular Affairs.

By Mr. DRANE: A bill (H. R. 14839) granting an increase of pension to Bettie Spencer; to the Committee on Invalid Pensions.

By Mr. EDWARDS: A bill (H. R. 14840) granting an increase of pension to Lola Hendershott; to the Committee on Pensions.

Also, a bill (H. R. 14841) granting an increase of pension to Louise Hendershott; to the Committee on Pensions.

Also, a bill (H. R. 14842) for the relief of George Tatum; to the Committee on Military Affairs.

By Mr. ENGLEBRIGHT: A bill (H. R. 14843) for the relief of Bernard McShane; to the Committee on Claims.

By Mr. EVANS of California: A bill (H. R. 14844) granting a pension to Harriet A. Pearman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14845) granting a pension to Andrew H. Thomas; to the Committee on Invalid Pensions.

By Mr. FREAR: A bill (H. R. 14846) granting a pension to Rosetty Norton; to the Committee on Invalid Pensions. Pensions.

By Mr. GRANFIELD: A bill (H. R. 14847) for the relief of Peter Bess; to the Committee on Claims.

Also, a bill (H. R. 14848) granting an increase of pension to Hannah Corbett; to the Committee on Pensions.

By Mr. GREENWOOD: A bill (H. R. 14849) granting an increase of pension to Elizabeth Corbley; to the Committee on Invalid Pensions.

By Mr. HESS: A bill (H. R. 14850) for the relief of Lieut. Enoch Graf; to the Committee on Claims.

By Mr. HOGG of West Virginia: A bill (H. R. 14851) granting an increase of pension to Julian E. Cooper; to the Committee on Invalid Pensions.

By Mr. HOOPER: A bill (H. R. 14852) granting a pension to Ellen J. Ludlow; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14853) granting a pension to Harry M. Snow; to the Committee on Pensions.

Also, a bill (H. R. 14854) granting an increase of pension to Evvah A. Dickson; to the Committee on Invalid Pensions.

By Mr. HOPE: A bill (H. R. 14855) granting an increase of pension to Sarah F. Downard; to the Committee on Invalid Pensions.

By Mr. HOUSTON of Delaware: A bill (H. R. 14856) granting an increase of pension to Marrietta Louder; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14857) extending the time for consideration of application for retirement of Douglass G. Stewart under the emergency officers' retirement act; to the Committee on Naval Affairs.

By Mr. JOHNSON of Illinois: A bill (H. R. 14858) granting an increase of pension to Helen J. Avery; to the Committee on Invalid Pensions.

By Mrs. LANGLEY: A bill (H. R. 14859) granting a pension to Sally Stedman; to the Committee on Invalid Pensions.

By Mr. LOZIER: A bill (H. R. 14860) granting a pension to Catherine Glasscock; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14861) granting a pension to Mary Jane Mott; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14862) granting an increase of pension to Susan Hartinstine; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14863) granting an increase of pension to Margaret E. Brammer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14864) granting an increase of pension to Clarinda Wolf; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14865) granting an increase of pension to Mary M. Kimes; to the Committee on Invalid Pensions.

By Mr. McLEOD: A bill (H. R. 14866) for the relief of Detroit Fidelity & Surety Co.; to the Committee on Claims.

By Mr. MARTIN: A bill (H. R. 14867) for the relief of William Cross; to the Committee on Naval Affairs.

By Mr. MENGES: A bill (H. R. 14868) granting an increase of pension to Sarah Keller; to the Committee on Invalid Pensions.

By Mr. MERRITT: A bill (H. R. 14869) granting an increase of pension to Jennie A. Whitney; to the Committee on Invalid Pensions.

By Mr. MILLER: A bill (H. R. 14870) for the relief of the Engineers Club, of Seattle, Wash.; to the Committee on Claims.

By Mr. MOORE of Kentucky: A bill (H. R. 14871) granting a pension to Carrie Runner; to the Committee on Pensions.

Also, a bill (H. R. 14872) granting a pension to Oliver Grimes; to the Committee on Pensions.

By Mr. MOONEY: A bill (H. R. 14873) granting compensation to Harriet M. MacDonald; to the Committee on War Claims.

By Mr. MORGAN: A bill (H. R. 14874) granting a pension to Margaret Elizabeth Thuma; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14875) granting an increase of pension to Ida M. Stough; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14876) granting an increase of pension to Sarah L. Hobbs; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14877) granting an increase of pension to Mariah Dry; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14878) granting an increase of pension to Clara M. Mossbrooks; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14879) granting an increase of pension to Margaret V. Myers; to the Committee on Invalid Pensions.

By Mr. PEAVEY: A bill (H. R. 14880) granting an increase of pension to Sarah Elizabeth Dyer; to the Committee on Invalid Pensions.

By Mr. PERKINS: A bill (H. R. 14881) for the relief of Theodore Lyons; to the Committee on Military Affairs.

By Mr. FRANK M. RAMEY: A bill (H. R. 14882) for the relief of John S. Goehe; to the Committee on Claims.

Also, a bill (H. R. 14883) for the relief of Lewis Isbell; to the Committee on Military Affairs.

By Mr. REECE: A bill (H. R. 14884) granting a pension to Eleanora Emma Bliss; to the Committee on Pensions.

By Mr. BOWBOTTOM: A bill (H. R. 14885) granting an increase of pension to Louisa Montgomery; to the Committee on Invalid Pensions.

By Mr. IRWIN: A bill (H. R. 14886) granting an increase of pension to Evelyne Qualls; to the Committee on Invalid Pensions.

By Mr. BOWBOTTOM: A bill (H. R. 14887) granting a pension to Arda P. Lemmon; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14888) granting an increase of pension to Sarah Wood; to the Committee on Invalid Pensions.

By Mr. SCHAFER of Wisconsin: A bill (H. R. 14889) granting a pension to Charles W. Bentley; to the Committee on Pensions.

By Mr. SHORT of Missouri: A bill (H. R. 14890) granting an increase of pension to Margret McDowell; to the Committee on Invalid Pensions.

By Mr. STAFFORD: A bill (H. R. 14891) granting an increase of pension to Mary E. Bailey; to the Committee on Invalid Pensions.

By Mr. SUTHERLAND: A bill (H. R. 14892) granting an increase of pension to Walker Cooper; to the Committee on Pensions.

By Mr. TAYLOR of Tennessee: A bill (H. R. 14893) granting a pension to Clara Stanley; to the Committee on Pensions.

Also, a bill (H. R. 14894) granting a pension to Sinia A. Collins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14895) for the relief of George W. Collins; to the Committee on Naval Affairs.

By Mr. THATCHER: A bill (H. R. 14896) granting a pension to Effie L. Addis; to the Committee on Pensions.

Also, a bill (H. R. 14897) for the relief of James A. A. Rodman; to the Committee on Military Affairs.

Also, a bill (H. R. 14898) for the relief of John Bryson; to the Committee on Military Affairs.

By Mr. WHITLEY: A bill (H. R. 14899) granting an increase of pension to Gertrude M. Chapin; to the Committee on Invalid Pensions.

By Mr. WIGGLESWORTH: A bill (H. R. 14900) granting a pension to Annie Dougherty; to the Committee on Invalid Pensions.

By Mr. WOLVERTON of West Virginia: A bill (H. R. 14901) granting an increase of pension to Sarah C. Kirkpatrick; to the Committee on Invalid Pensions.

By Mr. WYANT: A bill (H. R. 14902) granting an increase of pension to Mary Brubaker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14903) granting an increase of pension to Emma Gordon; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14904) granting a pension to Joseph Dixon Snodgrass; to the Committee on Invalid Pensions.

By Mr. ZIHLMAN: A bill (H. R. 14905) granting an increase of pension to Sarah M. Flowers; to the Committee on Invalid Pensions.

PETITIONS, ETC.

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

7845. By Mr. GARBER of Oklahoma: Petition of the executive committee of the Hillerman Woman's Christian Temperance Union, Enid, Okla., urging support of House bill 9986 providing for Federal supervision of films to be licensed for interstate and international commerce; to the Committee on Interstate and Foreign Commerce.

7846. By Mr. McKEOWN: Petition of the Bernard Gill Post, American Legion, State of Oklahoma, Shawnee, Okla., asking Congress to issue negotiable coupon United States bonds to pay off the adjusted-service certificates; to the Committee on World War Veterans' Legislation.

7847. Also, memorial of H. G. Turner and other post-office employees of the Okemah (Okla.) post office requesting that House bills 3087 and 6603 be passed immediately; to the Committee on the Post Office and Post Roads.

7848. By Mr. O'CONNELL: Petition of Queensboro Federation of Mothers Clubs, favoring the passage of the Reed-Curtis bill; to the Committee on Education.

7849. By Mr. PATMAN: Petition of Thomas Chamberlain and 387 citizens and veterans of Great Falls, Mont., presented through Arthur F. Peabody, urging the immediate payment of the adjusted-service certificates now held by veterans of the World War; to the Committee on Ways and Means.

7850. Also, petition of Charles H. Donnell, of Ansonia, Conn., and 100 other veterans and citizens from the State of Connecticut, presented through Arthur F. Peabody, urging the immediate payment of adjusted-service certificates now held by World War veterans; to the Committee on Ways and Means.

7851. Also, petition of Peter Wafler and 114 other veterans and citizens of Orrville, Ohio, presented through Arthur F. Peabody, urging the immediate payment of adjust-service certificates now held by World War veterans; to the Committee on Ways and Means.

7852. By Mr. HENRY T. RAINEY: Petition of members of Burlington Chapter, No. 22, Veterans' Association, and Ladies' Auxiliary, Chapter No. 12, Beardstown, Ill., opposed to State or Government operating our waterways for commercial purposes, and opposed to trucks and busses using State-aid highways for commercial purposes, and while they use them that a heavy tax be placed upon them; that the size and tonnage of busses and trucks be regulated by law; to the Committee on Interstate and Foreign Commerce.

7853. By Mr. SCHAFER of Wisconsin: Petition of members of Cleary Post, No. 115, American Legion, Elroy, Wis., in favor of the immediate cash payment of the adjusted compensation (bonus); to the Committee on Ways and Means.

7854. Also, petition of veterans of the World War and members of the National Home, Wisconsin, in favor of the immediate cash payment of the adjusted compensation (bonus); to the Committee on Ways and Means.

7855. By Mr. WIGGLESWORTH: Petition of Mrs. Gilbert T. Chapin, of Brockton, Mass., and 1,800 residents of the fourteenth Massachusetts congressional district, urging the passage of House bill 7884, for the exemption of dogs from vivisection in the District of Columbia; to the Committee on the District of Columbia.

SENATE

WEDNESDAY, DECEMBER 10, 1930

(Legislative day of Tuesday, December 9, 1930)

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

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 10198) to repeal obsolete statutes and to improve the United States Code.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 328. An act for the relief of Edward C. Dunlap;

H. R. 1759. An act for the relief of Laura A. DePodesta;

H. R. 1825. An act for the relief of David McD. Shearer; and

H. R. 10198. An act to repeal obsolete statutes and to improve the United States Code.

SENATOR FROM KANSAS

The VICE PRESIDENT laid before the Senate the credentials of ARTHUR CAPPER, chosen a Senator from the State of Kansas for the term commencing March 4, 1931, which were read and ordered to be placed on file.

WITHDRAWALS AND RESTORATIONS OF PUBLIC LANDS

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, copy of letter of the Commissioner of the General Land Office, dated December 8, 1930, together with a report of the withdrawals and restorations of public lands as contemplated by the act approved June 25, 1910 (36 Stat. 847), which, with the accompanying papers, was referred to the Committee on Public Lands and Surveys.

REPORT OF BELLEAU WOOD MEMORIAL ASSOCIATION

The VICE PRESIDENT laid before the Senate a communication from Elizabeth Van Rensselaer Frazer, honorary president of the Belleau Wood Memorial Association, submitting the annual report of the association, which, with the accompanying papers, was referred to the Committee on Military Affairs.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate resolutions adopted by the Second Oregon Volunteer Infantry Association, favoring the passage of legislation which, in the event of war, would provide for the conscription of all wealth, labor, and property for the service of the Government, which were referred to the Committee on Military Affairs.

He also laid before the Senate resolutions of the Ministerial Alliance and its allied societies adopted at Joplin, Mo., favoring adhesion by the United States to the protocols for the World Court, which were referred to the Committee on Foreign Relations.

He also laid before the Senate a communication in the nature of a petition from the president of the Russian Veterans' Society of the World War, Seattle, Wash., praying for the passage of legislation for the relief of Russian invalid World War veterans, which was referred to the Committee on Finance.

He also laid before the Senate a communication from Warren H. Richards and Stanley N. Taylor, students of the Northeast High School, Philadelphia, Pa., submitting a relief plan for the unemployment situation, which was referred to the Committee on Finance.

He also laid before the Senate a communication from John Wuchter, of Portland, Oreg., relative to an invention for propelling ocean vessels 25 per cent faster and lessening vibration, which, with the accompanying paper, was referred to the Committee on Commerce.

He also laid before the Senate a communication from Patrick Gallagher, a citizen of New York and resident of the District of Columbia, relative to the Philippine problem and related matters, which, with the accompanying memorandum, was referred to the Committee on Foreign Relations.

PROPOSED FEDERAL BUILDING AT BOONVILLE, IND.

Mr. ROBINSON of Indiana presented a resolution adopted by the Boonville (Ind.) Business Men's Association, which was referred to the Committee on Public Buildings and Grounds and ordered to be printed in the RECORD, as follows:

Whereas the receipts of the post office of the city of Boonville, Ind., fall short only a small amount of the estimated $20,000 of receipts per annum necessary to entitle us to a new Federal building; and