

HOUSE OF REPRESENTATIVES

SATURDAY, JANUARY 17, 1931

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Thou who wouldst not break the bruised reed nor quench the smoking flax, we would look longingly toward Thee as our Father and breathe a little prayer for guidance. Be Thou our friend and Savior, and rule over our hearts and lives. Consider us, for we are imperfect, guilty of mistakes of judgment; we suffer for our frailties and faults. There is one heart in which we find a refuge—it is the Savior's. There is one hand that always lifts the torch—it is the Savior's. There is one star of hope that always burns—it is the Savior's. We thank Thee; and do Thou ever keep us in that pathway that leads to patriotic devotion, growth, and happiness. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 4750. An act to authorize alterations and repairs to certain naval vessels; and

S. 5688. An act granting the consent of Congress to the State of New Hampshire to construct, maintain, and operate a toll bridge or dike across Little Bay at or near Fox Point.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and a joint resolution of the House of the following titles:

On January 12, 1931:

H. R. 13130. An act granting the consent of Congress to the Louisiana Highway Commission to construct, maintain, and operate a free highway bridge across the Bogue Chitto River between Sun and Bush, St. Tammany Parish, La.; and

H. R. 14446. An act to extend the time for completing the construction of a bridge across the Mississippi River at or near the city of Prairie du Chien, Wis.

On January 14, 1931:

H. R. 11201. An act to authorize a preliminary examination of the Fox River, Wis., for the purpose of flood control.

On January 15, 1931:

H. R. 9985. An act to amend the act entitled "An act to amend the national prohibition act," approved March 2, 1929; and

H. J. Res. 447. Joint resolution making an appropriation to carry out the provisions of the public resolution entitled "Joint resolution for the relief of farmers in the drought and/or storm stricken areas of the United States," approved December 20, 1930.

BENJAMIN FRANKLIN

Mr. CHINDBLOM. Mr. Speaker, I ask unanimous consent to proceed for one minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. CHINDBLOM. Mr. Speaker, this day is the anniversary of the birth of one of the most famous Americans of the formative period of our Republic, Dr. Benjamin Franklin. We have all read the characterizations of him on the statue on Pennsylvania Avenue—"Printer, Philosopher, Patriot, Philanthropist."

I ask unanimous consent, Mr. Speaker, that I may extend my remarks and include one or two short quotations with reference to the life of Doctor Franklin.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. CHINDBLOM. Mr. Speaker, present-day statesmen and public servants may well learn something as to their proper course from Doctor Franklin's attitude when he was tempted by considerations of both fame and fortune to betray the colonial cause in the controversy relating to the Stamp Act. He is reported as having said:

I thought it should not be expected of me to change my political opinions every time His Majesty thought fit to change ministers. * * * My rule, in which I have always found satisfaction, is never to turn aside in public affairs through views of private interests; but to go straight forward in doing what appears to me right at the time, leaving the consequences with Providence.

During the 84 years of his active and useful life, from January 17, 1706, to April 17, 1790, Franklin was engaged as a printer, publisher and editor, builder of forts for protection against the Indians, librarian, scientist (physicist), and diplomatist, in the last capacity representing the Colony of Pennsylvania before the House of Commons in advocacy of the repeal of the stamp act; in France, representing the Colonies to secure assistance in the War for Independence; and, finally, in the negotiations with both the British and French in drafting the treaty of peace which closed the Revolutionary War.

Franklin's greatest contribution toward the establishment of the Republic was probably his suggestion that representation in the lower House of Congress should be according to population, while in the Senate each State should have equal representation in membership. He illustrated his proposal by the homely observation:

When a broad table is to be made, and the edges of the planks do not fit, the artist takes a little from both, and makes a good joint.

Philosopher that he was, Franklin reflected on the closing years of his life as follows:

I have public business enough to keep me from ennui, and private amusement besides in conversation, books, my garden, and cribbage. * * * I have indeed now and then a little compunction in reflecting that I spend time so idly; but another reflection comes to relieve me, whispering, "you know that the soul is immortal; why then should you be such a niggard, of a little time, when you have a whole eternity before you?" * * * The last hours are always the most joyous.

He passed away in this happy mood, loved by his friends and by the Nation he helped to found.

EVENING SESSION—THE PRIVATE CALENDAR

Mr. TILSON. Mr. Speaker, I ask unanimous consent that on Friday next, January 23, it may be in order to move to take a recess until 8 o'clock that evening, that the House may sit not later than 11 o'clock p. m., and that at such session bills on the Private Calendar unobjected to may be considered in the House as in Committee of the Whole House, starting at the beginning of the calendar.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

Mr. RANKIN. Reserving the right to object, that is just for the one day, is it?

Mr. TILSON. That is all.

Mr. RANKIN. Just for Friday?

Mr. TILSON. Yes. It is anticipated that we shall not be permitted to use the day session on Friday for that purpose, and therefore I have asked that we be permitted to sit in the evening for that purpose solely.

Mr. RANKIN. There will be nothing considered except the Private Calendar?

Mr. TILSON. Nothing whatever.

Mr. RANKIN. I shall not object to that.

Mr. O'CONNOR of Oklahoma. Reserving the right to object, I did not know this request was to be made, but on Friday evening there is to be a prevision showing of the play Cimarron, an historical play of Oklahoma, to which all the Members of the House and the Senate and official Washington are being invited at the request of the Oklahoma delegation. I wonder if some other night might not be selected, in view of that.

Mr. TILSON. I am sorry, but Friday is considered Private Calendar day. Of course, it is not necessary that all the Members be present at the session of the House on that occasion.

Mr. STAFFORD. Will the gentleman yield?

Mr. TILSON. I yield.

Mr. STAFFORD. I understand it is not mandatory for the House to remain in session until 11 o'clock?

Mr. TILSON. No. My request is that at any time on Friday, preferably about 5 o'clock or a little thereafter, it might be in order to move to recess until 8 o'clock. It is not mandatory unless the House wishes to do so. It will be privileged if it is desired to make the motion.

Mr. STAFFORD. But I mean it is not mandatory that the session shall continue from 8 o'clock until 11 o'clock?

Mr. TILSON. The session can not be extended later than 11 p. m.

Mr. STAFFORD. But it is not mandatory to sit until 11?

Mr. TILSON. No. Adjournment may be voted at any time desired, not later than 11 o'clock.

Mr. STAFFORD. I ask that for the reason that some Members have succumbed, under the pressure of considering these bills, prior to 11 o'clock.

INVITATION TO CONGRESS—CIMARRON

Mr. McCLINTIC of Oklahoma. Will the gentleman yield?

Mr. TILSON. I yield.

Mr. McCLINTIC of Oklahoma. I would like to make a statement to the distinguished leader. The Oklahoma delegation and one of the Cabinet officers have arranged for a private showing of a great picture known as Cimarron in which the scenes are laid in the State of Oklahoma. President Hoover, Vice President Curtis, Members of the House, Members of the Senate, all the Cabinet officers, officials of the Army and the Navy, and others in the diplomatic set are going to be invited to attend a private showing of this picture at Keith's Theater on Friday night next. In view of the fact that the Oklahoma delegation has joined with others in the diplomatic set in extending these invitations, I am wondering if the distinguished leader can not set some other night in order that the Members of the House, the Members of the Senate, and others in Washington may have the opportunity of attending this private showing?

Mr. TILSON. In response to the very courteous request of the gentleman from Oklahoma [Mr. McCLINTIC] I have endeavored to find an equally suitable evening, but in almost every case I am confronted with some other event that is probably not as important as the show which the gentleman is going to put on, but which Members feel in a way obligated to attend. I have been unable to locate any evening other than Friday evening. As I say, the session will be for consideration of the Private Calendar only, under a unanimous-consent agreement, and it is not absolutely necessary for all Members of the House to be present. Everything is done by unanimous consent, and unless Members have some knowledge of the bills they can not throw much light upon the consideration of the bills, even if present. There are certain Members of the House who give careful consideration to all such bills, and I think they may be depended upon to stop all the bad ones. I think no harm will come if a liberal number of the Members of the House attend the Oklahoma show.

Mr. McCLINTIC of Oklahoma. I appreciate the courteous statement the gentleman has made and the kindness he has extended to me, but Members of this House and their wives will be invited to attend this private showing of a picture which relates to the early formation of Oklahoma, by act of this body, and in view of the fact that this will be a sound picture, which many think will be better than that which was called *The Covered Wagon*, I sincerely hope that if the distinguished leader can find some other night that will be more satisfactory he will make a later announcement.

THE PRIVATE CALENDAR

Mr. GREENWOOD. Will the gentleman yield?

Mr. TILSON. I yield.

Mr. GREENWOOD. This is the first opportunity we will have to consider the Private Calendar? It will not be considered at any intervening time between now and Friday night?

Mr. TILSON. No. It is not anticipated that we shall take up the Private Calendar before Friday evening.

Mr. GREENWOOD. And begin at the beginning?

Mr. TILSON. Begin at the beginning; and it is hoped that thereafter we may go on through the calendar from that point.

Mr. GREENWOOD. We will convene at 8 o'clock and continue not later than 11?

Mr. TILSON. Not later than 11.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. PATMAN rose.

The SPEAKER. For what purpose does the gentleman from Texas [Mr. PATMAN] rise?

Mr. PATMAN. To prefer a unanimous-consent request along the same line as the request of the gentleman from Connecticut [Mr. TILSON].

I ask unanimous consent that the Ways and Means Committee be discharged from the further consideration of H. R. 3493—

The SPEAKER. The Chair declines to recognize the gentleman for that purpose.

DEPARTMENTS OF STATE AND JUSTICE AND THE JUDICIARY, AND DEPARTMENTS OF COMMERCE AND LABOR APPROPRIATION BILL

Mr. SHREVE. 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. 16110) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor 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. 16110, with Mr. RAMSEYER in the chair.

The Clerk read the title of the bill.

Mr. OLIVER of Alabama. Mr. Chairman, I yield 20 minutes to the gentleman from Texas [Mr. PATMAN].

ADJUSTED-SERVICE CERTIFICATES

Mr. PATMAN. Mr. Chairman, ladies and gentlemen of the committee, the unanimous-consent request which I asked the privilege of presenting a few minutes ago is as follows:

I ask unanimous consent that the Ways and Means Committee be discharged from the further consideration of H. R. 3493, a bill to provide for the immediate payment to veterans of the face value of their adjusted-service certificates, and that said bill be considered under the general rules of the House as a special order Tuesday, February 10, 1931, after the reading of the Journal of the preceding day, and the same be considered until finally disposed of, if the Ways and Means Committee fails to report a bill on this subject prior to that date.

Of course, the Speaker did not know exactly what my unanimous-consent request was, and I did not reach the House in time to inform him; but since it will go in the RECORD, I am going to renew my request at the first opportunity, because I believe it is a fair and reasonable one. In the first place, it asks that the Ways and Means Committee be discharged from the further consideration of this bill if a bill on that subject is not acted on before February 10, 1931. If it is acted on before that time, of course, this unanimous-consent request would not be applicable; but if the committee fails to act, then this bill would automatically come before the House on that date for consideration; and certainly I do not see any reason why that is not a reasonable request.

ADJUSTED-SERVICE CERTIFICATES SHOULD BE PAID IN CASH NOW

Now, my friends, I have asked for this time for the purpose of saying something about the payment of the adjusted-service certificates in cash. I know that this question is

being very much discussed and the reason for it is this: That we sincerely believe that the payment of this honest debt in cash now—a debt that has been publicly confessed by the Members of this House—is due to every veteran of the World War who served longer than 110 days, those serving under 110 days were paid in cash and do not hold certificates; that the payment of that debt will bring immediate prosperity to our Nation. We say that because we know there is a low per capita circulation of money in our country and we know that is causing a lack of purchasing power and that this lack of purchasing power is causing our deplorable condition. So anything we can do that will put more money into circulation and give more purchasing power will cause better business and a prosperous Nation.

AMOUNT EACH STATE WILL RECEIVE IF CERTIFICATES PAID IN CASH

I ask unanimous consent, Mr. Chairman, that I may be permitted to insert in the RECORD a statement prepared by Gen. Frank T. Hines showing the number of adjusted-service certificates in each State and the amount that each State would receive if my bill, H. R. 3493, is enacted into law.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to have printed in the RECORD the statement made by General Hines referred to. Is there objection?

There was no objection.

Adjusted-service certificates in force December 1, 1930, showing
State of residence

Residence	Number	Amount
Alabama.....	48,862	\$45,536,468
Alaska.....	1,357	1,369,518
Arizona.....	10,519	11,298,522
Arkansas.....	42,076	38,688,879
California.....	191,038	207,481,950
Colorado.....	32,914	32,863,428
Connecticut.....	42,415	45,878,847
Delaware.....	4,751	6,162,830
District of Columbia.....	27,148	27,732,736
Florida.....	37,325	36,976,981
Georgia.....	56,327	53,753,575
Idaho.....	12,894	12,668,040
Illinois.....	242,954	240,350,378
Indiana.....	92,296	90,730,556
Iowa.....	77,365	71,557,306
Kansas.....	54,970	53,411,195
Kentucky.....	61,417	58,204,508
Louisiana.....	51,577	47,590,744
Maine.....	20,699	20,542,767
Maryland.....	46,148	47,590,744
Massachusetts.....	131,996	141,745,095
Michigan.....	127,246	129,761,814
Minnesota.....	82,455	81,486,311
Mississippi.....	35,290	32,868,428
Missouri.....	108,208	102,713,837
Montana.....	17,306	17,461,352
Nebraska.....	38,683	38,688,879
Nevada.....	2,715	3,081,415
New Hampshire.....	11,876	12,325,661
New Jersey.....	111,298	117,436,154
New Mexico.....	9,840	9,586,625
New York.....	360,699	374,905,504
North Carolina.....	61,417	59,231,646
North Dakota.....	15,609	15,064,696
Ohio.....	175,429	180,433,973
Oklahoma.....	64,471	60,943,543
Oregon.....	33,032	35,235,084
Pennsylvania.....	250,759	265,001,690
Rhode Island.....	20,020	21,227,526
South Carolina.....	34,272	32,868,428
South Dakota.....	22,056	20,200,388
Tennessee.....	56,667	55,465,472
Texas.....	142,855	146,196,028
Utah.....	13,912	13,695,178
Vermont.....	7,805	8,559,487
Virginia.....	60,739	62,997,820
Washington.....	54,292	57,862,128
West Virginia.....	41,737	39,716,017
Wisconsin.....	85,170	80,459,172
Wyoming.....	10,858	10,956,143
State not given.....	339	342,379
Panama.....	339	342,379
Philippine Islands.....	3,393	4,108,554
Porto Rico.....	13,573	6,505,210
Hawaii.....	8,483	7,874,728
Virgin Islands.....	339	342,379
Guam.....	339	342,379
Samoa.....	60	74,641
Canal Zone.....	3,054	4,108,554
France.....	1,357	1,711,897
Belgium.....	339	342,379
Italy.....	5,429	4,793,312
Germany.....	339	342,379
Austria.....	339	342,379
British Isles.....	1,357	1,711,897
Northern Russia and Siberia.....	1,357	1,369,518
Other parts of Europe and Asia.....	3,393	3,081,415
China.....	1,018	1,369,518
Japan.....	102	106,405
South America.....	339	342,379
Canada.....	4,072	4,108,554

Adjusted-service certificates in force December 1, 1930, showing
State of residence—Continued

Residence	Number	Amount
Cuba.....	339	\$684,759
Santo Domingo (Haiti), Dominican Republic.....	339	342,379
Mexico.....	679	684,759
New Zealand.....	25	31,019
Australia.....	67	71,163
India.....	81	85,193
Central America.....	116	142,005
West Indies.....	130	135,105
Newfoundland.....	15	15,546
Azores.....	29	33,350
Africa.....	67	81,789
Oceania.....	5	4,860
Grand total.....	3,393,914	3,424,575,640

Mr. EDWARDS. Will the gentleman yield?

Mr. PATMAN. Yes.

Mr. EDWARDS. I have introduced a bill similar to the one the gentleman is discussing. Will the gentleman state what the total amount of these certificates will be?

Mr. PATMAN. I shall be glad to do that. In answer to the gentleman from Georgia, I will state that the total amount due on these certificates is \$3,424,575,640.

Mr. EDWARDS. That is the face of the certificates.

MATURITY OR FACE VALUE SHOULD BE PAID

Mr. PATMAN. That is the face value of these certificates. I am going to tell you why we believe all of the certificates should be paid in cash. I know that if you mention that to the Member of Congress who has not had an opportunity or has failed to inform himself about this law he will tell you he does not favor paying the face value; that the face value is too much; but if he will take the time to study the law and the intent of Congress he will find it is not too much and that the face value, or practically all of it, is due during the year 1931.

Take a concrete case. Take the case of a veteran who served in the World War for 210 days in home service and served 200 days overseas. For his home service he receives \$1 extra a day in adjusted compensation and for his overseas service an extra concession of debt amounting to \$1.25 a day. So the aggregate amount for 210 days' home service, or \$210, and 200 days overseas, or \$250 at \$1.25 a day, would be \$460. When Congress confessed this debt to him it said, "Yes; back six years ago Congress remembers that it paid you \$60 as a bonus." Congress did pay to each veteran of the World War, whether he was a buck private in the rear rank having served one day or two years, or whether he was a major general drawing \$8,000 a year—Congress paid or authorized a payment to each of those veterans the sum of \$60. Why? When a veteran went into the service and after having received a uniform the first thing he did was to pull off everything from his hat to his shoes and give them to the Red Cross, and this clothing was sent to Belgium and to France to relieve conditions over there. So when the veterans were discharged they had no money because they had received very little for their services after paying insurance, allotments, laundry, mending his own clothes and shoes, and other expenses, including a monthly payment on a Liberty bond, and Congress gave them \$60 for the purpose of buying a suit of clothes, and it was stated on the floor of this House and on the floor of the Senate that this was the object and intent of this gift of \$60. But when the adjusted service certificate law passed, Congress said, "Yes; we paid you \$60 and now we are going to deduct that \$60 from this \$1 a day for home service and \$1.25 a day for overseas service. We are going to deduct that from your pay. Of course, we are not going to make the major generals pay their \$60 back, and we are not going to make the officers who received \$6,000 or \$8,000 a year, with additional allowances, pay their \$60 back, or the veteran who served only two or three days, but you fellows who get adjusted-service certificates will be compelled to pay this \$60 back." So you reduce that \$460 by \$60 and that makes a man's adjusted-service credit \$400. Then the Government says, "I will add on 25 per cent because you have got to wait 27 years for your money and make that amount \$500, and that \$500

will purchase a \$1,000 insurance certificate or endowment policy due January 1, 1945."

Well, the soldier takes this. He has no other alternative. This is due in 1945.

Now, my proposal is this. Do not give the veterans any bonus. Do not give the veterans any gratuity, but do for them exactly what you have done for other people. Do not give them that 25 per cent extra—count that off—but put back the \$60. It ought to be put back. Nobody else had to pay their \$60 back. So put back that \$60 in with the \$400 and give the veteran 6 per cent interest compounded annually, not from 1925, but from 1918, when his service was rendered, and whenever you do that, that will amount to about 95 or 96 per cent of the face value of the adjusted-service certificate as due in 1945.

REASONABLE DEMAND

Can you say this is unreasonable? Is it unreasonable to say that the Government should pay the veteran 6 per cent compounded annually? If you say that you say it is unreasonable for the Government to charge the veteran 6 per cent compounded annually for his own money. Now, if it is fair for the Government to charge the veteran 6 per cent compounded annually for his own money, which the Government has done, certainly you will say it is fair for the Government to pay the veteran 6 per cent compounded annually from the time the services were rendered to his country, for which this debt was confessed. The Treasury Department is paying 6 per cent interest on all tax refunds for the year 1918 or any other years. Therefore, my friends, I say that 95 or 96 per cent of that money is actually due now, and since it is so near the total amount or the face value, the additional small sum ought to be given him for waiting these 12 or 13 years.

CONFESSION OF A DEBT

Mr. CROWTHER. Will the gentleman yield?

Mr. PATMAN. Yes; I shall always be pleased to yield to my friend from New York.

Mr. CROWTHER. I look with some favor on some method of making this payment, but does the gentleman think it is exactly fair to use the expression "a confession of debt"? I do not think that was ever used at the time we granted the adjusted compensation.

Mr. PATMAN. I will say to my friend I think it is fair, because other people who received adjusted pay had a debt confessed to them, and if it is a confession of a debt to war contractors of \$3,000,000,000, if it is a confession of a debt to the railroads of \$1,600,000,000 for adjusted pay, and if it was a confession of a debt of \$6.33 a day extra pay for those veterans who stayed over here and worked on the public roads, then it is certainly a confession of a debt to those veterans who were only getting \$1 for home service and \$1.25 for overseas service.

COMMITTEE HEARING SOUGHT

I am mighty glad the gentleman has asked me that question, and now I want to ask him a question with respect to the Ways and Means Committee. I understand the chairman of that committee has called a meeting of the committee for Tuesday. Of course it is not on this bill but is on a bill that other people are interested in getting through on another subject, a bill Mr. Mellon wants passed. I am glad the chairman is here, and I am glad he is going to call a committee meeting. That committee, I understand, has not met this session. There has been no reason, to my knowledge, why this committee should not have met before this time and given consideration to these different proposals; but the committee has not met and is meeting for the first time this session next Tuesday. At that meeting I wish the distinguished gentleman from New York, who has always expressed interest and feeling for the veterans of the World War and the veterans of other wars, would make a motion or at least do something toward getting a hearing before that committee on the proposal to pay the veterans the adjusted-service certificates. I am asking for a hearing on all the proposals; and I hope my friend, as a member of

that great committee—the Committee on Ways and Means—will use his influence and his power and his prestige to get a hearing on these important proposals for the veterans and other people who want a prosperous nation.

ONE HUNDRED PER CENT SHOULD BE PAID

Mr. COCHRAN of Missouri. Will the gentleman yield? Mr. PATMAN. Yes.

Mr. COCHRAN of Missouri. The gentleman is making a very interesting statement and has advanced a proposal here that I have not heard stated before. I want to ask the gentleman if he has introduced a bill carrying out his idea?

Mr. PATMAN. Why, certainly I have introduced such a bill, but I am not arguing for my bill only.

Mr. COCHRAN of Missouri. I refer to the idea which the gentleman has advanced with reference to paying 95 per cent of the total amount.

Mr. PATMAN. No; I think 100 per cent should be paid. Does not the gentleman think they ought to have the 4 or 5 per cent for waiting 12 or 13 years?

Mr. COCHRAN of Missouri. I would suggest the gentleman introduce his bill, so that in the event there is a hearing, then his proposal will be before the Ways and Means Committee. I am in sympathy with his suggestion.

Mr. PATMAN. When we have a hearing, of course, if the committee wants to cut it down to 95 per cent, the actual amount due, nobody would object to that. All the veterans want is a square deal. They want the same principle invoked for them that has been invoked for others.

Mr. JOHNSON of Texas. Will the gentleman yield?

Mr. PATMAN. I will be glad to yield to the gentleman.

Mr. JOHNSON of Texas. I want to commend my colleague for his very able and zealous effort that he has been making in behalf of the legislation. I wish publicly to state that my colleague has been active in aggressively promoting this legislation. I would like to have him permit me to read a telegram that I have just received.

Mr. PATMAN. If the gentleman will pardon me, I only have 20 minutes. I will ask unanimous consent that it be inserted in the RECORD.

The CHAIRMAN. The gentleman from Texas asks unanimous consent that the telegram received by his colleague may be inserted in the RECORD at this point. Is there objection?

There was no objection.

The telegram is as follows:

ROCKDALE, TEX., January 16, 1931.

HON. LUTHER A. JOHNSON,
House Office Building:

At a regular meeting of Carlyle Post 358, a resolution was adopted to indorse Patman bill, H. R. 3493, providing immediate payment of adjusted-service certificates. Will greatly appreciate your efforts in bringing this legislation about.

HARRY MOODY, Commander.
M. N. STRICKER, Adjutant.

Mr. PATMAN. I am sorry that I can not put all the telegrams and petitions in the RECORD that I have received. They run into thousands. I am filing them all in the House as rapidly as I can and they are being referred to the Committee on Ways and Means.

VETERANS WHO WORKED ON PUBLIC ROADS DURING WAR RECEIVED \$6.33
A DAY ADJUSTED PAY

Now, gentlemen, I want to call your attention to a proposition that is on all fours with this. When the war was over and the agricultural and the post office bills were before the House there was a rider attached in the Senate providing that all veterans of the World War during a certain period who worked on the public roads in the United States should receive adjusted pay equal to the difference between what the Government paid them as privates or corporals or sergeants and the amount a civilian would have received under the same circumstances rendering identical service.

I went to the Bureau of Public Roads and we got this old pay roll, which is typical of the form used, and it showed that veterans worked on the public roads side by side with civilians and that those veterans received adjusted pay.

Here is just one illustration—Barney Allen, of Tennessee, whose military title was a corporal, received pay of \$1.66½ a day while the civilian working by his side received \$8 a day—the difference being \$6.33. Barney Allen received \$158.23 for that month's work in adjusted pay in addition to his regular pay of \$1.66½.

He worked side by side with a civilian and this Congress said that that man is entitled to adjusted pay equal to the difference he received and what he would have received as a civilian. The amount was \$6.37 a day, or \$158.25 for the month. He was paid this and he did not have to wait until 1945.

For services rendered by soldiers, sailors, or marines on road-construction work done under the supervision of military officers of the War Department outside of military reservations or cantonments, in accordance with section 9 of the act making appropriations for the Post Office Department for the fiscal year ending June 30, 1920, approved February 28, 1919 (40 Stat. 1189, 1925), on road leading from Fayetteville, N. C., to Camp Bragg, N. C., in county of Cumberland (Big Ben District), State of North Carolina, during the month of July, 1918

Line No.	Name	Address to which check is to be mailed	Military title	Rate of pay ¹	Civil title for class of work performed	Rate of pay	Difference in rate of pay	Detail statement of services performed (If work done on hourly basis, show number of hours constituting a day's work, i. e., if 10 hours constituted a day's work, show the figure 10 in the proper column, and if less than a day's work was performed show actual number of hours worked)	Total days or hours	Difference paid by the Department of Agriculture	
1	Barney Allen...	Woodbine Branch, Nashville, Tenn.	Corporal.....	1.66½	Tractor mechanic..	\$8.00	\$6.33	From the 1st to the 30th, inclusive, except Sundays and holidays.	25	\$158.25	A. S. 27180, July 23, 1921.
2	Philip Weber...	Marfa, Tex.....	Private, first class.	1.56½	Foreman.....	5.20	3.63	do.....	25	90.75	
3	Hillsman Davis.	do.....	do.....	1.56½	do.....	5.20	3.63	do.....	25	90.75	
4	Roy Day.....	Blackwell, Tex..	Corporal.....	1.66½	Tractor operator..	4.00	2.33	do.....	25	58.25	Do.
5	George Bero.....	Marfa, Tex.....	Sergeant.....	1.92½	Assistant distributor.	(?)	5.57	do.....	25	139.25	A. S. 30548, May 20, 1922.

¹ Including allowances for commutation of quarters, heat, and light for officers and value of subsistence for enlisted men of the Army.

² \$225 per month or engineer, \$7.50 per day.

WAR DEPARTMENT,
ADJUTANT GENERAL'S OFFICE,
April 28, 1921.

I certify that this pay roll (in one sheet) is correct; that the records of this office indicate the persons named hereon were detailed for work on roads outside of the limits of military reservations or cantonments in accordance with requirements of section 9 of the act of Congress making appropriations for the Post Office Department for the fiscal year ending June 30, 1920.

HARRISON HALL,
Adjutant General.

NOT A "BONUS"—ADJUSTED PAY

Mr. PATMAN. Senator McCumber in reporting the bill to the Senate in 1924, said:

Any discussion of this bill, its provisions and purposes, would be lacking in fairness and justice if it failed at the outset to correct a general misnomer of the bill itself. This proposed legislation is generally referred to as the "soldiers' bonus bill." No name could be applied that would be more irrelevant. It is worse than erroneous. It is just what its title reads, a bill to provide adjusted compensation for the veterans of the World War. It is not a bonus bill, and fairness to the country and soldiers alike requires that we should exclude the word "bonus" in referring to it.

This is the bill that was enacted and is known as the adjusted compensation act.

OTHERS PAID IN CASH

Now, gentlemen, I want to invite your attention to the fact that when the war was over the war contractors came to Congress and admitted that they did not have a legal contract. But they wanted adjusted pay, and they got adjusted pay amounting to approximately \$3,000,000,000. The railroads got more than a billion dollars on the same principle. These men should not wait until 1945. When this bill was passed it was said, "Oh, no; we haven't got the money to pay it in cash."

I will tell you why it was not paid in cash. Mr. Mellon, as usual, when veterans' legislation is considered, himself makes an incorrect estimate of the condition of the Treasury. He said in 1924, "We are going to have a deficit around \$347,000,000 during this fiscal year." At the end of

I submit to you, my friends, that when you allow the veterans for home service \$1 a day and the overseas man \$1.25 a day it ought to be paid as of 1918 when the service was rendered.

Mr. Chairman, I ask unanimous consent to insert this table in the RECORD. It is one of many hundred such pay rolls.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to insert a table in the RECORD. Is there objection?

There was no objection.

The table is as follows:

the fiscal year we had a surplus of more than \$600,000,000. He missed it by \$1,000,000,000. Close for Mr. Mellon, under the circumstances.

Now, when we propose to correct that error he said, "Oh, we can not do that; we can not afford to pay that sum in cash."

MR. MELLON MADE FALSE STATEMENT

But I am not willing to follow Mr. Mellon on veteran legislation, and I do not believe that you are willing to follow him; and if you do, I do not believe that you can defend yourself in so doing, because he has the reputation of always making a false, inaccurate, and misleading statement in regard to the condition of the Treasury when veteran legislation is being considered by Congress. I will tell you how the money can be raised so that it will not upset the economic situation of this Nation. Our war debt 10 years ago was \$26,000,000,000. It was all right then to pay the railroads and the war contractors and other people.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. OLIVER of Alabama. Mr. Chairman, I yield five minutes more to the gentleman.

NO INCREASE IN TAXES NECESSARY TO PAY THIS DEBT

Mr. PATMAN. I shall make this very short. I would like to go into it in full. But the gentleman from Alabama is crowded for time, and I do not want to impose upon the other Members of the House who are waiting to speak. The war debt has been reduced \$10,000,000,000 in 10 years, and \$7,000,000,000 faster than Congress said it should be reduced. My idea is to divert the payments from the war debt to this other war debt, the adjusted-service certificates. It is just as much a war debt as any other obligation of our Government. Pay it off in three or four years, and then continue to pay on the war debt as we have done in the past. That will not cause an increase in taxes, not one penny increase, and it will not cause a change in our tax

law, not as much as the dotting of an "i" or the crossing of a "t." We can go on as we have in the past, and whenever you pay this money, and it goes into every nook and corner of America, we will have prosperity in our Nation. There is no holding our country down or retarding its progress if we have a sufficient circulating medium, which always brings with it a sufficient purchasing power, and with sufficient purchasing power we are bound to have prosperity.

AMERICAN LEGION'S ATTITUDE ON THE PROPOSAL

Much is being said about the American Legion being opposed to this legislation. I want to explain that briefly. It happens that I am a member of the American Legion. I am proud of the Legion. It is a fine organization, a very worthy and deserving one. I stand for everything that it stands for. The rank and file of the American Legion, 95 per cent, if permitted to express their wishes here on the proposal that Members of Congress have presented, providing for the payment of these certificates in full, would be in favor of it, but the leader, Mr. O'Neil, the present national commander, says that he can not officially favor the proposals because at Boston the proposal was introduced and it was tabled. The merits were not discussed; but he says after consulting the executive committee that we are bound by that and that the American Legion can not afford to initiate the legislation.

DELEGATES SINCERE AND SOBER

I want to tell you about that Boston convention. I was there, and I believe I witnessed everything that happened on the floor of that convention. Much has been said in the newspapers about so many veterans being there drunk and not paying any attention to what they were doing. That report is absolutely false. I have never attended a convention where there were more serious-minded men as delegates on the floor than there were at Boston. I did not see any more evidence of drunkenness on that floor than I have seen here as a Member of this House, and I have never seen a Member on the floor of this House under the influence of intoxicating liquor. There was no evidence of liquor on that floor.

I did not see half a dozen drunks on the streets or elsewhere in Boston while I was there. The 1,500 delegates were sober, serious-minded men who went there from every section of the United States to look after the Legion's business, and did record the Legion as favorable to much legislation that will be of substantial assistance to the veterans of the World War if enacted.

UNFAIR TACTICS USED AT CONVENTION

There was one thing about that convention that I do not think was fair but the Legion as an organization did not initiate it. The proposal was presented to pay these adjusted-service certificates, and immediately after it was presented a delegate moved to cut off debate. His name was Quinn. He used to be the national commander of the American Legion. When the proposal was presented Mr. Quinn got up. He made a speech against it and closed his speech with a motion to table the proposal. Mr. Hanford McNider seconded that motion. They are the two men who caused debate to be cut off in that convention and thereby succeeded in applying the gag rule. The merits of the proposal were not presented. Debate was cut off. There was nothing to be done except to call for the yeas and nays, which I did; I called for the yeas and nays, and the New York and Massachusetts delegations joined with Texas, which made up the required number to get a record vote. We got the yeas and nays. Delegates slipped around and said that this was a political matter; that it would cause long debate if not tabled; that it was the last day and the last hour of the convention and we should get rid of it without discussion; and that we ought not to get the Legion into politics. They killed the proposal—not on its merits—but on a motion to table, which carried, and now the executive committee of the American Legion claims—at least a majority of them do—they can not afford to say a word one way or the other because of that motion to table that proposal. Although it is

well known 95 to 98 per cent of the members of that organization favor the proposal. The delegates there would have adopted the proposal had it been discussed or understood, but the opportunity was denied.

WHO ARE MR. QUINN AND MR. McNIDER

I want to tell you now about Mr. Quinn. Mr. Quinn is a man who has a splendid war record and has worked faithfully for the American Legion. Mr. McNider also has a fine record both as a soldier and legionnaire. They are always talking about keeping the Legion out of politics, and they are in politics all of the time and are national officers of the American Legion at the same time. Mr. Quinn holds a political office now. Last November he was elected to an office in Los Angeles County, Calif., a county supervisor, and he is always saying to keep the Legion out of politics, yet he holds a political office at the same time he holds a Legion office. He is drawing \$150 a month from the Government as a retired emergency officer for the same disabilities that a man who served in the ranks, an enlisted man, is drawing \$30. He is the gentleman who made the motion to cut off debate and to apply the gag rule. Mr. McNider, the man who seconded that motion, is the minister to Canada, appointed by the President of the United States a few months ago. He is the beneficiary of a political office, and yet as the holder of that political office he—the same as Mr. Quinn—is a member of the national executive committee of the American Legion, an ex officio member.

I have not heard of his resigning, I have not heard of his refusing to attend any meeting on that account, and it is the first time in the history of the Legion to my knowledge where a man is serving as an officer of the American Legion and yet at the same time holds a political office. The same situation is true as to Mr. Quinn. I understand it is not a violation of the constitution or the by-laws of the Legion. They are perfectly within their rights, but it just happens that I have not had knowledge of such a situation heretofore and doubt the wisdom of it. As members of the executive committee, why should they want to apply the gag rule and refuse a free discussion and a fair vote on the proposal? Mr. Quinn receives compensation from the Government besides holding a salaried position. Mr. McNider is, I am informed, several times a millionaire and one of the wealthiest men in Iowa. Probably these gentlemen were not in a position to view this question from the standpoint of veterans who are in distress and who have wives and children in need. Many of them are being put out on the street with sick wives and sick children because the rent is overdue, although the Government owes them many hundreds of dollars, which if paid would relieve their distressing condition. I hope these gentlemen will realize their mistake and assist in getting the Legion behind this proposal.

WHAT OTHERS HAVE DONE WHEN ANNOUNCING FOR POLITICAL OFFICE

I know what I did when I was post commander of a post in Texas. When I announced for political office, I resigned. Under the Legion constitution one does not have to resign as post commander until elected, as I understand it, but regardless of rules or constitution one should not hold a permanent position in the Legion and at the same time hold a political position. Other parties have done the same thing. We do not deserve any credit for it. We are simply doing what we should do to keep the Legion out of politics, but yet, when you bring up a proposal that will help the rank and file, and 95 or 98 per cent of them want this legislation pressed because they know it is just and honest and will not only help them but will help all the people of America in bringing about a prosperous nation, the opponents come out and say, "No; that is politics."

MANY VETERAN ORGANIZATIONS INDORSE MOVEMENT

The national organization of the American Legion has not indorsed this proposal, but tens of thousands of individual members of the Legion and hundreds of posts have indorsed it. The Legion, although a worthy and deserving organization, only represents about one-fifth or one-sixth of the World War veterans.

Other worthy and deserving organizations of veterans of the World War have indorsed the proposal. Among them are the Disabled American Veterans, Veterans of Foreign Wars, Fleet Reserve Association, Air Service Mechanics, Society of the Fifth Division, and many others. These organizations are entitled to credit for the attention that is now being given this legislation.

IF BILL NOT PASSED, FIGHT JUST COMMENCED

My friends, if this is not passed at this session, although I think it will be passed in some form, this fight has just commenced. It is not a partisan fight. You will never hear of me getting into partisan politics on this question. It is a fight by Republicans and Democrats to right a wrong that has been perpetrated upon the enlisted men of this Nation, and this fight will continue until this legislation is passed, and if it is not passed at this session or other legislation is not passed to break this panic I shall be glad to contribute everything I can in order to force a special session in order that the right kind of legislation to make our Nation prosperous might be passed. [Applause.]

I yield back the balance of my time, Mr. Chairman.

The CHAIRMAN. The gentleman from Texas yields back one minute.

Mr. SHREVE. Mr. Chairman, I yield 30 minutes to the gentleman from New Jersey [Mr. ACKERMAN], member of the committee.

Mr. ACKERMAN. Mr. Chairman and members of the committee, at the present time it is the supreme aim of everyone from President Hoover down to the humblest legislator to do everything within his or her power to relieve the unemployment situation which confronts us. Outside of the destroying effects of the drought, which fortunately involved but a portion of the country, there is no existing condition impossible of correction. It is by relieving distress in the drought-stricken area and to correcting the lack of employment in other sections that we are now addressing ourselves. That the foundations of the Republic are unshaken, the fundamentals of industry and finance are sound, and for the most part there is a display of unified action toward the desired end, is generally recognized and appreciated. These factors have a stimulating influence and are aiding daily in the expansion of a feeling of optimistic determination to work our way out.

This bill carrying, as it does, the funds for our foreign trade promotion activities, as well as for the conduct of our foreign and domestic relations generally, is probably of more importance at this time than for some years past.

The chairman of the subcommittee very graphically and comprehensively explained the bill in its major portions yesterday. I wish to address myself to some of the details in connection therewith.

Your committee has approached the task of preparing it for your consideration, with the thought always in mind as to how the specific item recommended would benefit the universal undertaking of assisting business to return to its former prosperous condition. While this task is entirely void of any romance or spectacular situations and fails to carry any strong emotional appeal, it nevertheless has its thrills. And the greatest of all will be to again see additional workmen profitably engaged so they can again keep their families in comfort and contentment, as is their due. When President Hoover was Secretary of Commerce some years ago, he suggested during that period more ways whereby agriculture, industry, manufacturing, and mining might be benefited, and wasteful practices eliminated, than had ever been thought of before. Many of these suggestions are now being used as the basis of reorganization and readjustment plans for carrying out programs to meet existing conditions. These suggestions were most helpful in settling major business disturbances immediately following the World War. They may be altered somewhat in their application, but the principle remains the same.

If this were the first major disturbance to confront our Nation, we might require a somewhat longer time to work our way out of it. Or if our interests were purely domestic, or local, if you please, so that we could actually be the

masters of our fortunes, the problem would be much less complicated, and we therefore would be able to make a much more rapid recovery, providing, of course, that agriculture has the proper kind of crops during this year and is able to dispose of them at a figure to restore the farmers' purchasing power. The problem, however, is not domestic or local. It is world-wide. But there are encouraging world signs.

Not very long ago Doctor Wu, the very able minister from China—and it must be borne in mind that the disturbances there and in India involve practically 40 per cent of the world's population—made a very interesting and illuminating talk over the radio, from which I venture to quote:

People throughout the world, in general and in America in particular, may or may not appreciate the momentous significance to them as well as to the Chinese of what is going on in China. It is probably difficult for most of them to realize that there is now taking place in that country something which historians will, in all probability, record as one of the most important epochs of human history, a turning point in the civilization of the world.

Let me explain. I make this statement not merely because the Chinese Government seems to have finally succeeded in bringing about a period of peace to the country. And peace means constructive work on the part of the Government and of the people and prosperity to the country as a whole, with a resultant effect on countries other than China, in bringing about increased trade relations and helping to solve, to some extent, the problems of economic depression and unemployment which seem to be so general throughout the world. I make this statement because I believe the meaning and character of the movement which has been going on in China for something like a generation justify it.

Yes; change is the watchword in China to-day. Whatever truth there might have been in the old days in the phrase "Unchanging East," there is no doubt nowadays about two things; one is, greater changes are going on in China to-day than anywhere else in the world; the second is, faster changes are going on in China to-day than anywhere else in the world. These changes affect the welfare and the future of the country whose territory is as huge as the continent of Europe and whose population is as enormous as that of Europe. Do I exaggerate then when I say that events taking place there may represent a turning point in the civilization of the world? For what is happening to a quarter of the population of the globe can not be a matter of indifference to the other three-quarters.

About two months ago a round-table conference on India was opened in London by King George to consider the future form of government for the millions of people in that vast domain. During the progress of the sessions a number of extraordinary concessions to the ideal of self-government have been foreshadowed. It is now probable that a pledge of dominion status will be given by Prime Minister Ramsay MacDonald. In a speech at the conference some time ago Lord Reading was quoted as having said:

Unless some argument is adduced which calls for a change of views I do not hesitate to say now that our recommendation to the Liberal Party in Parliament will be for Great Britain to go to the full length of granting to India a government responsible to its own elected legislature, except in matters of self-defense and foreign relations, which must for the time being be left as Crown subjects, and with certain reservations in financial affairs.

If boycotting can be removed from the Indian trade it will mean great activity in Lancashire and Yorkshire, and if the looms there become active, it means more cotton and more supplies from America. Therefore, if 40 per cent of the world's population becomes peaceful in its activities and building up its governments and supplying the wants of that great number of people, surely America will feel the effects thereof.

I think these statements may be safely accepted as reflecting conditions in those countries. Other equally authentic quotations could be cited as reflecting conditions in other sections of the world. True, some of them are not as encouraging as the declarations of Doctor Wu and Lord Reading, but all of them indicate that serious and determined efforts are being made and the situation is engaging the attention of the best minds in the respective countries. On the whole, the aspect presented as a world picture is promising for an early improvement and forward-going movement.

According to testimony given at the hearings on this bill by Mr. William L. Cooper, Director of the Bureau of Foreign

and Domestic Commerce, our foreign trade last year receded in about the same recession as the foreign trade of other countries. But, said Mr. Cooper, the services of the bureau actually increased, showing that in times of stress American business firms turn to the bureau immediately for assistance. To meet these demands the appropriation has been proportionately increased, as your committee felt that it would be money judiciously expended.

Mr. ARENTZ. Will the gentleman yield for a question?

Mr. ACKERMAN. I yield.

Mr. ARENTZ. I came in late, and I do not know whether the gentleman spoke about the influence of the low price of silver or not.

Mr. ACKERMAN. I was going to deal with that a little later, but inasmuch as the gentleman from Nevada [Mr. ARENTZ] has mentioned it, the purchasing power of both China and India has been greatly curtailed on account of the great decrease in the value of silver, silver bullion having gone down from \$1.29 an ounce, a normal price in times past, to the neighborhood of 30 cents an ounce. Consequently the purchasing power of both India and China has been greatly curtailed.

I append herewith some excerpts indicating the service given by the Bureau of Foreign and Domestic Commerce and results to American business houses. They will be the more interesting when considered in connection with the cost per service. Mr. Cooper stated that the cost per service during the past year, based on the appropriation, worked out at \$1.25. This is a reduction of \$1.03 per service from the year 1921-22, when the bureau first started making records of this kind.

At this point I want to call attention to how greatly our investments have increased abroad. They have increased from \$8,461,000,000 in 1923 to \$14,366,000,000 in 1930.

Mr. HARE. Will the gentleman yield?

Mr. ACKERMAN. I yield.

Mr. HARE. I am wondering whether the gentleman has the figures by years?

Mr. ACKERMAN. I have them by years, but just to save time I did not read them. I will insert them in the Record at this point:

Estimates made by Department of Commerce of private long-term American investments abroad, January 1

	Average of range
1930	\$14,366,000,000
1929	13,558,000,000
1928	12,240,000,000
1927	11,268,000,000
1926	10,460,000,000
1925	9,588,000,000
1924	8,719,000,000
1923	8,461,000,000

United States tourist expenditures overseas

Calendar year 1927	\$465,000,000
Calendar year 1928	516,000,000
Calendar year 1929	517,000,000

In addition, the Department of Commerce has compiled tourists' expenditures overseas. They are only for three years. They run from \$465,000,000 in the year 1927 to \$517,000,000 in the calendar year 1929.

Mr. KNUTSON. Will the gentleman yield?

Mr. ACKERMAN. I yield.

Mr. KNUTSON. Does that figure against us in trade?

Mr. ACKERMAN. Well, these are the expenditures of tourists, not the balance of trade.

Mr. KNUTSON. Do they enter into the computation of the balances?

Mr. ACKERMAN. I suppose they do, in what they term the "invisible" balance of trade.

Mr. ARENTZ. Will the gentleman make a distribution by countries?

Mr. ACKERMAN. Unfortunately we do not have it worked out to that extent. It would be very illuminating if we had that.

Now at this point I want to call the attention of the committee, if I may, to the wonderful service that is being given by the Post Office Department in connection with air mail service to Central and South America as conducted by the

Pan American-Grace Airways. It is quite illuminating. Now that private parties have the contract the Post Office Department supervises it, and in this connection I have received a very interesting report from Hon. W. Irving Glover, Second Assistant Postmaster General, giving a description of the activities of the air mail department from the time the Government assumed it until they turned it over to these private contractors.

With the permission of the committee, I would like to insert in my remarks this document. I ask unanimous consent, Mr. Chairman, to insert this document at this point.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

POST OFFICE DEPARTMENT,
SECOND ASSISTANT POSTMASTER GENERAL,
Washington.

DIVISION OF AIR MAIL SERVICE—AIR MAIL

The first aerial mail transportation may be traced back to 1870, when in that year letters were carried out of beleaguered Paris by free balloons, cast adrift in the winds. The first of such flights was made on September 23, 1870, and carried 500 pounds of mail. This service, of course, was not satisfactory, as the balloons could not be controlled and were just as liable as not to land in enemy territory. Some of them were carried by the winds many miles from Paris before they came down, and some of them were never heard of after leaving Paris.

In the year 1911 demonstrations of airplane mail service were made in India, England, and the United States. The first air mail service in the United States, however, was conducted at the aviation meeting at Nassau Boulevard, Long Island, N. Y., during the week September 23 to 30, 1911. Earle L. Ovington, with his *Queen* monoplane, was duly appointed an air mail carrier and covered a set route between the temporary post office established at the flying field and the post office at Mineola, N. Y., dropping the pouches at the latter point for the postmaster to pick up. This service, performed without expense to the department, was flown at regular intervals during the period, a total of 32,415 post cards, 3,993 letters, and 1,062 circulars being carried. It was quite satisfactory on the whole and very promising.

A few other similar experiments were made during the remainder of the year 1911, and the Post Office Department, recognizing the possibility of developing the airplane into a practicable means of aerial transportation, made recommendations to Congress early in 1912 for an appropriation of \$50,000 with which to start an experimental service, but Congress refused to grant the appropriation. Notwithstanding, the keen interest of the Post Office Department in aerial transportation was kept up and during the fiscal year 1912 a total of 31 orders, covering 16 different States, were issued, permitting mail to be carried on short exhibition and experimental flights between certain points. Such service was merely temporary, of course, but performed in each instance by a sworn carrier and without expense to the department. These experimental flights were continued, however, request being made on Congress for an air mail appropriation from year to year.

During the fiscal year 1916 funds were made available for the payment of airplane service out of the appropriation for steam-boat or other power-boat service, and in that year advertisements were issued inviting bids for service on one route in Massachusetts and on several in Alaska. No bids were received under the advertisements, due to the fact that possible bidders were unable to obtain suitably constructed planes for the proposed service. Nevertheless, negotiations with airplane manufacturers and other interested aviation activities were pushed forward, looking to the earliest possible establishment of a carefully conducted experimental air mail service. The development of the airplane in the World War and the important part it was then playing as a fighting factor in that great struggle also served to further strengthen the belief of postal officials that it certainly could be developed into a means of fast commercial and mail transportation as well. A final step looking toward this end was taken when Congress appropriated \$100,000 for the fiscal year ending June 30, 1918, to be used in the establishment of an experimental air mail route.

Careful preliminary study and consideration had been given this new undertaking, and on May 15, 1918, the first air mail route in the United States was established between New York, N. Y., and Washington, D. C., with a stop at Philadelphia, Pa., for the exchange of mails or plane. The distance of the route was approximately 218 miles and the frequency of service was one round trip daily, except Sunday. This service was inaugurated with the cooperation of the War Department, which furnished the planes and pilots and conducted the flying and maintenance operations, the Post Office Department handling the mail and matters relating thereto. The cooperation of the War Department, which was of great value, was maintained until August 12, 1918, when the Post Office Department took over the entire operation of the route, furnishing its own equipment and personnel.

Flights on regular schedule, in all kinds of weather, presented new and unsolved problems, but gradually difficulties were overcome and a very reliable percentage of performance was attained over the route. In fact, the operation of this experimental route was so successful that the department immediately began to lay plans for the extension of the service, and with a view toward the possible establishment of a transcontinental route from New York City to San Francisco. The first leg of this important route was

established between Cleveland, Ohio, and Chicago, Ill., with a stop at Bryan, Ohio, on May 15, 1919, and the second leg, New York City to Cleveland, with a stop at Bellefonte, Pa., was established on July 1 of the same year.

These two latter routes were utilized to advance delivery of mail in connection with train service, and this was accomplished in the following manner. Chicago and Cleveland gateway mail was dispatched by plane from New York to Cleveland, where it was placed on trains that left New York the evening before, thus saving about 16 hours in time to the Middle West and 24 hours to the coast. Eastbound flights over this route advanced delivery of gateway mail from Cleveland to New York in the same manner. On the Cleveland-Chicago route mail from the East was taken from the train at Cleveland in the morning and flown to Chicago in time for the last city delivery, saving approximately 16 hours in time. On the eastbound trips mail was flown from Chicago to overtake the mail train at Cleveland, which reached New York at 9.40 the following morning, thereby effecting a saving in time of approximately 16 hours in the delivery of mail to New York City and the New England States.

On the three routes in operation during the fiscal year 1919 there were in the air daily eight planes, flying an aggregate of 1,906 miles each day. The record of performance during this fiscal year was 96.54 per cent, and this record was made with more than 30 per cent of the trips flown in rain, fog, mist, or other conditions of poor visibility.

On May 15, 1920, the third leg of the transcontinental route, Chicago, Ill., to Omaha, Nebr., via Iowa City, Iowa, was established, performing service similar to that performed on the routes between New York and Chicago. On August 16, 1920, a route was established between Chicago and St. Louis, and on December 1 of the same year a route was also established between Chicago and Minneapolis. Both of these latter routes expedited mail between the points named and were feeder lines to mail trains and the transcontinental route at Chicago.

The last leg of the transcontinental route, Omaha, Nebr., to San Francisco, Calif., via North Platte, Nebr.; Cheyenne, Rawlins, and Rock Springs, Wyo.; Salt Lake City, Utah; and Elko and Reno, Nev., was inaugurated on September 8, 1920. The initial westbound trip was made at the rate of 80 miles per hour and was flown without a forced landing, either for weather or mechanical trouble. The plane carried 16,000 letters, which arrived in San Francisco 22 hours ahead of the best possible time by train, had the train made all its connections.

Due to the necessity of economizing in expenditure, and the fact that Congress had not specifically authorized the same, the New York-Washington route was discontinued on May 31, 1921, and the Minneapolis-Chicago and the Chicago-St. Louis routes on June 30, 1921. Operation was then confined to the service between New York and San Francisco, for which appropriation was specifically made.

In order to further demonstrate the possibilities of the airplane as a factor in the transportation of the mail, arrangements were made for a through flight from San Francisco to New York, and on February 22, 1921, an air mail plane left San Francisco at 4.30 a. m., landing at New York (Hazelhurst Field, L. I., N. Y.) at 4.50 p. m., February 23. The total elapsed time for the trip, including all stops, was 33 hours and 21 minutes. The actual flying time was 25 hours and 16 minutes, and the average speed was 104 miles per hour over the entire distance of 2,629 miles. This flight was made possible by flying at night between Cheyenne, Wyo., and Chicago, Ill., a class of service the need of which was seen by the department. While the present relay service had been brought up to a high degree of perfection, yet it was apparent to the department that if the route could be operated from New York to San Francisco on a through schedule, flying both night and day, a wonderful stride in the development of air mail transportation would be accomplished.

With the development of night service in mind, the department on August 20, 1920, issued orders for the installation of radio stations at each field where this service could not be provided by Navy Department stations. By November 1, 10 of these stations were in operation, including 3 belonging to the Navy Department which were to be used in connection with the operation of the air mail service, and later on stations were established at all the remaining fields except Rawlins, Wyo., making a total of 17.

From this time on all plane movements were made on information as to weather conditions obtained by radio. In addition to service messages, it was used by other departments in lieu of telegraph when air mail traffic permitted, and was also of great service in transmitting weather forecasts and stock-market reports for the Department of Agriculture. In addition to the installation of radio stations, all the fields were being developed for night flying, and plans studied for the establishment of beacon lights between fields for the guidance of pilots.

When the service was inaugurated in 1918, Curtiss JN-4-H planes with Hispano-Suiza motors were used. Soon after the Post Office Department took over the details of operation in August of that year, a number of Standard Aircraft Co. mail planes were purchased. These were also equipped with Hispano-Suiza motors, and carried 200 pounds of mail. Rebuilt De Havilland planes with Liberty motors were largely used as the various legs of the transcontinental route were extended. However, at one time or another, planes of the following types were used somewhat extensively: Curtiss JN-4-H, with Wright engine, 150 horsepower; Standard JR-1B, with Wright engine, 150 horsepower;

Curtiss R-4-L, with Liberty-12 engine, 400 horsepower; Curtiss HA, with Liberty-12 engine; Twin D. H., with two Liberty-6 (Hall Scott) engines, 400 horsepower; Martin mail planes, with two Liberty-12 engines, 800 horsepower; Junker (JL-6), with B. M. W. engine, 200 horsepower; and L. W. F. (type V) with Isotta Fraschini 250 horsepower engines.

In the fiscal year 1921 the Post Office Department paid manufacturers \$476,109 for new planes and for remodeling of planes received from the Army. This practice was discontinued beginning with July 1, 1921, however, when the Air Mail Service adopted the De Havilland plane with Liberty 12 engine as standard equipment, disposing of all other types. A number of factors contributed to this end. Large stocks of Liberty motors were available and could be had by transfer from the War Department. With improvements made on the Liberty motor, such as heavy stub-tooth gears, drilled pistons, and improved oil pump, it could be considered as reliable and dependable as any motor of that time, if not more so. A number of De Havilland planes were also obtained from the War and Navy Departments, and when remodeled and rebuilt into mail planes they were speedy, reliable, long lived, and capable of carrying a mail load of 500 pounds. Experience had also proven they were a comparatively safe plane to operate. The air mail repair depot was located at Chicago and was used for repairing, remodeling, and rebuilding of planes, overhauling of motors, etc.

It might be stated here that when the service first began to use Liberty motors it was not an uncommon occurrence to have delayed and uncompleted trips due to motor trouble. However, by developing and perfecting rigid inspection, servicing, and overhaul methods actual forced landings on account of motor trouble became a rare occurrence. Due to this same system of inspection, forced landings on account of the failure of the plane or plane parts became almost unheard of.

During the spring and summer of 1923 work on a lighted airway between Cheyenne, Wyo., and Chicago, Ill., was being pushed forward with a view to carrying out certain experiments to determine whether cross-country night flying on regular schedule was possible, and whether a through transcontinental air mail service between New York and San Francisco could be regularly maintained. This was certainly a huge undertaking, as up to this time very little night flying had been done, and, of course, there were no lighted airways in existence. The United States Army Air Service had carried on some experiments and developed certain necessary equipment, but had attempted very little regular scheduled cross-country night flying. The Army obligingly placed at the disposal of the Post Office Department all the knowledge they had obtained from their experiments. Splendid cooperation was had at the hands of manufacturers of illuminating equipment of various kinds.

The General Electric Co., the American Gas Accumulator Co., and the Sperry Instrument Co. were particularly thorough in the assistance rendered. Beacon lights were installed between Chicago and Cheyenne, planes were equipped with landing lights, emergency fields were prepared, lighted and marked, and terminal fields lighted. Pilots were given an opportunity to make practice night flights. All arrangements were completed as planned, however, and in August, 1923, a regular schedule was flown between New York and San Francisco for a period of four days, that part of the route between Chicago and Cheyenne being flown at night. The best time eastbound on any of the four days was 26 hours and 14 minutes, and the best time westbound was 29 hours and 38 minutes. It may be stated, however, that better time can generally be made on eastbound trips, due to the fact that the prevailing winds are from the west. The result of the test was so satisfactory, being 100 per cent perfect, that operation of a transcontinental service on a similar schedule, the first 30 days to be a trial, was decided upon.

It was also decided to charge air mail postage at the rate of 8 cents an ounce for each zone transported, the route being divided into three zones, namely, New York to Chicago, Chicago to Cheyenne, and Cheyenne to San Francisco. Heretofore, no extra charge was made for the transportation of air mail, although when the service was first established back in 1918 special stamps were issued and the rate was 24 cents per ounce. This was later reduced to 16 cents per ounce, then to 6 cents, and due to lack of patronage was finally discontinued on July 18, 1919, the regular standard domestic rate of 2 cents per ounce being put into effect.

The remainder of 1923 and the first half of 1924 was spent in preparing for the inauguration of a regular transcontinental service, which was begun on July 1, 1924. The 30-day test was so satisfactory that the service was continued as a regular operation. The schedule required departure from the initial termini in the morning and arrival at the end of the route late in the afternoon of the next day.

Later on a considerable demand for an air mail service between New York and Chicago by a schedule which would deliver mail of one business day to the opposite termini in time for the first carrier delivery the next morning was evidenced, and to meet that demand an overnight service between these points was established on July 1, 1925.

A brief summary of the work done in connection with the inauguration of night flying will give some idea of the undertaking. In the last half of 1923 and the first half of 1924 the following special work was accomplished: 289 flashing gas beacons were installed between Chicago and Cheyenne; 34 emergency landing fields between the same points were rented, equipped with rotating electric beacons, boundary markers, and telephones; 5 terminal landing fields were equipped with beacons, floodlights, and

boundary markers; 17 planes were equipped with luminous instruments, navigation lights, landing lights, and parachute flares. In addition to this the necessary organization to handle operations both in the air and on the ground was brought up to a high degree of efficiency.

The running or navigation lights on the planes were similar to those used by ships at sea, only, of course, much smaller. A red light was installed on the left wing, a green one on the right wing, and a white one on the tail. The landing lights had projectors of the automobile type, but of much higher power. One light was mounted on the left wing tip and the other on the right, usually the lower panels. Each light gave approximately 150,000 beam candlepower. Two parachute flares were installed in each plane for emergency use. These could be released by the pilot if necessary to locate a field in case of forced landing at night, which occasionally happens. The flare when released gives a light of approximately 30,000 candlepower, burns from 4 to 7 minutes, and has a radius of illumination of approximately 1 mile at 1,000 feet altitude.

A 36-inch high-intensity arc revolving searchlight of approximately 500,000 candlepower was installed on a 50-foot tower at the regular fields. This great beacon, set at a fraction of a degree above the horizon, revolved at the rate of three times per minute and on clear nights could be seen by the pilots for a distance of 130 to 150 miles. An 18-inch rotating beacon of approximately 5,000 candlepower, mounted on top of a 50-foot windmill tower, was installed at each emergency field. This beacon was also set at a fraction of a degree above the horizon, revolved at the rate of six times a minute, and was visible to the pilots on clear nights from 60 to 75 miles. The lights from these powerful beacons guided the pilots in their lonely flights through the night and marked for them the emergency and regular landing fields. A large searchlight, similar to the 36-inch arc beacon, equipped with a lens which spread the light fan-shaped over the field, was used to illuminate the terminal fields for landing purposes. These flood lights were of great assistance and served to give the pilot as nearly as possible a daylight perspective when landing upon the field. One or two large, powerful B. B. T. flood lights were purchased for the beginning of regular night flying July 1, 1924, however, and eventually were installed at all terminal night-flying fields, replacing the above-mentioned 36-inch flood light.

The lens of the B. B. T. flood light, which throws a fan-shaped beam 180° in spread, is constructed and set in such a manner that no blinding effect is encountered by the pilot when landing on the field. It is rated at approximately 3,500,000 candlepower and will flood light an area practically 1 mile square. The emergency landing fields were located from 25 to 30 miles apart and furnished the pilot a safe place to land in case of necessity. The boundaries of both emergency and regular fields were outlined with small white lights placed 150 to 300 feet apart, and all obstacles were marked with red lights. Local electric current was available at terminal fields and was used to furnish power to the beacons and also through underground cable to the boundary lights. At emergency fields where local current was not available units composed of three or four primary cell batteries were used for boundary lighting, and Delco lighting plants were installed to furnish power for the rotating beacon. The plant was inclosed in a shack at the base of the tower, which also served as a shelter for the caretaker. As a matter of fact, caretaker shacks were provided at all emergency fields. The small A. G. A. gas beacons were located approximately every 3 miles in between the emergency and regular or terminal fields and served also to guide the pilot on the route. They flashed at the rate of 60 times a minute and received their light power from cylinders of acetylene gas, which were renewed about every five or six months. They flashed continually night and day at the start, but during the last few years of Government operation a sun valve was invented, which automatically shut off the light in the daytime and turned it on again at dusk.

The lighted airway was extended eastward from Chicago to Cleveland in the summer of 1924; westward to Rock Springs, Wyo., at the same time; from Cleveland to New York in the spring of 1925; and from Rock Springs to Salt Lake City in the fall of the same year. The last two extensions involved difficulties peculiar to the country over which laid out. The Cleveland-New York section traverses the Allegheny Mountain Range, offering serious difficulty in the establishment of emergency landing fields and locations of beacon lights on mountain tops that would be both visible to a pilot flying over and accessible from the ground. The section from Rock Springs to Salt Lake City traverses the Laramie and Wasatch Ranges of the Rocky Mountains, a stretch of country that is very sparsely settled. Many changes in the lighted airway were made to make it more efficient as time went on. Additional lights were installed, providing a powerful rotating beacon approximately every 15 miles; the 18-inch beacons were replaced with 24-inch beacons at practically all points, and one was also installed on top of the tower which supported the 36-inch beacon at the terminal fields, between Chicago and Cheyenne, thereby making it possible to limit the use of the 36-inch beacon to times when the weather was extremely bad. Emergency fields were improved and at a number of additional points local current was extended to the field. Experiment was made with wind-driven electric plants and several of them were successfully installed at points west of Chicago. These lighting plants, with power generated to large capacity storage batteries by a wind-driven propeller, were turned on at dusk and off at daylight by torque clocks or sunrelays, thus eliminating the expense of having a caretaker employed. A number of other fields where local current was available were also

made to be automatically controlled by the use of such instruments. The installation and illumination of this giant airway from New York City to Salt Lake City, a distance of some 2,045 miles, was accomplished at a cost of approximately \$542,000.

In view of the steady increase in mail loads, augmented by the establishment of several contract feeder routes in the early part of the year 1926, it became apparent to the department that a plane carrying a much larger load than the De Havilland was necessary. Competition among various aircraft manufacturers was invited and as a final result 51 Douglas mail planes were purchased, deliveries starting in the month of May, 1926. These new planes were capable of carrying more than twice the load carried by the De Havilland, and also had considerably more speed. As a matter of fact, trips between certain points were made at the rate of 150 to 160 or more miles per hour, but these were quite infrequent, however, and only when a stiff tail wind was in evidence. The record mail trip between Chicago and New York City was made on December 16, 1926, at the rate of 167.5 miles per hour. The fastest mail trip on record was made on January 30, 1927, between Chicago and Cleveland, at the rate of 175.1 miles per hour. The greater cruising radius and speed of the Douglas planes permitted the discontinuance, except possibly in adverse weather conditions, of stops in both directions at Bellefonte, Bryan, and Rawlins, and on eastbound trips at Iowa City, North Platte, and Rock Springs. An important change in the eastbound transcontinental schedule was also made possible, allowing 1 hour and 15 minutes later departure from the New York terminus. The new planes were put into use between Salt Lake City and New York City, where mail loads were heaviest, the De Havillands being used from Salt Lake City west. The building of De Havilland planes at the repair depot was discontinued on July 1, 1926, work of that nature being confined from then on to the repairing of old De Havillands and damaged Douglas planes. The surplus De Havilland planes released were advertised and sold.

An important step bearing on the development of air-mail traffic was taken by the department on February 1, 1927, when a new postage rate of 10 cents per half-ounce was put into effect, thereby entirely doing away with the complicated zoning system previously in use on the transcontinental and contract routes. The new flat rate entitled transportation between any points in the country, without regard to distance, and was a valuable means of increasing patronage.

The air mail service was awarded the Collier trophy for the most important contributions to the development of aeronautics in the year 1922 on its outstanding record of safety established, and again in the year 1923 for demonstrating the practicability of night flying. The Harmon trophy of the United States, offered for the first time in the year 1926, was awarded by the International League of Aviators to an air mail pilot because of his remarkable record of having flown during that year over 718 hours without accident, in all kinds of weather, both winter and summer, on regularly assigned trips, 47 per cent of the time being flown at night. It may be stated that in the award of the Harmon trophy the wonderful day-in-and-day-out flying record of the air mail pilot was considered more meritorious in the cause of advancing aviation than the flight made during that year by Commander Byrd over the North Pole.

It had never been the intention of the Post Office Department, however, to operate the air mail service longer than was necessary to clearly demonstrate the practicability of commercial aviation to the general public and thereby induce private enterprise to enter the field and eventually take over the operation of service. Due to the large measure of success attained in the efficient operation and development of the transcontinental route the desired interest was rapidly increasing, and in the year 1926 several contract air mail routes were put into operation and contracts on several more routes awarded. Interest in commercial aviation and contract air mail service in particular was further enlivened when in the spring of 1926 Congress passed a bill known as the air commerce act of 1926, which, briefly stated, imposed upon the Secretary of Commerce the duty of fostering the development of commercial aviation in the United States. It authorized the Secretary of Commerce, among other things, to designate and establish airways, in so far as funds were made available by Congress from year to year, and to establish, operate, and maintain along such airways all necessary lights and emergency landing fields.

It also provided that at such time as the Postmaster General and Secretary of Commerce by joint order should direct the airway under the jurisdiction and control of the Postmaster General, together with all emergency landing fields and other air facilities (except airports or terminal landing fields) used in connection therewith, would be transferred to the jurisdiction and control of the Secretary of Commerce, the established airports or terminal landing fields to be transferred to the jurisdiction and control of the municipalities concerned under arrangements subject to approval by the President. Taking all these happenings into consideration, the Postmaster General concluded that the time was fast approaching, or was actually at hand, when the transcontinental air mail route might be turned over to private contractors and operation successfully and profitably carried on by them.

In order to ascertain the response that would be made, advertisements were issued on November 15, 1926, to expire on January 15, 1927, for proposals for service on the transcontinental route by sections—(1) New York to Chicago and (2) Chicago to San Francisco. A proposal at a satisfactory rate was received on the Chicago to San Francisco section from the Boeing Airplane Co. &

Edward Hubbard, of Seattle, Wash. (later incorporated as the Boeing Air Transport, Salt Lake City, Utah), and accepted. Service began under their contract July 1, 1927, the Post Office Department relinquishing operation at midnight June 30. As no satisfactory bid was received for the service between New York and Chicago, that section of the route was readvertised under date of March 8 and the bid of the National Air Transport (Inc.), Chicago, Ill., accepted thereunder. This company began service under their contract on September 1, the Post Office Department continuing operation up until that time.

In addition to turning over to the contractor operation of service between Chicago and San Francisco on July 1, 1927, another important event in the history of the Government-operated air mail service took place on that date, when, acting under legislation contained in the air commerce act above referred to, the lighted airway and the radio service were transferred to the jurisdiction and control of the Department of Commerce. The transfer of the radio service included 17 fully equipped stations, with an operating personnel of 44. Transfer of the lighted airway included an operating personnel of approximately 102 and the following fields and lights:

Emergency landing fields with caretakers in charge.....	68
Emergency landing fields automatically operated (no caretakers).....	21
Electric beacon lights, in between emergency fields, with caretakers in charge.....	21
Electric beacon lights, in between emergency fields, automatically operated.....	79
A. G. A. gas routing beacons (automatic).....	405

Arrangements were made for the transfer of terminal airports to the municipalities at which they were located very shortly after the relinquishment of service on the western part of the route, and the same procedure was followed after relinquishment of service on the eastern part. The buildings at Chicago were located on property owned by the United States Veterans' Bureau and at Omaha and San Francisco on property owned by the War Department. Ownership of these buildings therefore reverted to the Government departments named.

A number of the new Douglas planes were sold to air mail contractors, and the balance, together with the few remaining serviceable De Havillands, were transferred to other Government departments in need of such equipment. Considerable of the shop material and equipment could be advantageously used in the large post-office garages and transfer was accordingly made. The remaining serviceable material, equipment, etc., was listed to the Chief Coordinator for clearance, and that desired by other Government departments was accordingly transferred. The material and equipment not taken by other branches of the Government was listed for sale and sold in the usual manner to the highest bidder. By December 31, 1927, the department's interests were completely closed out at all fields except Chicago, where only a small quantity of the material and equipment located in the repair depot and warehouse remained to be disposed of.

The Post Office Department has reason to be proud of the development of its undertaking, and the following tables will clearly illustrate some of the work accomplished from the beginning of service to its complete relinquishment August 31, 1927. From the statement on performance will be noted the remarkable percentage of scheduled miles flown, and in this connection it may be stated that if it were not for severe weather conditions, especially met with during the winter months of the year, such as fog, sleet, and blizzards, an almost perfect schedule could be maintained at all times. Of course, weather that it was considered impossible to fly through in the early stages was easily flown through during the last few years, but fog still remains the greatest enemy of the pilot and the cause of practically all serious delays and uncompleted trips. Short areas of fog are flown through or over, but it is not practicable to fly through or over large areas of dense fog, requiring designated landings to be made therein, with our present equipment and instruments. However, experiments are being continually carried on with a view to finding some effective means of overcoming this hazard, and it is hoped that such means will be found within the not too far distant future. Attention is also called to the wonderful record of safety established during the later years of operation, as shown in the statement of fatalities, etc. A total of 3,108,720 miles were flown before the last fatality occurred.

Statement of performance from the beginning to the end of Government-operated service May 15, 1918, to and including August 31, 1927

Fiscal year ending June 30—	Miles mail trips scheduled	Miles mail trips actually flown	Percentage scheduled miles flown	Miles flown, ferry and test	Total miles flown, mail ferry and test	Forced landings (mail trips)		Number letters carried (40 per pound)
						Mechanism	Weather	
1918.....	18,000	16,009	84	5,380	21,389	6	6	713,240
1919.....	166,843	160,066	96	34,920	194,986	37	56	9,210,040
1920.....	653,764	540,244	84	99,156	648,400	155	105	21,063,120
1921.....	1,819,978	1,554,985	86	215,673	1,770,658	810	954	44,834,080
1922.....	1,629,250	1,537,927	94	189,338	1,727,265	281	479	48,988,920
1923.....	1,644,457	1,590,637	96	218,391	1,809,028	176	279	67,875,840
1924.....	1,590,425	1,522,763	95	330,488	1,853,251	154	353	60,001,360
1925.....	2,160,022	2,076,764	96	424,791	2,501,555	174	586	19,300,520
1926.....	2,405,059	2,256,137	94	291,855	2,547,992	155	707	14,145,640
1927.....	2,482,865	2,329,553	95	253,453	2,583,006	140	881	22,385,000
1928 ¹	179,304	173,987	97	21,725	195,712	7	31	3,338,080
Total.....	14,749,967	13,768,072	93	2,085,170	15,853,242	2,095	4,437	301,855,840

¹ Only mail with postage prepaid at the higher or special air mail rate was carried in 1925, 1926, 1927, and 1928.

² Operated by the Post Office Department between New York and Chicago only during the months of July and August, 1928.

Statement of fatalities, injuries, and plane crashes from the beginning to the end of Government-operated service, May 15, 1918, to and including August 31, 1927

Fiscal year	Number of fatalities		Average miles flown for each fatality	Number injured			Planes crashed	Average miles flown per crash
	Class	Total		Minor	Serious			
					Flight	Ground		
1918.....			(¹)					
1919.....		3	64,995	2	1		13	14,999
	Pilots.....	2	97,493					
	On ground.....	1	194,986					
1920.....		9	72,044	12	1	1	33	19,648
	Pilots.....	5	129,680					
	Passengers.....	4	162,100					
1921.....		17	104,156					
	Pilots.....	12	147,554	33	1	2	56	31,618
	Passengers.....	4	442,664					
	On ground.....	1	1,770,658					
1922.....	Pilot.....	1	1,727,265	35	1	3	17	101,604
1923.....		4	452,157	27		2	12	150,752

¹ No fatality.

Statement of fatalities, injuries, and plane crashes from the beginning to the end of Government-operated service, May 15, 1918, to and including August 31, 1927—Continued

Fiscal year	Number of fatalities		Average miles flown for each fatality	Number injured			Planes crashed	Average miles flown per crash
	Class	Total		Minor	Serious			
					Flight	Ground		
1923	Pilots	3	603,009					
	Passenger	1	1,809,028					
1924	Pilots	4	463,312	41	1	5	14	132,375
1925	do	2	1,250,777	46	2	3	12	208,463
1926	do	2	1,273,996	59	2		9	283,111
1927	Pilot	1	2,583,006	51	2	9	33	78,272
1928			(1)	4			1	195,712
Total	(2)	43	(3)	308	11	25	200	79,266

¹ No fatality.

² 32 fatal crashes; 32 pilots and 9 employees who accompanied pilots on flights killed; 2 employees killed on ground by propellers.

³ Average miles flown for each fatal crash, 495,414; average miles flown for each employee killed in flight, 386,665; average miles flown for each fatality (flight and ground), 368,680.

During the period between the last fatality, Apr. 22, 1927, and the previous one, Feb. 12, 1926, a total of 3,108,720 miles were flown.

Statement showing appropriations and expenditures for operation and maintenance of the air mail service from the beginning to the end of Government-operated service, May 15, 1918, to and including August 31, 1927

Fiscal year	Air mail appropriation	Total amount expended	How expended					Value of property inventory at close of year
			Wages and salaries	Pilots mileage pay	Building and field improvements	Gasoline and oil	Other supplies and service	
1918.....	\$100,000	\$13,604						
1919.....	100,000	717,177						
1920.....	850,000	1,264,495						
1921.....	1,375,000	2,653,882						
1922.....	1,425,000	1,418,146	\$548,101	\$92,891	\$29,222	\$181,204	\$563,749	\$2,560,018
1923.....	1,900,000	1,897,151	676,945	101,327	473,796	183,360	458,723	2,861,492
1924.....	1,500,000	1,498,674	759,304	107,739	32,336	160,081	436,536	3,246,385
1925.....	2,750,000	2,743,750	1,059,384	174,743	163,707	226,998	1,118,918	3,506,534
1926.....	2,885,000	2,782,422	1,180,595	197,496	294,298	232,738	877,295	3,816,679
1927.....	2,650,000	2,255,919	991,528	205,180	24,655	201,255	833,301	3,345,641
1928.....	2,150,000	166,314	121,137	16,707	None	11,453	17,017	(1)
Total.....	17,685,000	17,411,534						

¹ No property.

In the fiscal years 1919, 1920, and 1921 appropriations made for star-route, powerboat, and railroad service were used by the air mail service.

The records for the fiscal years 1918 to 1921, inclusive, were so kept that it would be difficult to itemize the expenditures.

An inventory was not taken until the close of the fiscal year 1922.

Statement showing pilots in service at discontinuance of Government-operated route, with dates of their original appointment, and total number of miles and hours flown

Pilot	Date of original appointment in service	Date of last flight	Total number of hours flown	Total number of miles flown
Allen, Edmond.....	July 10, 1925	June 29, 1927	1,126.34	109,669
Allison, Ernest M.....	Aug. 23, 1920	June 27, 1927	3,806.16	359,793
Barker, Hugh.....	Jan. 4, 1924	June 13, 1927	1,794.22	170,073
Barnes, J. M.....	Aug. 24, 1924	July 14, 1927	1,452.02	139,458
Bertaud, Lloyd W.....	Nov. 16, 1924	July 2, 1927	1,443.19	141,806
Biffle, Ira O.....	Dec. 9, 1918	June 28, 1927	1,902.37	193,515
Boonstra, Harry G.....	Mar. 14, 1921	June 27, 1927	3,238.49	303,428
Bowen, L. L.....	July 10, 1925	Apr. 5, 1927	946.07	93,949
Brown, Henry J.....	Jan. 12, 1925	Aug. 31, 1927	1,425.17	151,166
Burnside, Frank H.....	July 17, 1923	do.....	1,479.10	147,885
Chandler, Harry A.....	Aug. 16, 1920	Aug. 30, 1927	4,132.22	394,605
Collins, Paul F.....	Feb. 12, 1921	Aug. 31, 1927	3,587.00	361,689
Collison, H. A.....	May 27, 1921	June 19, 1927	3,482.17	331,474
Ellis, Robert H.....	July 7, 1919	June 28, 1927	3,388.02	347,518
Hill, James D.....	July 1, 1924	July 11, 1927	1,928.36	202,027
Hopson, William C.....	Apr. 14, 1920	Aug. 27, 1927	4,043.25	413,034
Huking, Harry.....	May 3, 1920	June 30, 1927	2,509.17	226,850
Johnson, C. Eugene.....	Mar. 10, 1921	June 8, 1927	2,525.28	239,356
Johnson, Ralph J.....	Aug. 25, 1924	June 26, 1927	1,492.00	140,520
Kaufman, Stephen T.....	July 1, 1925	Aug. 31, 1927	1,503.51	149,040
Knight, James H.....	June 25, 1919	June 30, 1927	4,282.54	417,072
Lee, Eber H.....	Dec. 29, 1918	June 28, 1927	4,220.43	382,426
Levisse, Rexford B.....	Nov. 9, 1920	June 30, 1927	3,365.25	320,889
Lewis, Harold T.....	May 27, 1919	June 29, 1927	3,840.21	365,625
McGinn, Leo J.....	May 10, 1923	Aug. 31, 1927	593.58	60,937
Maroney, Edward S.....	Aug. 11, 1921	June 30, 1927	3,775.09	35,527
Marshall, Tex.....	Sept. 21, 1920	June 22, 1927	3,675.08	329,152
Mouton, E. E.....	Sept. 8, 1920	May 22, 1927	3,805.54	369,730
Murray, James P.....	June 8, 1920	July 11, 1927	4,380.46	400,611
Myers, Geo. L.....	June 1, 1923	Sept. 9, 1927	2,782.29	281,114
Pomeroy, Geo. W.....	Aug. 16, 1924	Aug. 4, 1927	1,049.24	155,123
Sharpnack, J. C.....	Sept. 8, 1920	June 9, 1927	2,256.41	217,212
Short, Shirley J.....	Mar. 2, 1923	Aug. 31, 1927	2,841.43	284,552
Smith, Dean C.....	May 21, 1920	Aug. 28, 1927	3,764.57	365,719
Smith, Harry G.....	Aug. 31, 1920	Aug. 29, 1927	2,770.11	265,164
Smith, W. L.....	Nov. 8, 1919	June 15, 1927	4,029.26	391,686

PAN AMERICAN AIRWAYS (INC.)

Foreign air mail closings and rates to all Latin American countries directly connected by United States domestic air mail lines

Consult your postmaster for closing days and hour at your postal box for air mail destined to the country in which you are interested. Mail early. Insure connections at Miami or Brownsville. Absolute final closings quoted below from Washington. "The main post office" indicates post office at Union Station]

Country	Rate from any city in United States of America	Mail closing days	Closing hours at—		Due destination
			The main post office	Your post-office box	
Argentina.....	55 cents each one-half ounce.....	Monday and Thursdays.....	10.45 p. m.....	6.30 p. m.....	Mondays and Thursdays.
Brazil, Bahia.....	50 cents each one-half ounce.....	Saturdays.....	do.....	do.....	Saturdays.
Brazil, Natal.....	do.....	do.....	do.....	do.....	Do.
Brazil, Para.....	do.....	do.....	do.....	do.....	Thursdays.
Brazil, Rio de Janeiro.....	do.....	do.....	do.....	do.....	Sundays.
Brazil, Santos and Sao Paulo.....	do.....	do.....	do.....	do.....	Mondays.
British Guiana.....	30 cents each one-half ounce.....	do.....	do.....	do.....	Wednesdays.
British Honduras.....	15 cents each one-half ounce.....	Wednesdays and Fridays.....	do.....	do.....	Fridays and Sundays.
Canal Zone.....	20 cents each one-half ounce.....	Monday and Thursdays.....	do.....	do.....	Wednesdays and Saturdays.
Do.....	do.....	Fridays.....	do.....	do.....	Mondays.
Chile, Arica.....	50 cents each one-half ounce.....	Monday and Thursdays.....	do.....	do.....	Saturdays and Tuesdays.
Chile, Santiago.....	do.....	do.....	do.....	do.....	Sundays and Wednesdays.

¹ Mail 1 day sooner during winter months.

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Statement showing pilots in service at discontinuance of Government-operated route, with dates of their original appointment, and total number of miles and hours flown—Continued

Pilot	Date of original appointment in service	Date of last flight	Total number of hours flown	Total number of miles flown
Vance, C. K.....	Apr. 22, 1920	June 30, 1927	2,811.58	268,094
Wagner, R. L.....	Apr. 23, 1923	do.....	2,345.24	235,551
Ward, Earl F.....	Dec. 21, 1923	Aug. 31, 1927	2,166.08	229,722
Webster, J. O.....	Jan. 3, 1921	do.....	1,444.24	132,986
Williams, W. D.....	Aug. 10, 1920	Aug. 29, 1927	4,336.05	424,294
Winslow, B. H.....	Sept. 22, 1920	June 30, 1927	2,885.57	256,553
Yager, F. R.....	Aug. 10, 1920	June 27, 1927	4,009.14	391,616

Mr. ACKERMAN. The United States started its air mail service in 1918. From then until September, 1927, when this service was converted to contract carriers, the total cost of it to the Government was \$17,411,534.

I think it will be useful to have in the RECORD a short table showing the annual appropriations and expenditures while this service was conducted by the Post Office Department.

Statement showing appropriations and expenditures for Government operated and contract air mail service

Fiscal year	Air mail appropriation		Expenditures	
	Government operated; began May 15, 1918, ended Aug. 31, 1927	Contract began Feb. 15, 1926	Government operated; began May 15, 1918, ended Aug. 31, 1927	Contract began Feb. 15, 1926
1918.....	\$100,000.00		\$13,604.00	
1919.....	100,000.00		717,177.00	
1920.....	850,000.00		1,264,495.00	
1921.....	1,375,000.00		2,653,882.00	
1922.....	1,425,000.00		1,418,146.00	
1923.....	1,900,000.00		1,897,151.00	
1924.....	1,500,000.00		1,498,674.00	
1925.....	2,750,000.00		2,743,750.00	
1926.....	2,885,000.00	\$500,000.00	2,782,422.00	\$101,891.32
1927.....	2,650,000.00	2,000,000.00	2,255,919.00	1,374,217.23
1928.....	2,150,000.00	4,500,000.00	166,314.00	4,057,608.40
1929.....		12,430,000.00		11,207,967.54
1930.....		15,000,000.00		14,670,476.98
Total.....	17,685,000.00	34,430,000.00	17,411,534.00	31,412,161.47

Appropriations for star route, power boat, and railroad service were used.

It is very wonderful to read how time is lessened by the use of the airplane facilities, even though the cost is somewhat higher than by ordinary post, between the United States and the various countries in South and Central America. For instance, by airplane it takes but 7 days to Argentina as against 18 days by steamer; to Brazil, 7 days as against 15 days by steamer; to Chile, 5 days as against 17 days by steamer; the Guianas, 4 days by airplane as against 13 by steamer; to Uruguay, 7 days by airplane as against 17 by steamer.

I will not read the other points of destination, but will insert them in my remarks, believing they constitute useful information and as indicative of the great facilities available to American exporters in the handling of Central and South American business.

PAN AMERICAN AIRWAYS (INC.)—continued

Foreign air mail closings and rates to all Latin American countries directly connected by United States domestic air mail lines

Consult your postmaster for closing days and hour at your postal box for air mail destined to the country in which you are interested. Mail early. Insure connections at Miami or Brownsville. Absolute final closings quoted below from Washington. "The main post office" indicates post office at Union Station]

Country	Rate from any city in United State of America	Mail closing days ¹	Closing hours at—		Due destination
			The main post office	Your post-office box	
Colombia, Barranquilla	30 cents each one-half ounce.	Mondays	10.45 p. m.	6.30 p. m.	Thursdays.
Colombia, Buenaventura	do	Mondays and Thursdays	do	do	Thursdays and Sundays.
Costa Rica	20 cents each one-half ounce.	Wednesdays and Fridays	do	do	Saturdays and Mondays.
Cuba	5 cents each one-half ounce.	Daily	do	do	Daily.
Curacao	30 cents each one-half ounce.	Mondays	do	do	Fridays.
Dominican Republic	10 cents each one-half ounce.	Saturdays, Mondays, and Wednesdays	do	do	Mondays, Wednesdays, and Fridays.
Dutch Guiana	30 cents each one-half ounce.	Saturdays	do	do	Wednesdays.
Ecuador	do	Mondays and Thursdays	do	do	Thursdays and Sundays.
French Guiana	do	Saturdays	do	do	Thursdays.
Guatemala	15 cents each one-half ounce.	Fridays, Sundays, and Wednesdays	6.40 a. m.	1 a. m.	Sundays, Tuesdays, and Fridays.
Haiti	10 cents each one-half ounce.	Saturdays, Mondays, and Wednesdays	10.45 p. m.	6.30 p. m.	Mondays, Wednesdays, and Fridays.
Honduras, Tela	15 cents each one-half ounce.	Wednesdays and Fridays	do	do	Fridays and Sundays.
Honduras, San Lorenzo	do	Wednesdays, Fridays, and Sundays	6.40 a. m.	1 a. m.	Saturdays, Mondays, and Wednesdays.
Lesser Antilles	20 cents each one-half ounce.	Saturdays	10.45 p. m.	6.30 p. m.	Tuesdays.
Mexico, Mexico City	5 cents first ounce and 10 cents each additional ounce.	Daily	do	do	Daily.
Mexico, Tampico	do	do	do	do	do
Mexico, Vera Cruz	do	Fridays, Sundays, and Wednesdays	6.40 a. m.	1 a. m.	Sundays, Tuesdays, and Fridays.
Nassau	5 cents each one-half ounce.	Tuesdays	10.45 p. m.	6.30 p. m.	Wednesdays.
Nicaragua, Managua	15 cents each one-half ounce.	Wednesdays and Fridays	do	do	Saturdays and Mondays.
Nicaragua, Puerto Cabezas	do	Mondays and Thursdays	do	do	Wednesdays and Saturdays.
Panama, Republic of	20 cents each one-half ounce.	do	do	do	do
Peru, Lima	40 cents each one-half ounce.	do	do	do	Fridays and Mondays.
Peru, Tacna	do	do	do	do	Saturdays and Tuesdays.
Porto Rico	10 cents each one-half ounce.	Saturdays, Mondays, and Wednesdays	do	do	Tuesdays, Thursdays, and Saturdays.
Salvador (via Brownsville)	15 cents each one-half ounce.	Fridays, Sundays, and Wednesdays	6.40 a. m.	1 a. m.	Sundays, Tuesdays, and Fridays.
Salvador (via Miami)	do	Wednesdays and Fridays	10.45 p. m.	6.30 p. m.	Fridays and Sundays.
Trinidad	20 cents each one-half ounce.	Saturdays	do	do	Tuesdays.
Uruguay	55 cents each one-half ounce.	Mondays and Thursdays	do	do	Mondays and Thursdays.
Venezuela, Caracas	30 cents each one-half ounce.	Mondays	do	do	Fridays.
Venezuela, Maracaibo	do	do	do	do	Thursdays.
Virgin Islands	10 cents each one-half ounce.	Saturdays	do	do	Tuesdays.

Schedule subject to change without notice. The United States Post Office Department requires that the correct amount of postage be affixed to each article to be sent by air mail to the above countries. Carelessness in this matter may cause serious delay to your mail.

Mr. STAFFORD. Will the gentleman yield?

Mr. ACKERMAN. I yield.

Mr. STAFFORD. In the thorough study which the gentleman has made of this subject, can he inform the House as to the rates of postage on this apparently non-compensatory service, where we appropriated in the Post Office bill of this year \$7,000,000 for services which show revenues of only \$330,000?

Mr. ACKERMAN. I will say that I have not been able to go into that matter into the detail that the gentleman would like, I am sure, but I simply know about the cost per ounce. The matter of contracts is one that belongs to the Post Office Department and I have not attempted to examine into that.

Mr. KNUTSON. Does the cost not run about \$20 a pound?

Mr. STAFFORD. I am not concerned about the cost. I am asking what the rate of postage is to obtain this highly subsidized service.

Mr. ACKERMAN. I have the rates to all of these southern countries, but it would take too much of my time. If I insert them in my remarks it will give the information which the gentleman desires.

Mr. STAFFORD. I wanted it more for Argentina and Brazil.

Mr. ACKERMAN. It is 55 cents per half-ounce to Argentine; it is 50 cents per half-ounce to Brazil; it is 20 cents per half ounce to Costa Rica; 50 cents a half ounce to Chile; it is 20 cents per half ounce to the Lesser Antilles; it is 40 cents per half ounce to Lima, Peru; it is 55 cents per half ounce to Uruguay, and 30 cents per half ounce to Venezuela.

Mr. TAYLOR of Tennessee. Will the gentleman yield?

Mr. ACKERMAN. Certainly.

Mr. TAYLOR of Tennessee. Do I understand that the total revenue derived from the air mail only aggregates about \$300,000?

Mr. ACKERMAN. It is a smaller amount as compared with the amount we have already expended, but it has opened up these countries to the commerce of the United States in a remarkable degree.

Mr. TAYLOR of Tennessee. I appreciate that fact.

Mr. ACKERMAN. The Foreign and Domestic Bureau, realizing that it was somewhat on trial during the past year, expedited the gathering and distribution of facts and figures, increasing its cable service on conditions abroad by 25 per cent and strengthening all of its statistical and informational services, and on behalf of domestic commerce it rushed to completion those researches which could be hurried.

Requests upon the bureau were a thousand a day more than in the preceding year. During the fiscal year ended June 30, 1930, there was an increase of 7 per cent in the bureau's appropriation, the total being \$4,906,323 against \$4,603,357 for 1928-29, which was matched by a 9 per cent in the number of services (3,631,558 against 3,343,118) rendered by the bureau in the previous year. Evidence of the practical value of the assistance offered is shown in the 9 per cent gain in known new foreign business and savings for which the bureau was given credit by a number of firms. During 1928-29 out of 22,298 firms served 1,021 reported new business of \$42,651,854, while for 1929-30, 1,835 out of 24,986 served reported a total of \$50,754,545.42.

Without reading I shall insert in the RECORD a table showing all the services rendered from the time the appropriation was \$1,211,000 in 1921-22, when it cost \$2.38 per service, down to the period of 1929-30, when 3,631,558 services were rendered and the appropriation was \$4,539,923 and the cost of the service was reduced to \$1.25. I have had this segregated into the various countries, to Europe, Latin America, the district offices, and so on, so that when it appears in the RECORD anyone so desiring can find out just exactly where these services were rendered.

Bureau of Foreign and Domestic Commerce—Services rendered

Fiscal year	Services rendered	Appropriation	Cost per service
1921-22.....	505,661	\$1,211,010	\$2.38
1922-23.....	881,521	1,693,585	1.92
1923-24.....	1,168,972	2,567,610	2.19
1924-25.....	2,041,250	2,835,303	1.39
1925-26.....	2,032,825	2,994,064	1.47
1926-27.....	2,421,563	3,263,357	1.35
1927-28.....	2,770,773	3,721,957	1.34
1928-29.....	3,342,118	4,257,357	1.27
1929-30.....	3,631,558	4,539,923	1.25

Services rendered under	1928-29	1929-30	Per cent increase
European offices.....	1,155,788	1,182,833	2.3
Latin American offices.....	803,155	866,270	7.8
District offices.....	2,944,890	3,214,278	9
Commodity divisions.....	1,954,313	2,203,341	12.8
Domestic commerce.....	265,375	441,719	66
Trade restrictions.....	121,893	148,911	20
Trade statistics.....	77,367	114,766	48
Foreign buyers:			
Trade lists.....	690,372	740,823	7
Trade opportunities.....	885,243	915,058	3.3
Total services.....	3,342,118	3,631,558	8.6
Total appropriation.....	4,257,357	4,539,923	6.2

DOLLARS AND CENTS RESULTS

Fiscal year	Firms served	Firms reporting	Amount reported
1929-30.....	24,986	1,835	\$50,754,545.42
1928-29.....	22,298	1,021	42,651,854.00
Increase.....	2,688	814	8,102,691.42
Per cent of increase.....	12.1	79.7	18.9

¹ The itemized services add up to more than the figures given as total services for each year. This is because more than one of our units may have rendered service on a particular request.

Mr. KNUTSON. Will the gentleman yield?

Mr. ACKERMAN. Certainly.

Mr. KNUTSON. About what has our foreign commerce increased in the period the gentleman just mentioned?

Mr. ACKERMAN. It has somewhat decreased. It has decreased like other countries have decreased.

Mr. KNUTSON. Well, over a 10-year period.

Mr. ACKERMAN. I have that a little later on very much in detail.

Mr. LINTHICUM. Will the gentleman yield for a question?

Mr. ACKERMAN. Certainly.

Mr. LINTHICUM. Has the gentleman any information which will show us whether our trade has increased or decreased with South American countries and, if so, to what extent?

Mr. ACKERMAN. Not in detail. I have it as regards the larger items of Europe—Norway, Denmark, Sweden, Germany, and France. That I shall come to a little later.

Mr. LINTHICUM. Will the gentleman have anything on South America?

Mr. ACKERMAN. Not in detail.

DOMESTIC COMMERCE ACTIVITIES

The greatest increase in the number of services rendered by the Bureau of Foreign and Domestic Commerce was that in connection with domestic commerce. That bureau received 441,719 requests for aid on domestic trade problems during the fiscal year ended June 30, 1930, as compared with 265,375 requests during the preceding fiscal year—an increase of 66 per cent. This increase in work was performed despite the fact that the appropriations had not been increased proportionately.

The Bureau of Foreign and Domestic Commerce, with its facilities, endeavored to make a scientific study of distribution methods and costs. A roughly estimated average division of expenses for all industry in the United States tells us production costs are 55 per cent and distribution costs 45 per cent of the total cost of doing business in this country. During the past 50 years the United States has

made great strides in the field of production costs, but very little attention has been paid to distribution costs. Thoughtful industrial leaders and observers finally have arrived at a more or less unanimous agreement that the study of distribution methods has lagged far behind the urgent needs of the day.

The estimated annual loss through wasteful and inefficient methods of distributing manufactured goods is \$10,000,000,000. This prorates \$85 per capita, and is actually being paid out every year by all consumers of goods in the prices they must pay for the goods they must buy. This mountain of waste represents nearly the entire net income of all taxpayers in this country who earn less than \$10,000 a year, and three hundred times greater than total income taxes paid to Government in 1927 by those same taxpayers.

I have a breakdown of those figures and will insert them in my extension of remarks.

Number individual income-tax returns up to \$10,000:

1927..... 3,755,650

1928..... 3,688,730

Total net income up to \$10,000:

1927..... \$12,376,657,051

1928..... \$12,552,885,970

Total tax paid income classes up to \$10,000:

1927..... \$32,416,729

1928..... \$36,297,355

Source: Statistics of Income for 1928, Bureau of Internal Revenue, Treasury Department.

Mr. LINTHICUM. Will the gentleman yield?

Mr. ACKERMAN. Certainly.

Mr. LINTHICUM. What did I understand the figure to be in regard to loss?

Mr. ACKERMAN. Ten billions a year. That is what the Bureau of Foreign and Domestic Commerce informs me. I shall insert by years what the domestic commerce appropriations were. The appropriations at the present time are in the neighborhood of \$400,000.

In this connection, let me call your attention just for a moment to what I think is a rather remarkable occurrence. The Harvard graduate school of business administration at Harvard University, I understand, awards a prize annually for the best method of research. After some 35 or 40 very meritorious methods were presented for their consideration, some one in 1929 said, "If we had something here like the handbook on foreign and domestic commerce—they call it 'The Market Data Handbook'—we would like to have it entered as a competitor."

They said, "We have one here," and it was entered informally, you might say, and Mr. Paul W. Stewart, of the Bureau of Foreign and Domestic Commerce, was awarded the highest prize for that year for the Market Data Handbook of the United States. Of that publication some 16,000 copies have been sold.

It is a regular encyclopedia of information regarding trade throughout the United States and the bureau sells it for but \$2.50, very much less than its cost, but it is a very useful vade mecum for everyone who is interested in commerce.

Mr. YON. Will the gentleman yield?

Mr. ACKERMAN. Certainly.

Mr. YON. The gentleman is discussing the Department of Commerce, I believe?

Mr. ACKERMAN. Yes.

Mr. YON. I have had many inquiries lately about range lights along the coast. I notice in the committee's report the following language:

Aids to navigation, establishing public works, including \$70,000 for 1931 in the deficiency act.

And that the committee has included \$30,000 less than the Budget estimate. I am particularly interested in aids to navigation, and I would like to know whether the committee felt sufficient money was appropriated for this item by giving less than \$30,000 than the Budget estimate?

Mr. ACKERMAN. I will frankly say to the gentleman from Florida that I have not gone into that matter very fully, and I would like to refer that inquiry to the chairman of the subcommittee.

Mr. SHREVE. The answer is this: That item has been reduced because it was felt they could get along with the amount appropriated, and the reduction will not in any way affect aids to navigation.

Mr. YON. I am asking these questions because the Director of the Lighthouse Service has written me just recently that they did not have money enough to place range lights along the coast.

Mr. SHREVE. This appropriation does not begin until the end of this fiscal year, and it is for the next year. I think the gentleman will find they had enough for this year.

Mr. YON. Does the gentleman believe they will have enough money to carry on the necessary work in connection with aids to navigation?

Mr. SHREVE. Yes. If the gentleman will refer to page 25 of our report he will find a discussion of the subject.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

Mr. SHREVE. Mr. Chairman, I yield the gentleman 15 additional minutes.

Mr. ACKERMAN. I thank the chairman.

I will insert as an extension of my remarks the amount of business done by each State during 1927, 1928, and 1929, which may be useful for reference purposes, and I may say that, at the request of some of the members of the committee, I am also inserting a list of the places where the Bureau of Foreign and Domestic Commerce maintains local offices and also where they have cooperative offices, together with the number of firms reporting and the amount of orders that they have stated they received, and the average amount for each firm reporting from each district office.

Herewith are the latest available figures of exports by States:

Total exports of merchandise from the United States in 1929 were valued at \$5,157,083,027, compared with \$5,043,973,142 for 1928, an increase of \$113,109,885.

The first 10 States in order of value of exports during the 12 months were New York, with foreign shipments valued at \$956,755,282; Texas, \$657,559,600; California, \$377,392,437; Michigan, \$355,300,020; Pennsylvania, \$340,843,339; Illinois, \$321,776,759; New Jersey, \$262,699,217; Ohio, \$221,916,976; Louisiana, \$221,272,346; and Washington, \$126,744,522.

Thirty-one States and the District of Columbia increased the value of their exports compared with 1928. New York, with an increase of \$95,176,358, registered the largest gain over the preceding year and was followed in order by Pennsylvania, \$48,756,098; New Jersey, \$41,168,348; Illinois, \$32,407,211; California, \$31,955,779; Arkansas, \$7,426,134; North Carolina, \$30,860,810; Ohio, \$25,398,588; Alabama, \$13,343,199; Indiana, \$12,779,266; Missouri, \$9,925,619; Mississippi, \$8,100,003; Connecticut, \$5,521,144; Oklahoma, \$5,327,837; Washington, \$5,106,390; Iowa, \$5,096,139; South Carolina, \$4,986,224; Florida, \$4,765,726; Kentucky, \$3,654,213; Tennessee, \$2,967,846; Rhode Island, \$2,465,123; Delaware, \$1,792,992; Nebraska, \$1,638,017; Maine, \$1,442,303; Arizona, \$1,332,924; South Dakota, \$955,105; Oregon, \$36,393; Colorado, \$581,953; Nevada, \$127,578; Washington, D. C. \$421,578; Utah, \$359,259; and New Hampshire, \$183,290.

Domestic exports from the United States by States from which shipped during the calendar year 1929, arranged according to magnitude, with comparative figures for 1928 and 1927

State	1929	1928	1927
1. New York	\$956,755,282	\$861,578,924	\$769,766,896
2. Texas	657,559,600	817,001,082	647,026,141
3. California	377,392,437	345,436,658	309,544,746
4. Michigan	355,300,020	367,253,146	326,879,584
5. Pennsylvania	340,843,339	292,087,241	290,497,974
6. Illinois	321,776,759	206,355,671	208,045,111
7. New Jersey	262,699,217	221,530,869	232,779,892
8. Ohio	221,916,976	196,518,388	186,091,545
9. Louisiana	221,272,346	235,467,286	229,304,962
10. Washington	126,744,522	121,638,132	107,646,440
11. Wisconsin	124,977,467	137,861,141	127,101,600
12. Massachusetts	111,531,026	123,128,927	116,365,275
13. Virginia	101,135,071	142,504,115	136,416,741
14. North Carolina	99,524,789	68,663,979	60,459,126
15. Indiana	73,740,468	60,961,202	62,983,454
16. Georgia	70,935,462	73,142,913	105,646,330
17. Oregon	70,208,381	69,271,988	64,213,262
18. Maryland	67,886,681	71,916,817	73,879,643
19. Alabama	59,236,701	45,893,507	47,049,193
20. Connecticut	53,817,912	47,796,768	48,900,735
21. Mississippi	52,882,538	44,782,555	57,146,645
22. Tennessee	52,135,646	49,167,800	43,030,302
23. Minnesota	51,649,147	76,035,274	105,418,088
24. Missouri	49,296,315	39,370,696	39,800,427
25. West Virginia	41,289,873	43,200,772	53,215,791
26. Iowa	37,401,376	32,305,237	30,364,473
27. Oklahoma	35,187,695	29,811,858	26,836,440
28. Florida	33,304,979	28,539,253	27,995,559

Domestic exports from the United States by States from which shipped during the calendar year 1929, arranged according to magnitude, with comparative figures for 1928 and 1927—Con.

State	1929	1928	1927
29. Arkansas	\$32,170,607	\$24,744,473	\$23,603,916
30. South Carolina	27,524,304	22,538,080	36,280,316
31. Kentucky	23,751,693	22,097,480	24,228,793
32. Kansas	23,805,710	26,256,804	24,617,816
33. Rhode Island	18,703,591	16,238,463	15,295,530
34. Arizona	14,438,868	13,105,944	7,720,014
35. Nebraska	12,406,248	10,788,231	14,803,557
36. Maine	7,311,106	5,868,803	6,422,828
37. New Hampshire	7,245,762	7,062,472	7,014,802
38. South Dakota	7,095,247	6,140,142	5,194,484
39. Delaware	6,252,506	4,450,514	3,922,799
40. Montana	5,680,894	6,814,817	5,905,027
41. Porto Rico	5,300,770	5,841,363	8,386,683
42. Colorado	4,001,887	3,419,994	3,394,095
43. Vermont	3,790,767	4,367,914	3,393,236
44. Hawaii	3,738,352	3,955,454	3,629,496
45. Idaho	1,956,019	2,282,991	1,884,526
46. New Mexico	1,517,885	2,105,133	1,037,927
47. Wyoming	1,451,983	2,703,557	4,603,488
48. Utah	1,006,411	647,152	911,457
49. Washington, D. C.	998,365	576,787	537,657
50. North Dakota	942,834	1,296,518	553,217
51. Alaska	559,465	933,735	436,673
52. Nevada	543,085	416,107	526,366
Total	5,157,083,027	5,043,973,142	4,758,721,078

The Bureau of Foreign and Domestic Commerce maintains local offices in 34 cities:

Atlanta, Birmingham, Boston, Buffalo, Charleston, Charlotte, Chicago, Dallas, Denver, Des Moines, Detroit, El Paso, Galveston, Houston, Indianapolis, Jacksonville, Kansas City, Los Angeles, Louisville, Memphis, Milwaukee, Minneapolis, Mobile, New Orleans, New York, Norfolk, Philadelphia, Pittsburgh, Portland, Oreg., Salt Lake City, St. Louis, San Francisco, Seattle, Wilmington, Del.

These offices give aid and advice to the business interests in their respective communities in connection with sales and export problems, when necessary, of course, referring inquiries to the bureau at Washington. They also serve as distributing centers for bureau publications, seeking to place trade information directly in the hands of the persons most vitally interested. Through the cooperation of the local chambers of commerce, offices are also maintained, practically without great expense to the Government, at 46 important cities, making 80 offices in all. The bureau's sales information reports have grown from 11,684 inquiries in 1921 to 161,474 inquiries in 1930, an increase of nearly 1,400 per cent.

The location of the 46 cooperative offices referred to is as follows:

Baltimore, Md.; Chattanooga, Tenn.; Cincinnati, Ohio; Cleveland, Ohio; Newark, N. J.; Rochester, N. Y.; Akron, Ohio; Anniston, Ala.; Beaumont, Tex.; Binghamton, N. Y.; Bridgeport, Conn.; Columbus, Ga.; Columbus, Ohio; Dayton, Ohio; Erie, Pa.; Fort Smith, Ark.; Fort Worth, Tex.; Greensboro, N. C.; Hartford, Conn.; Keokuk, Iowa; Lake Charles, La.; Laredo, Tex.; Lowell, Mass.; Longview, Wash.; New Haven, Conn.; Oakland, Calif.; Omaha, Neb.; Oklahoma City, Okla.; Pensacola, Fla.; Providence, R. I.; Raleigh, N. C.; Richmond, Va.; Rockford, Ill.; San Antonio, Tex.; San Diego, Calif.; South Bend, Ind.; Spokane, Wash.; Syracuse, N. Y.; Tacoma, Wash.; Tampa, Fla.; Toledo, Ohio; Tulsa, Okla.; Trenton, N. J.; Wichita, Kans.; Waterbury, Conn.; Worcester, Mass.

Dollars and cents results reported by district offices, fiscal year 1929-30

District office	Firms served	Firms reporting	Amount reported	Average benefit per firm reporting
Atlanta	197	21	\$1,288,910.27	\$61,373.67
Baltimore	261	9	335,920.00	37,324.44
Birmingham	100	13	503,991.00	38,768.53
Boston	2,092	204	4,334,464.94	21,247.37
Buffalo	390	21	120,223.54	5,724.93
Charlotte	218	19	1,994,190.29	104,957.38
Chicago	2,246	110	737,306.00	6,702.78
Cincinnati	347	23	117,502.37	5,108.79
Cleveland	669	42	384,555.61	9,156.08
Dallas	134	22	1,207,619.56	54,891.79
Denver	112	11	98,155.85	8,923.26
Des Moines	313	49	692,126.64	14,125.03
Detroit	892	131	6,294,565.51	47,821.11
Galveston	22	6	187,708.47	31,284.74
Houston	304	44	2,287,493.45	51,988.48
Indianapolis	523	35	644,456.96	18,413.05
Jacksonville	160	33	1,313,063.41	39,789.80
Kansas City	376	27	543,095.46	20,114.64
Los Angeles	856	30	1,483,485.61	49,449.52
Louisville	263	36	333,974.48	9,332.63
Memphis	267	65	2,404,745.72	36,999.16
Milwaukee	492	40	218,509.16	5,462.72
Minneapolis	456	47	1,246,533.77	2,658.16
Mobile	78	21	194,463.00	9,260.14
New Orleans	308	43	663,609.00	1,543.25
New York	7,848	272	8,050,505.14	29,567.44
Norfolk	344	47	398,530.37	8,479.36
Philadelphia	1,495	167	2,868,359.43	17,175.80
Pittsburgh	596	51	626,206.69	12,278.44
Portland	168	11	2,865,080.00	191,045.33

Dollars and cents results reported by district offices, fiscal year 1929-30—Continued

District office	Firms served	Firms reporting	Amount reported	Average benefit per firm reporting
San Francisco.....	825	61	\$3,102,236.69	\$50,856.33
Seattle.....	908	22	1,844,797.53	83,854.43
St. Louis.....	656	89	1,119,684.32	12,580.72
Wilmington.....	90	13	277,581.18	21,375.47
Totals.....	24,986	1,835	50,754,545.42	32,946.02

The bureau has compiled for me the postwar average of exports and imports, the grand total, from 8 or 10 of our principal exporting and importing countries from 1921 to 1930, and the pre-war average from 1910 to 1914, and the percentage of increase or decrease. I am pleased to say that in most instances there was an increase as far as exports were concerned.

Mr. GARBER of Oklahoma. May I inquire for what period of time the gentleman is inserting the exports?

Mr. ACKERMAN. From 1921 to 1930, and also for the year 1930 itself. It is brought right up to date.

The division of statistical research of the Bureau of Foreign and Domestic Commerce prepared the following tables for me, showing a comparison of exports and imports for 1921 to 1930, and a separate table showing 1930 by itself. Due to sharp price declines, the purchasing power of the dollar becomes 79 per cent of the pre-war dollar, or 9 cents above that used in the 1921-1930 table.

Comparison of exports and imports for 1921-1930, with average for pre-war years, using 70 cents as the value of a postwar dollar

	Postwar average, 1921-1930	Value at 70 cents	Pre-war average, 1910-1914	Per cent change from pre-war average to postwar average, dollar valued at 70 cents	
				Increase	Decrease
Exports.....	\$4,587,900,000	\$3,211,530,000	\$2,165,818,000	48.3	-----
Total.....	2,793,500,000	1,955,450,000	1,583,351,000	23.5	-----
United Kingdom ¹	888,100,000	621,670,000	567,592,000	9.5	-----
Germany.....	391,900,000	274,330,000	304,098,000	-----	9.8
Belgium.....	108,600,000	76,020,000	53,117,000	43.1	-----
France.....	254,700,000	178,290,000	138,841,000	28.4	-----
Italy.....	163,100,000	114,170,000	65,966,000	73.1	-----
Greece.....	15,500,000	10,850,000	873,000	1,142.8	-----
Netherlands.....	134,800,000	94,360,000	104,575,000	-----	9.8
Denmark.....	46,200,000	32,340,000	15,393,000	110.1	-----
Norway.....	25,400,000	17,780,000	7,819,000	127.4	-----
Sweden.....	44,400,000	31,080,000	10,033,000	209.8	-----
Canada.....	720,800,000	504,560,000	315,044,000	60.2	-----
Imports.....	3,740,400,000	2,618,280,000	1,688,874,000	55.0	-----
Total.....	960,600,000	967,820,000	852,690,000	13.5	-----
United Kingdom ¹	341,300,000	238,910,000	278,897,000	-----	14.3
Germany.....	151,700,000	106,190,000	176,462,000	-----	39.8
Belgium.....	64,400,000	45,080,000	40,360,000	11.7	-----
France.....	150,500,000	105,350,000	130,130,000	-----	19.0
Italy.....	90,600,000	63,420,000	51,149,000	24.0	-----
Greece.....	20,100,000	14,070,000	3,329,000	322.6	-----
Netherlands.....	76,200,000	53,340,000	34,937,000	52.7	-----
Denmark.....	5,100,000	3,570,000	2,597,000	37.5	-----
Norway.....	20,100,000	14,070,000	8,086,000	74.0	-----
Sweden.....	40,600,000	28,420,000	9,530,000	198.2	-----
Canada.....	422,000,000	295,400,000	117,213,000	152.0	-----

¹Irish Free State is included with United Kingdom prior to 1925.

United States exports and imports in 1930 (estimated), as compared with the average for five years, using 79 cents as the value of a 1930 dollar

	Estimated value year ended Dec. 31, 1930	Value at 79 cents	1910-1914 average	Per cent change from pre-war average; 1930 dollar valued at 79 cents	
				Increase	Decrease
Exports.....	\$3,850,000,000	\$3,041,500,000	\$2,165,818,000	40.4	-----
Total.....	2,261,300,000	1,788,427,000	1,583,351,000	12.8	-----
United Kingdom.....	676,300,000	534,277,000	567,592,000	-----	5.9
Germany.....	279,500,000	220,805,000	304,098,000	-----	27.4

United States exports and imports in vrcj (estimated), as compared with the average for five years, using 79 cents as the value of a 1930 dollar—Continued

	Estimated value year ended Dec. 31, 1930	Value at 79 cents	1910-1914 average	Per cent change from pre-war average; 1930 dollar valued at 79 cents	
				Increase	Decrease
Exports—Con.					
Belgium.....	86,900,000	68,651,000	53,117,000	29.2	-----
France.....	221,900,000	175,301,000	138,841,000	26.3	-----
Italy.....	99,500,000	78,605,000	65,966,000	19.2	-----
Greece.....	13,000,000	10,270,000	873,000	1,076.4	-----
Netherlands.....	102,600,000	81,054,000	104,575,000	-----	22.5
Denmark.....	40,900,000	32,311,000	15,393,000	109.9	-----
Norway.....	20,600,000	16,274,000	7,819,000	108.1	-----
Sweden.....	45,000,000	35,550,000	10,033,000	254.3	-----
Canada.....	675,100,000	533,329,000	315,044,000	69.3	-----
Imports.....	3,050,000,000	2,402,500,000	1,688,874,000	42.7	-----
Total.....	1,181,000,000	932,990,000	852,690,000	9.4	-----
United Kingdom.....	215,100,000	169,929,000	278,897,000	-----	39.1
Germany.....	179,100,000	141,489,000	176,462,000	-----	19.8
Belgium.....	53,100,000	41,949,000	40,360,000	3.9	-----
France.....	115,400,000	91,166,000	130,130,000	-----	29.9
Italy.....	80,300,000	63,437,000	51,149,000	24.0	-----
Greece.....	11,200,000	8,848,000	3,329,000	165.8	-----
Netherlands.....	52,800,000	41,712,000	34,937,000	19.4	-----
Denmark.....	3,100,000	2,449,000	2,597,000	-----	5.7
Norway.....	18,600,000	14,694,000	8,086,000	81.7	-----
Sweden.....	44,800,000	35,392,000	9,530,000	271.4	-----
Canada.....	407,500,000	321,925,000	117,213,000	174.6	-----

UNITED KINGDOM

The decline in United States exports to the United Kingdom appears to be largely accounted for by severe price declines in several important commodities as, for example, tobacco and copper.

The marked decrease in our imports from the United Kingdom is to a large extent explained by a large decline in our quantity imports of crude rubber and a marked drop in the price of this same commodity; to some extent it is due to a drop in our imports of tin, whose price has also fallen.

GERMANY

The drop in our export trade with Germany, even on a pre-war price base, is due to severe drops in both the quantity and value exports of unmanufactured cotton and copper.

The decline of nearly 20 per cent in our imports from Germany is primarily due to a marked downward trend in purchases of chemicals—particularly potash—toys and cotton laces.

FRANCE

The decline in American imports of French goods is to be found in a drop in our purchases of cotton laces, works of art, wines, and other articles of the luxury or semiluxury class.

SWEDEN

Our trade with Sweden has risen over 200 per cent in both directions since before the war even on a pre-war price base. The bulge in exports is accounted for almost entirely by postwar shipments on an increasing scale of unmanufactured cotton, gasoline and naphtha, refined copper, automobiles, motor trucks, and rubber tires. The increase in imports is due to rapidly growing and tremendous purchases of wood pulp and newsprint.

CANADA

The rather marked increase in Canadian imports is also explained largely by rising purchases of wood pulp and newsprint. Other items contributing are unrefined copper, lumber, grain, and cattle, the latter two to a lesser extent than the first two.

GREECE

Increasing exports in recent years of wheat and automobiles account for the high percentage increase of shipments to Greece. The shipments of automobiles developed from a pre-war base which was virtually nil. The marked increase in imports from the same country was due almost entirely to large purchases of cigarette leaf tobacco.

NORWAY

The increase in exports to Norway resulted from larger sales of a number of miscellaneous commodities. Principal items showing large increases are wheat flour, leaf tobacco, gasoline, and automobiles. The commodities purchased in larger amounts from Norway include sardines, cod and cod-liver oil, aluminum, wood pulp, and ferromanganese.

DENMARK

Export increases resulted mainly from larger sales of gasoline and automobiles.

In addition to the trade-promotion activities of the Bureau of Foreign and Domestic Commerce, so ably presided over by Mr. Cooper and supervised by that dean of commerce, Doctor Klein, every other bureau and division in the Department of Commerce is bending its energies to bring about increased trade activities. The Bureau of Standards was sometimes regarded as confining its work on the technical side of aids to business and production. Now, however, its simplified-practice recommendations and suggestions have brought it into the field on the practical side of all commercial enterprises.

Doctor Burgess, the very competent director, and his staff call our attention to a survey conducted by the division during last year and which has created a great deal of interest dealt with packing and wrapping methods employed in department stores. A personal inspection was made of 34 representative department stores all over the eastern half of the country with an aggregate sales volume of nearly \$600,000,000 a year.

Their packing and wrapping methods were carefully studied and recommendations are being formulated on which simplified-practice recommendations can be based covering sizes and varieties for packing supplies and the most efficient and economical methods of folding and preparing merchandise for delivery. When it is remembered that there are more than 6,000 department stores in the United States doing an annual business of approximately \$6,500,000,000 and that these stores buy wrapping and packing supplies valued at more than \$25,000,000, the importance of any economies which can be effected along these lines is obvious.

As an example of standardization affecting the rubber industry may be mentioned the case of pneumatic tires for automobiles. Here the bureau, in cooperation with the Rubber Association of America, undertook a practical investigation of tires with respect to materials, design, and performance. The result has been a very decided increase in the efficiency, durability, and uniformity of tires and the development of a Federal specification according to which all Government purchases are made and which has been adopted by numerous States and other consumers as a basis for the award of contracts. The experimental work involved in the development of this specification required special endurance machines designed to simulate road conditions. These machines, operating under conditions that have been standardized, are being used both for routine performance tests in connection with contracts, and for experimental testing in cooperation with manufacturers, to determine the effect of change in design and construction.

With respect to leather, laboratory research has shown us that a cheap material derived from the waste liquor of sulphite pulp mills has definite tanning properties.

Tanning investigations showed that sulphite cellulose extracts could be blended with ordinary vegetable tanning materials and used to produce heavy leathers with satisfactory physical and chemical properties.

The commercial significance of the application of this work in the tanning industry is indicated by an estimated saving in tanning costs of from 10 to 20 per cent. Other factors of importance are that its use will conserve material now largely wasted and help to solve stream pollution problems caused by the dumping of the waste liquors into the rivers. Its use will also make the tanning industry less dependent upon imported tanning materials and tend to

compensate for the loss of domestic chestnut wood extract, the source of which is being depleted by blight.

On the weights and measures division the country depends for uniformity and exactness in instruments and devices based on the fundamental units of length, mass, and time. The standards maintained at the bureau are the official standards of the country. This division tests great quantities of apparatus for the Federal and State Governments as well as for manufacturers and users. The work ranges in scope from the smallest measurable quantities up to railroad test cars of 100,000 pounds capacity, for the calibration of which the bureau maintains a master track scale at Chicago and three test cars, with weights in 10,000-pound units, which cars travel about the country testing railroad and shippers' weighing scales. A uniform basis of measuring freight schedules totaling over \$1,500,000,000 is thus maintained. The mechanical industries manufacturing interchangeable parts, such as for automobiles and typewriters, are greatly helped by the work of this division, which is compelled in some cases to be able to measure lengths as closely as one-millionth of an inch (one twenty-five millionth of a millimeter) for gages used by these industries.

The paper section of the bureau is constantly studying the possibilities of different plant fibers as paper-making materials. An extensive study of carao fiber from Brazil showed that this material has unusual possibilities as a raw material for the manufacture of high-grade writing papers. Again, at the request of the Siamese Government, tests were made of rice straw, lalang grass, and banana trees, all of which are abundant in Siam. The results were so satisfactory that a commercial paper mill was built there to utilize these materials. The results of similar tests are constantly furnishing information to the industry. South America is dependent to a very large extent on imports for many grades of paper. One grade of paramount importance is newsprint. The discovery of a new source of raw material for newsprint in abundant quantities or the development of processes for making newsprint from the materials now unused would be of inestimable value, and it is not unlikely that these and other services to the industry can be accomplished by Government research laboratories.

There is another important field of industrial research in which the bureau is active, namely, the utilization of waste-land products.

Wastes from the corn and sugar-cane plants are similar in nature in that they involve the stalks and leaves, and the cob in the case of corn. At least 100,000,000 tons of these products are commercially available annually in the United States, but are wasted and await the call for conversion into valuable products. The cornstalk consists of a very light inside pith and an outside fibrous shell. The pith is readily separated by a special machine and is being converted in semicommercial studies into insulating materials resembling cork products. The fibrous shell is being made into a variety of crude and refined cellulose products. By simple maceration a gel is formed which, on drying, yields a tough, horny product called maizolith. It is suitable for making gears, bushings, electrical fixtures, and other products requiring toughness, strength, and electrical insulating properties. By means of chemical and disintegrating methods, the shell fibers are separated and somewhat purified. The pulp is run over screens and separated from the water in continuous felts from one-fourth to 1 inch thick. These are dried in the form of loose boards which are cut to size to form wall board for insulating the walls and ceilings of houses. They may be waterproofed and fireproofed. They may be painted and can also be covered with plaster for interior finish. The thick boards may be used to insulate the interiors of refrigerator cars, household refrigerators, and ice houses. The wet, loose, porous sheets may be steam-heated under pressure to form a strong cornstalk lumber. Similar products made from bagasse have wide markets.

The cornstalk fibers give good grades of pulp with proper chemical and physical treatments. Newspapers and book

papers have thus been made. As side products, xylan adhesives and carbon black are obtained.

When further refined the pulp yields a high grade, pure alpha cellulose, which has been used to make transparent glassene papers, viscose, and rayon textiles.

Straws and hulls from wheat and oats and other cereals are wasted annually to the extent of tens of millions of tons. Work is under way to convert the straw into high-grade pulp and paper products. Already they are used in low-grade papers and boxboard. Oat hulls are the source of the new and widely used commercial chemical furfural entering into plastics and binders for abrasive wheels and electrical apparatus. The straw offers possibilities for production of producer gas for household use by fermentation, combustion, and distillation methods.

These new industries which are converting the waste products of the farm into useful articles are the direct results of laboratory research. They are bringing increased returns to our farmers, providing employment for labor in new local factories, and providing the great mass of consumers with things not heretofore readily available.

I have also obtained through the Library of Congress the expenditure for the promotion of foreign trade in other countries, to show what our competitors are doing abroad, and I have the figures here for Belgium, France, Great Britain, Italy, and Spain.

Expenditures for the promotion of foreign trade in certain foreign countries

BELGIUM

[Source: Loi contenant le budget du Ministère des affaires étrangères pour l'exercice 1926 (-1930) Moniteur Belge, May 23, 1926, p. 2814-2817; Aug. 4, 1927, p. 3629-3632; Jan. 6, 1929, p. 3033; Apr. 6, 1929, p. 1670-1673; May 23, 1930, p. 2684-2686]

	Calendar year—				
	1926	1927	1928	1929	1930
1. Miscellaneous expenses and trade promotion; purchase of commercial documents for the legations and consulates; scholarships; publication of works on commerce and industry; share of Belgium in the expenses of the International Commercial Institute; commercial missions; subsidy to the Agence commerciale belge de l'Est africain.....	Francs 265,000	Francs 140,000	Francs 185,000	Francs 185,000	Francs 185,000
2. Service of information and propaganda.....	250,000	185,000	225,000	277,500	377,500
Total.....	515,000	325,000	410,000	462,500	562,500

FRANCE¹

	Calendar year				Apr. 1, 1930-Mar. 31, 1931 estimates
	1926	1927	1928	1929 ²	
1. French commercial bureaus abroad.....	Francs 2,450,000	Francs 2,743,000	Francs 2,923,500	Francs 2,867,675	Francs 2,295,600
2. Office National du Commerce Extérieur.....	1,250,000	1,530,000	1,796,000	1,946,000	2,056,250
3. Commercial attachés and agents; salaries.....	1,600,000	1,909,500	2,222,596	7,446,790	9,885,000
4. Commercial attachés and agents; missions, expenses of installation, traveling expenses, etc.....	2,800,000	2,828,000	2,852,000	12,003,940	13,005,000
5. Commercial attachés and agents; compensating allowances for exchange losses.....	9,088,000	9,800,000	12,300,000		
6. Commercial attachés and agents; compensating cost of living allowances, etc., in countries with depreciated currency.....	2,000,000	2,000,000	1,137,000		
7. Subventions to French chambers of commerce abroad and to commercial museums; commercial missions.....	650,000	650,000	650,000	890,000	890,000
Total.....	19,838,000	21,460,500	23,881,096	25,154,305	28,131,850

¹ Loi contenant le budget du Ministère des affaires étrangères pour l'exercice 1926 (-29) Journal officiel Apr. 30, 1926, p. 4953; Dec. 19, 1926, p. 13195; Dec. 28, 1927, p. 13095; Dec. 31, 1928, p. 13691; Projet de loi: portant fixation du budget général de l'exercice 1930, commerce et industrie, p. 9.

² Fiscal year changed in December, 1929, to begin April 1. An additional one-fourth of the appropriations for 1929 granted for first three months of 1930. (Act of Dec. 27, 1929, J. O. Dec. 28, 1929, p. 13874.)

³ Includes also expenses relative to foreign expositions and fairs, congresses, etc., medals.

Expenditures for the promotion of foreign trade in certain foreign countries—Continued.

GREAT BRITAIN¹

	Fiscal year ending Mar. 31—			
	1927-28	1928-29	1929-30	1929-31
1. Department of overseas trade.....	£328,962	£325,997	£378,633	£502,972
2. Department of overseas trade, salary of directors.....	2,507	2,507		
Total.....	331,469	328,504	378,633	502,972

¹ Estimates, civil services, 1928-1930, Class VI, 4, p. 48. Department of overseas trade.

ITALY¹

	Years ending June 30—				Estimates, 1931
	1927	1928	1929	1930	
1. Italian chambers of commerce abroad; commercial agents and agencies abroad; organization of, and institutions for, the promotion of foreign trade; commercial museums and field exhibits; commercial scholarships.....	Lire 1,500,000	Lire 1,537,000	Lire 1,400,000	Lire 1,200,000	Lire 1,200,000
2. Commercial agents; housing allowances, etc.....	2,250,000				
3. Expenses for the installation of new offices for the said agents, office and traveling expenses, etc.....	2,250,000	2,250,000	2,000,000	2,000,000	2,000,000
4. Expenses connected with the promotion of production and export of citrus fruits in application of the act of July 8, 1903.....	12,500				
5. Printing of publications concerning customs tariffs and commercial treaties.....	130,000				
6. Purchase of books and subscriptions to foreign and Italian newspapers and periodicals for the Ufficio del Trattati di Commercio (Bureau of Commercial Treaties).....	15,000	15,000	13,500	23,500	23,500
7. Contribution to the expenses of the International Commercial Institute of Brussels.....	37,000	(?)	(?)	(?)	(?)
8. Expenses of the Ufficio Speciale d'Informazioni Commerciali sull'Estero (Special Foreign Trade Information Bureau).....	150,000				
9. Contribution to the expense of the National Institute for Exportation Expenses for the acquisition of books and periodicals for the service of foreign commerce.....		4,020,000	4,010,000	4,000,000	4,000,000
Total.....	6,374,500	7,822,000	7,423,500	7,223,500	7,223,500

¹ Stato di previsione della spesa del Ministero dell'economia nazionale, per l'esercizio finanziario 1926-27 (1929-30) Gazzetta Ufficiale, June 21, 1926, p. 2583; June 13, 1927, p. 2379; June 15, 1928, p. 2571-2572; June 24, 1929, p. 2934. Stato di previsione della spesa del Ministero delle corporazioni per l'esercizio finanziario, 1930-31 (camera dei deputati, no. 447a), p. 39.

² Appropriation for item (7) included.

³ Purchase of books and periodicals not included.

SPAIN¹

	Fiscal year				
	1926 ² (last half)	1927	1928	1929	1930
2. Spanish chambers of commerce abroad.....	Pesetas 75,000	Pesetas 150,000	Pesetas 170,000	Pesetas 200,000	Pesetas

¹ Budget acts in Gaceta de Madrid, July 1, 1926, Jan. 5, 1927, Jan. 4, 1928, Jan. 4, 1929, Jan. 4, 1930.

² Fiscal year changed to calendar year, beginning January, 1927.

Detailed figures for Spain not available. Budget figures are too comprehensive.

I may say in connection with the particular district which I have the honor to represent here, that many of the men are returning to work. Six thousand of them were taken on a few days ago by the Singer Sewing Machine Co., which, when running full time, employs about 10,000, and a printing press manufacturing establishment on the border of my district, but not actually in my district, is doing a rushing business. It is running night and day manufacturing print-

ing presses, and they tell me recently they had orders on their books for two years to come.

I thank the committee for its kind attention. [Applause.]

Mr. OLIVER of Alabama. Mr. Chairman, I yield 10 minutes to the gentleman from Arkansas [Mr. GLOVER].

Mr. GLOVER. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to include therein some newspaper statements with reference to the subject which I propose to talk about, and to include also a letter and telegram from the governor to me and from Mr. Williams, of Hot Springs, who is on the President's unemployment committee, and also a letter of mine to the gentleman who made an address at England, Ark., and his reply thereto.

The CHAIRMAN. The gentleman from Arkansas asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. GLOVER. Mr. Chairman, ladies and gentlemen of the committee, on January 9 the gentleman from Indiana [Mr. Wood] addressed this House, and in that address charged that the incident that occurred at England, Ark., a few days ago, and the trouble in Arkansas was a communistic movement. In the course of his address I tried to get him to yield to a question so that I might inquire as to the source of his information but he declined to yield, and as England is in my congressional district I feel it my duty to reply to his remarks.

I do not want to misquote the gentleman and for that reason I will give his exact language as will be found in the CONGRESSIONAL RECORD of January 9. Mr. Wood said:

Mr. Chairman, ladies and gentlemen of the committee, many, many years ago when I was considerably younger than I am now, there was an epidemic of hog cholera in our country and the hog family was very nearly exterminated. In consequence there was attracted to the prairies of Indiana, Illinois, and Iowa, and all of that great section where hogs were raised in great numbers a myriad of buzzards and vultures, that fell upon the carcasses of these dead animals.

Now another great disaster has overtaken this country and misery has been spread not only over the prairies of our section but over the entire land, there is another set of vultures in human form that are taking advantage of the situation. There is an enemy within our gates to-day which if it is permitted to go on is sooner or later going to destroy this Government we love so well.

This insidious foe started a number of years ago; it started its propaganda unmolested, and through the rural sections of the country, in large part unnoticed, is now poison dropping through the agricultural sections of the country. They are in Arkansas; they are in Oklahoma; they are all over the agricultural regions; and are preying faster on that section of the country which is worse hit by this great drought.

Mr. Chairman, ladies, and gentlemen, I deny this. I think I am about as well acquainted in Arkansas as the average man who has lived there all his life. I have lived in the district I have the honor to represent all my life, and I say to you upon my honor that I have never seen a communist in Arkansas, and I challenge the gentleman to name a single communist in Arkansas or that ever has been there. He ought to prove this statement or he ought to come to the floor of this House and retract it. No man shall thus charge my people as long as I am permitted to serve here and the matter be passed by unnoticed.

Again, he says:

I desire to call your attention to some of the things they are doing. They are trying to destroy the banking institutions of this country.

The gentleman knows that we have had more than a hundred bank failures in Arkansas and he evidently meant to charge that communists are the cause of our bank failures. If the gentleman will make an investigation and find a single bank failure that could in the remotest sense be charged to that influence, I will thank him to do so. Communists had nothing to do with any of them failing and I challenge the gentleman to furnish any proof that such influence was exerted in my State.

If he can not prove it, he should retract his statement. Again the gentleman used this language:

There is no question but what this whole business that happened down at England was a set-up arrangement, staged, if you please, and which had been contemplated for some time.

Now, if the gentleman has any such information as that, he should have furnished it to the House; and if not, he should retract it.

After this statement was made by the gentleman, my colleague from Arkansas [Mrs. WINGO] wired her friend, Mrs. Ben High, at England, Ark., and at whose store this is alleged to have occurred, and this is the reply she received and which was read by the Clerk of this House and will be found in the CONGRESSIONAL RECORD of January 12, which reads as follows:

ENGLAND, ARK., January 12, 1931.

EFFIEGENE WINGO: Forty-three men drove up to our store, came in, and stated they had come for something to eat, and unless it was given they would take it. Ben asked them to have patience, and told them he thought they would get food. They then went across street to mayor's office, where a crowd of four or five hundred gathered. They were assured that some arrangements would be made. There was no violence. The 43 men who started the drive were mostly customers of ours, and honest, hard-working men. Two hundred and sixty-seven families were fed that day. Fourteen hundred and forty-four families fed up to Saturday night last. Condition serious.

Mrs. BEN HIGH.

Does that look like a communistic movement to the gentleman? No; it was customers, farmers living in that community, who were appealing for bread to live on.

Again the gentleman used this language:

It was the workers in Little Rock that got up to England in Arkansas, and it was the workers in Little Rock who sent out word, who sent out an Associated Press dispatch from Little Rock within less than an hour after these people began to assemble for this food.

I challenge the gentleman to name a single man in Little Rock who had anything to do with this in any way, and if he can not do so, he ought in fairness retract it.

Not only are the people in many localities in that State in distress, but also the cattle and horses are starving to death. To prove to you that there was no justification for the gentleman's statements I quote a statement which was printed in the Arkansas Gazette on January 11 and headed "No Communists in England Vicinity":

STATEMENT BY CHAIRMAN WOOD DENIED BY CIVIC LEADERS

From Washington, D. C., comes a statement that is astounding to persons here, a statement which illustrates, it is said, the painful lack of knowledge outside the State of conditions in the England community.

Chairman Wood, of the House Appropriations Committee, is quoted as saying that the uprising here last Saturday was fomented by communist workers. This statement was characterized by Mayor W. O. Williams to-day as preposterous.

No one in this community ever saw a communist, according to responsible citizens here, and many of the farmers who are in dire need of food don't know the meaning of the word, and not one of them, it is believed, could be influenced in the least by communist propaganda. They are, according to estimates, about 98 per cent of old Anglo-Saxon stock, and radicalism is repugnant to most of them.

They were driven to desperate measures, it is reported here, because their children were hungry, and when the Red Cross questionnaires were exhausted they feared their food supply would be cut off.

The statement that only 40 persons were clamoring for food is in part correct, according to C. E. Hankins, chairman of the Red Cross chapter, who said about that many others not so vociferous were in the crowd, as indicated by the fact that he issued 150 orders for food after the Red Cross authorized him to do so.

Even the ringleaders were not boisterous or disorderly, it is said, and were perfectly contented when they learned that food would be issued. They are known to be very peaceable under ordinary conditions, and many of them are hard-working farmers who were, until the drought ruined them, prosperous and contented.

To show you the class of citizenship that these 43 men are in, and to disprove the statement that they were communists, I beg to quote from a telegram that was sent from England by a friend of my colleague from Arkansas [Mrs. WINGO] by her friend, Mrs. Ben High, whose husband was the owner of the store where this request and demonstration was made. This telegram is set out in the CONGRESSIONAL RECORD of January 12 and which reads in part as follows:

There was no violence. The 43 men who started the drive were mostly customers of ours and honest, hard-working men. Two hundred and sixty-seven families were fed that day. Fourteen hundred and forty-four families fed up to Saturday night last. Condition serious.

This is the class of men that have been described as vultures and communists.

In the Arkansas Gazette of January 14, 1931, Col. J. F. Lucey, President Hoover's representative on unemployment in six Southwestern States, is credited with having made this statement; and I quote his statement as printed in this press under the heading "At President's Request":

He [Mr. Lucey] revealed that it was at the President's personal request that he visited England, Lonoke County, scene of the demonstration January 3, when farmers demanded food for their families. With Dr. William DeKleine and Albert Evans, national medical director and assistant disaster relief director, respectively, for the Red Cross, Colonel Lucey met with the representative citizens of England yesterday, and he is quoted as saying this: "I found the best type of American citizens there" he reported. There are no communists among them. I don't think it would be healthy for any one to talk communism there. The situation is grave, however, and I was informed that England's problem is typical of that in countless other Arkansas communities. But no request for those people had come to me. I didn't realize what the situation was. I doubt that the President realizes it. The plantation system in the State complicates the rural unemployment situation and the State leaders should determine upon a plan of more or less permanent nature for affording relief. Merely day-to-day relief will not suffice.

This shows by the representatives who were sent as he states by the request of the President of the United States, disproves the gentleman from Indiana's statement that this was a communistic move and timed off to happen just when it did, and inspired by men from Little Rock, to be untrue, and knowing the gentleman as I do, I hope he will now apologize for the statements he has made with reference to my people on the floor of the House.

But we find that no sooner is one charge refuted than another is made, and it is now published in the press that Colonel Lucey makes the bold charge that Arkansas is lacking in leadership to relieve the unemployed in that State. I challenge this statement as being incorrect, and if an investigation of it was made it would be found to be as groundless as is the charge from the gentleman from Indiana above referred to.

There is an organization in Arkansas for the relief of the unemployed, and each county has a county chairman, and the selection of these county chairmen were of the very best men that could be found in each county. They are composed of such men as Hon. Hamp Williams, who is chairman of the Garland County unemployment committee, and on yesterday I received a letter from him, and which reads as follows:

HOT SPRINGS, ARK., January 13, 1931.

HON. D. D. GLOVER,
Member of United States Congress, Washington, D. C.

DEAR FRIEND: I have a friend in Helena in the automobile business, and he writes, under date of January 5, as follows:

"Everybody here has been wiped out and off. Both banks have gone under, leaving everyone stranded. The Interstate National was an awful crash. It isn't expected to open again. Folks look like they have all been to their own funerals.

"Not a firm in Helena had a pay roll Saturday night. All credit was shut off, and one store in West Helena had to close its doors yesterday to keep down a riot. People were hungry, and they didn't stand back on threats.

"One time in history of Helena everybody is on an equal footing financially."

I am sending you some newspaper clippings from Hot Springs that indicate what we are doing over here. If the Red Cross would function properly and would undertake to feed the farmers while they are trying to make a crop we could get along all right, but if the farmers are not fed we can not make a crop. I think our condition here in Hot Springs is better than any other town in the State, and that's not saying very much.

Your friend,

HAMP WILLIAMS,

Chairman Garland County Unemployment Committee.

This chairman of this county committee had published in the New Era, a daily paper of Hot Springs, the following letter, which I shall read to you and which explains that an efficient system is being carried out in Arkansas:

EDITOR NEW ERA:

I think it was Mark Twain who said: "Everybody was talking about the weather, but nobody is ever doing anything about it."

There are lots of people in this community who are out of work and need food and clothing—too proud to beg, too honorable to steal. Somebody had better do something about it.

It is said from good authority that 1 out of every 10 persons in the United States who are gainfully employed are drawing their salaries or wages from the government—city, county, State, or national. That money is furnished by the people. Taxes, if you please; and the taxpayers have no choice in the matter. They must pay, and a lot of this money is used in paying government employees—city, county, State, national, schools, etc.—and if they were out of employment, especially at this time, they might think more of our unemployment program.

There are a lot of people in Hot Springs and Garland County walking the streets looking for employment, nothing to eat and their backs covered with rags; women and children at their homes, cold and hungry.

The question is: What are we, who have plenty and who have good, steady positions at a fair wage, going to do about it? Are we, through neglect, going to force these people to beg? They are just as proud and just as good as we are.

We have inaugurated a plan here in Hot Springs for employees to help the unemployed by contributing only one day's wage or salary to a fund for the employment of labor to be used on our parks, streets, and roads. Already 200 have responded, representing the officers and employees of one bank, two mercantile establishments, the public-utility company, one Methodist minister, and the Lions Club, none of whom are employees of the government—city, county, State, or national.

It is up to us to do our duty, and if all will help Hot Springs will receive the praise and commendation of the people everywhere. Our plan has been indorsed by Governor Parnell and Mr. Rooksbery, the State secretary of the unemployment committee of Arkansas.

HAMP WILLIAMS,

Chairman Garland County Unemployment Committee.

To show you further the distress in my State, I desire to read to you this communication from Marianna, Ark., which was recently published in many papers and which is as follows:

FRONTIER POVERTY RETURNS TO FAMINE-STRICKEN STATE—RED CROSS AGENTS FIND HOME WHERE 16 SLEEP IN 2 ROOMS, 4 TO A BED, AND RELYING ON WILD GAME FOR FOOD

By Luther Southworth

MARIANNA, ARK.—Back to the primitive days of frontier poverty. Sixteen sleeping in two dingy rooms, sometimes four in a bed, and none with shoes. A cold, dilapidated, sagging house.

In these mean surroundings and straitened conditions the family of Dike N. Baldwin, share cropper, living 16 miles from Marianna, faced the winter.

Their plight reached Red Cross headquarters at Marianna, from which hundreds of families are receiving rations as famine increases in this agricultural country, following the disastrous crop season last fall.

LACKED MONEY AND FOOD

"We have no money and we have no food and no clothes," the mother said. Clothes for each were obtained from Marianna residents, and their empty larder was filled with substantial provisions.

Three months ago one of the little girls died with typhoid fever. There is nothing to hold drinking water except a dented bucket. There are no dishes, and only a battered pan. There is one spoon for all to use.

Because of such conditions one little girl has tuberculosis, the father is sick with pleurisy, the mother is only a few weeks from death. Several of the younger children show symptoms of organic disorder. All are undernourished, ready victims to that dread pellagra.

Their condition resulted from ravages of the drought, which wiped out most of their cotton crop and destroyed all feed crops and gardens. Eleven of the 16 worked the 60-acre plot planted last year. After months of toll they saw their only hope of money destroyed by the parching sun.

RELY ON GAME MEAT

"And we have no money because we are \$200 in debt," the mother said. By day four boys tramp through the woods and fields hunting game. At night three other boys continue the search. It is their only chance of meat. They have no stock except a cow. She gives but a small quantity of milk daily for the four babies. The oldest son is married. He and his wife and two babies are included in the 16 now living together.

In another week a third family, including parents and five children, will move in. Some will sleep on the bare floor, for they can not squeeze into beds already overoccupied. There is one slim chance of getting money. "We can get 25 cents a hundred for cow bones we can find and haul to Marianna," said the oldest boy.

But it takes days to find enough carcasses to gather up 100 pounds of bones. It is this type the Red Cross is helping to feed, even though insufficient funds permit them to spend no more than 1 cent a meal for each of the needy.

Colonel Lucey, in his statement as printed in the Gazette of Arkansas, takes an opportunity to criticize the governor of the State. I received two or three days ago a letter from the Governor of Arkansas, Hon. Harvey Parnell, which reads as follows:

DEAR MR. GLOVER: Please find attached copy of my telegram of last night to the New York World and the Philadelphia Public Ledger.

The citizenship of Arkansas appreciates your activities in attempting to secure additional funds for relief to those destitute persons so badly in need of it. No stone is being left unturned here to do everything possible to assist, and my most earnest cooperation is always forthcoming.

With best personal wishes and regards, I am,

Sincerely yours,

HARVEY PARNELL, Governor.

In this letter he incloses to me a copy of a telegram that was sent to the New York World and the Philadelphia Public Ledger, and which I desire to read to you:

Those who have not actually investigated on the ground conditions in Arkansas resulting from the drought have no conception of the true situation. The American Red Cross announced on January 7 from division headquarters in St. Louis that it was assisting more than 20,000 families on December 31, and one week later it was carrying 30,000, with indications that it might eventually have 50,000 on its hands. The average Arkansas farm family consists of five persons. The Red Cross statement is sufficient to make it clear that the cases of destitution at that time were developing rapidly, and certainly there has been nothing to indicate that the rate of increase has been reduced. Relief agencies are caring for the hungry as rapidly as they can reach them, but it is impossible for workers to be everywhere at once. The State possesses 75 counties, and every one of them is more or less affected. I am confident many of the hungry are saying nothing about it because of a sense of pride. It must be understood that the people of Arkansas are more than 99 per cent native-born Americans, of stock that has been in the United States for many generations. They are the most independent people in the country, and it requires little imagination to realize that they regard a request for help as humiliating. They abhor the idea of being the recipients of charity, and of the hundreds of appeals received directly by the governor's office and various relief agencies the request until recently invariably was for employment that they might earn something with which to buy food.

The Federal Government proposes to make \$45,000,000 available for loans to farmers to enable them to grow crops this year, but there is no provision for food for themselves and families from the time crops are planted until they can produce something to eat. Realization of the future outlook in this respect simply aggravates the situation. A county by county survey in Arkansas discloses that at least \$5,650,000 will be required in this State during the crop-growing period in order that people on farms may be able to buy something to eat while vegetables are maturing. Our National Government from time to time has rushed to the assistance of starving people all over the world. It has freely given millions of dollars to the hungry in the Eastern Hemisphere, millions which never were repaid and which it did not expect to recover. In this instance, so far as the farmers of Arkansas are concerned, they do not want a gift, but do want means devised whereby they can be permitted to borrow money with which to purchase food. If funds are not made available from some source it simply means that thousands of people in this State will be objects of charity far beyond the period now contemplated by relief agencies.

HARVEY PARNELL,
Governor of Arkansas.

This shows that the statement of Colonel Lucey has evidently gone off before time and before he has made a thorough investigation of what his duties were in the State of Arkansas, and shows that he does not fully appreciate the great work that is being done there by the various citizens of the State through their organizations and by every means that they can use to relieve the distressed condition in my great State.

What the distressed people of my State need is not a discussion of good or bad leadership, it is a question of actual food necessities. It is not communism, it is hunger; and it ill becomes any man, as I see it, to do anything to prevent the hungry being fed.

Before I made my reply to the charge from the gentleman from Indiana [Mr. Wood], of communism in Arkansas, I wanted to get first-hand information of what actually occurred, and in order to do so I thought it proper to inquire of the man who was present on the occasion which happened at England, Ark., and who made the address to the people when they were assembled in England, and I now read to you a letter I wrote on January 10, 1931, to this party who made the address, Mr. George Morris, of England, Ark., and which reads as follows:

JANUARY 10, 1931.

MR. GEORGE MORRIS,
England, Ark.

MY DEAR MR. MORRIS: On yesterday afternoon, Mr. Wood of Indiana, chairman of the Appropriations Committee, made a speech on the floor of the House in which he charged the demonstration

for food at England to be caused by communist movements and in which speech, which was recorded in the CONGRESSIONAL RECORD of January 9, at page 1884, he uses this language:

"This is the kind of doctrine that is being circulated, and, if the facts are to be considered, there is no question but what this whole business that happened down at England, Ark., was a set-up arrangement, staged, if you please, and which had been contemplated for some considerable time to take place upon the very day that the Red Cross had given notice that upon that particular day they would supply food to those who were suffering in that community. When 500 people who came there to get food that was promised by the Red Cross, 40 of these organizers, 40 of these fellows, many of whom were without any stability at all in the community, and some of them not even living in the community, came there and raised all the clamor that was raised there that day, and then took advantage of the fact that there were 500 honest people there for an honest purpose, and spread the prearranged report throughout the country that there was an army of 500 people there crying for bread."

Further in his speech, on page 1884 of the Record of January 9, he uses this language:

"It was the workers in Little Rock that got up to England, in Arkansas, and it was the workers in Little Rock who sent out word, who sent out an Associated Press dispatch from Little Rock within less than an hour after these people began to assemble to receive their food."

My information is that these declarations are wholly untrue and without any foundation whatever, and as the paper indicated you spoke to those assembled there, I know of no one that could give more accurate information of the occurrence than yourself, and I will appreciate it very much if you will write me in full in regard to it, so the matter may be truthfully stated in the CONGRESSIONAL RECORD. If you will permit, I will ask that your letter be read in Congress to give the true and correct statement of the conditions and of the people who participated in it.

My further information is that they were farmers who had been prosperous before this calamity of drought, and that the Red Cross had not up to the time they made this appeal been as active as possibly they should have been.

I will appreciate it very much if you will give me this letter, giving in full the actual conditions that prevail there and elsewhere in Arkansas, and I shall ask the permission of the floor to read the letter to Congress, so it may go into the CONGRESSIONAL RECORD and refute statements that it is the work of communists or Reds instead of actual conditions that have been brought about by the drought, as we who live there know to be the truth.

Your friend,

D. D. GLOVER.

I have just received a reply from this letter, dated January 14, 1931, and which reads as follows:

JANUARY 14, 1931.

Hon. D. D. GLOVER,

House Office Building, Room 142, Washington, D. C.

MY DEAR MR. GLOVER: I am in receipt of your letter of January 10, asking me to either confirm or deny excerpts from Mr. Wood's speech, recorded in the CONGRESSIONAL RECORD of January 9, at page 1884. Every word he uttered was false.

I spoke to the crowd of people on the streets of England on Saturday, the 3d day of January, and I positively know that there was no leader. The crowd was not at all threatening; merely asserting that their wives and babies were on starvation, completely without food, and if the merchants refused them food they would take it. The Red Cross had refused them assistance, so they said, and I am sure they told the truth. There was not a gun in the crowd of 500. Upon promise of food they disbanded and waited patiently for two hours, or until the merchants organized for distributing food cards.

I knew the crowd to whom I spoke. I have seen them for years. All of them were poor, illiterate Americans, having made share crops around England for years. They never heard that Russia had a revolution. Does Mr. Wood believe that you can buy a red for a sack of meal and a piece of meat?

Mr. Wood asserted that workers in Little Rock came to England and took advantage of the situation and sent out Associated Press dispatches from Little Rock within less than an hour after these people began to assemble to receive their food. There is no truth in that statement. I myself called the Associated Press and gave them all the facts. I did this simply to get the conditions of our poor people before the good people of America, since the Red Cross had refused them substantial aid, but claimed in Washington to the contrary.

I warned the Red Cross two months before the people assembled in England for food, that our share croppers would be on starvation in a short time, and its officials ignored my warning.

That you may forever eliminate the false impression that the red element had anything to do with this affair I gladly refer you to eminent men who have made personal investigation, namely, Col. J. F. Lucey (here yesterday), personal representative of President Hoover; Dr. William de Klein, health director; and Mr. Kinsley, representative of the Chicago Tribune.

You requested that I give you permission to read this letter to Congress. I do so.

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

GEO. E. MORRIS.

When Colonel Lucey made the public charge that Arkansas was lacking in leadership he showed as much lack of knowledge on that subject as he did about using Federal-aid funds for building rural roads in Arkansas.

He should be returned to Washington for further instructions. [Applause.]

Mr. ACKERMAN. Mr. Chairman, I yield three minutes to the gentleman from Iowa [Mr. KOPP].

Mr. KOPP. Mr. Chairman and ladies and gentlemen, a few days ago the distinguished gentleman from Minnesota [Mr. KNUTSON], by reason of his promotion to the chairmanship of the Committee on Insular Affairs, tendered his resignation as chairman of the Committee on Pensions. For 10 years he presided over the Pension Committee. During that time he performed a great service, both for the country and for the veterans and their dependents. It was his constant purpose to be fair to the Nation and at the same time to be just to its defenders.

Those of us who served under Mr. KNUTSON on the Pension Committee know his true worth. We know his frankness and sincerity. We know his rugged honesty. We know his high sense of duty. During all the time that he was chairman of the Pension Committee he was never swayed by partisan considerations. He was never influenced by place or power. No man ever received greater consideration at his hands than the poorest and humblest veteran in all the land.

We who have been associated with Mr. KNUTSON deeply appreciate the splendid record he has made and it gives us much gratification to know that he will remain a member of the Pension Committee.

Mr. Chairman, in what I have stated I have voiced the sentiment of every member who served under Mr. KNUTSON. Every one is his warm, personal friend. Every one has for him the highest regard and esteem. Every one hopes that the people of his district will continue to reelect Mr. KNUTSON until he has served in this House as long as that distinguished Representative from Iowa [Mr. HAUGEN] and that distinguished Representative from Wisconsin [Mr. COOPER]—yes; as long as the lamented "Uncle" Joe Cannon. [Applause.]

Mr. OLIVER of Alabama. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. MEAD].

Mr. MEAD. Mr. Chairman, I desire to compare the appropriation made for the Bureau of Statistics in the Department of Labor with the appropriation made for the Bureau of Prohibition in the Department of Justice, and I believe before we conclude considering this appropriation bill now before us, we should remedy what, in my judgment, is a very inconsistent position for Congress to take in connection with these two agencies of the Government.

On page 29 of the report we find that for the Bureau of Labor Statistics the bill carries for the next fiscal year \$440,480, which is \$2,820 under the Budget estimate, but \$79,500 over the 1931 appropriation. For the Bureau of Prohibition Enforcement we find the appropriation to be \$2,369,500 over the appropriation for the last fiscal year. We make no appropriation, however, for the Department of Labor to carry out the intent of the law enacted July 7 last and from now until July 1 next it will not be carried out.

This act, known as the Wagner law, authorizes the bureau to collect, report, and publish accurate information concerning unemployment in the United States. We nullify that act by our failure to appropriate funds to enable it to organize and function from now until the end of the present fiscal year. The appropriation for the Department of Labor, Bureau of Statistics, comes to us with the force of law behind it, and yet it is ignored. There is not a cent available for the organization of that bureau until the next fiscal year, and at that time a wholly inadequate amount is made available. On the other hand, with no force of law behind it, with only the request of the recently appointed Chief of the Prohibition Bureau, we increase the amount for enforcement of prohibition by upwards of \$2,000,000. This permits the appointment of 500 additional agents, and allows for an increase of the personnel in the local office by some 160 new

employees. On the one hand we approve without the force of law an increase in the personnel equal to 33 1/3 per cent, and on the other hand we completely ignore the will and intent of Congress. Some one well said that prohibition gets all the "breaks." Figuratively and literally that statement is true. While we have millions for prohibition, the \$40,000 necessary for the organization of this important function of the Government in the Department of Labor has no money whatever to carry on with until July 1 next. We have money for wire tapping, that vicious practice condemned and made a crime in 27 States of the Union, that practice termed "dirty business" by the courts of the United States, that practice condemned by Edgar Hoover, Chief of the Bureau of Investigation of the Department of Justice, but sanctioned and provided for in the appropriation bill for the Bureau of Prohibition Enforcement.

We have \$160,000 for informers and stool pigeons, and not 1 cent for this labor measure. We have \$250,000 in this appropriation bill for the purchase of illicit liquor, for hotel bills and decoys in order that our people may be "framed" dragged into the courts and sent to jail. We have \$50,000 for posters, propaganda, and fallacious articles published in a vain attempt to sell this obnoxious law to the people of the country. We have money for the establishment of speak-easies by the Government and not any for this necessary agency which, until the first of July will have to go penniless. Mr. Ethelbert Stewart, of the Bureau of Labor Statistics, when the Wagner bill became a law, began to organize his department, but when he found there were no funds available, he was forced to curtail that activity. The gentleman from Arkansas [Mr. GLOVER] said a moment ago that we are too quick to condemn our people when they clamor for food, too quick to denounce them as reds. Yet by the inconsistent position we take, by the failure on the part of Congress to consider the wants and suffering of our people, we do more than any red could ever do to further that organization in this country, and I am one who is here to denounce communism. I hope that doctrine never finds lodgement in our beloved country. What we should do and what the committee ought to do before this bill goes to the Senate is to adopt an amendment making available immediately the sum of \$40,000 in order that the law passed in the last session of Congress might be put in force. After that is accomplished Congress ought to pass the other Wagner bills, because they are very necessary at this time. The press of the Nation, public opinion and the statesmanship of the country are united in support of these measures.

Mr. LA GUARDIA. Mr. Chairman, will the gentleman yield?

Mr. MEAD. Yes; I yield.

Mr. LA GUARDIA. I have been informed that the bill we did pass and which is now in conference is about to come back to the House, that they have reached a compromise on it.

Mr. MEAD. Do you refer to the one I am discussing?

Mr. LA GUARDIA. No, there is another one in conference; the future planning bill, S. 3060, and I believe they are making some progress with it.

Mr. MEAD. I am happy to learn of the good news, and I hope the passage of the remaining bills will be expedited. We should pass all three of the Wagner bills and give the department sufficient appropriation to carry out their provisions. We will be doing the intelligent thing in this serious unemployment crisis, taking a better position than those who stand up and denounce the suffering people of Arkansas and other places as reds because they clamor for food and work.

It is the real purpose of government to see that the people enjoy life, happiness, and contentment, and where there is no food or work certainly there is no happiness, contentment, or enjoyment of life. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. ACKERMAN. Mr. Chairman, I yield 20 minutes to the gentleman from New York [Mr. LA GUARDIA].

Mr. LA GUARDIA. Mr. Chairman, just about the time that two young men from the State of Ohio startled the world

with a sustained flight in a heavier-than-air machine, the United States was startled by the dramatic action taken in this House in changing its time-worn rules. The event of aviation and the end of what was known as Cannonism came about the same time, but aviation has progressed a great deal since the first flight in the Wright biplane, while there has been very little, if any, change in the rules of this House.

Yesterday we heard a very interesting and instructive speech by the gentleman from Georgia [Mr. CRISP], who is acknowledged one of the best parliamentarians of this House. [Applause.] I am very glad that it was a Member of the standing of Judge CRISP and such a conservative gentleman that fired the first shot in the inevitable battle that is going to be fought on the floor of this House in the next Congress.

Some may believe that the suggestion yesterday contained in the proposed amendments to the rules is far-reaching and destructive of the orderly procedure of the House; but before you decide that question you must decide for yourselves the fundamental question whether you believe in parliamentary government. If you honestly and sincerely believe in parliamentary government, then no rule that gives a majority of the House the opportunity of expressing itself may consistently be opposed. As I understand our form of government, we have two branches of the Legislature, but it is quite possible under the restricted rules of either House that you may create three bodies—the Senate, the House, and a few individuals in the House who could have control of what Congress may consider.

If you believe in parliamentary government, if you believe in representative government, then any rule which permits the majority of this House to express itself, I repeat, can not honestly be opposed.

There is no difference in the certificates of election of Members of the House. Each one of us represents one congressional district, and all of us the people of the United States. We are all here on an equal footing; at least, it should be so. Therefore, rather than any one committee or any group of Members being able to control consideration of legislation, or even preventing consideration, it is quite in keeping with our theory of government and our philosophy of self-government that the rules of the House should be so as to provide that a majority of the House could at all times or at any time initiate legislation or otherwise regulate the conduct of the House.

Now, if it were suggested that a rule should be adopted giving a minority the power to bring in legislation, certainly sound, wholesome reasons might be urged against it.

I want to say to the gentleman from Georgia, and I want to repeat—not that I can add anything to the enlightening statement made by the gentleman from Georgia, but we must constantly repeat else there be misrepresentation made on the proposed changes in the rule, with resulting misunderstanding—that the 100 Members required to sign a petition is simply providing the machinery to move the bill to the full House for its decision as to whether the House desires to consider such bill. That is all. It simply brings a bill to the floor of the House, to decide by a majority vote if the bill is to be considered or not. Clearly, if a majority of the membership of the House expresses itself as being in favor of discharging a committee from further consideration of a bill and to take the bill up in the House, under the rules there can be no valid objection against a procedure of that kind, unless the Members are satisfied to openly confess, "I do not know what kind of legislation we should consider. Therefore I will delegate this discretion to a few of my colleagues."

I, for one, refuse.

Mr. BLANTON. Will the gentleman yield?

Mr. LA GUARDIA. In just a moment I will.

I do not entirely agree with the second step in the procedure suggested by the gentleman from Georgia. Rather than go through unwieldy and perhaps cumbersome machinery of introducing a rule and then a second petition to discharge the Rules Committee, I would provide this, and I

submit it to the consideration of the membership of this House in the meantime, that when a majority votes to discharge a committee, thereupon any Member may move to consider that bill, to which motion a substitute motion may be made to put it on the calendar, and the House then and there proceeds to vote on the question; and if the House for a second time by a majority decides to consider the bill, it shall be the business of the day, fixed in the motion, and remain before this House until finally settled. No debate would be necessary for this motion. The House would have just heard all debate on the discharge motion and would best be able to decide then and there just when it would consider the bill on the merits.

Mr. CRISP. Will the gentleman yield?

Mr. LA GUARDIA. I yield.

Mr. CRISP. I think the gentleman has a slight misunderstanding of the rule that I proposed. The real business end of the rule that will operate is when it is moved to discharge the Committee on Rules. You do not have two resolutions there. I introduce a resolution and it comes before the Committee on Rules. They will not report it. Then I move to discharge, and if that vote prevails, then under the rule, the House must immediately vote on the adoption of that resolution, and if they adopt it, then the House proceeds to consider the bill under the terms of the rule itself. I would eliminate the necessity of discharging the Rules Committee by submitting it to the House at any time after the discharge rule, whether they take it up then and there or fix a day to take it up, and the House having then voted to take it up on a fixed, definite day, it would remain before the House until disposed of.

Mr. BLANTON. Will the gentleman yield?

Mr. LA GUARDIA. Yes.

Mr. BLANTON. I agree with the gentleman in his proposition and the rules of the next Congress ought to afford us that remedy, but what I have in mind is that practically every fundamental connected with the ideas of the gentleman from New York is diametrically in opposition to the views of this triumvirate he and the gentleman from Georgia [Mr. CRISP] both spoke so eloquently about, and how can he form a coalition with them?

Mr. LA GUARDIA. I will answer that and I am coming to that. As I suggested to the gentleman from Georgia yesterday, this House adopts its own rules, and if this side of the House will vote for the rule suggested I am sure the gentleman from Georgia can rest assured that there will be enough votes on this side to adopt the rule. That is all there is to that. [Applause.]

With reference to the rule suggested by the gentleman from Georgia for the meeting of the committee, I want to respectfully suggest to him just one slight modification. That when that petition is signed by a majority of the Members a copy of the petition itself be mailed to every member of the committee, and that to constitute a call for the meeting. That will obviate any danger of a recalcitrant clerk refusing or failing to send out the notice of the meeting. The signing of the petition by a majority of the members of the committee and a majority of the committee attending the meeting will constitute a quorum, and they can legally proceed to do business.

Now, gentlemen, I have another idea for liberalizing the rules, and I hope no Member will feel hurt at what I shall state. The greatest medium of expressing the wishes of this House—and I say this after 12 years of experience—is for every Member to attend the sessions of Congress, to remain in his seat, and vote according to his beliefs. That is the best rule you can have. If 435 Members attend to their legislative duties and attend sessions of Congress when bills are being considered, I do not care what kind of rules we have. The majority can always impose its will on any matter at any time.

The two parliamentary procedures I want to commend to the new Members of the next Congress are these: The power of voting down a previous question and taking control of the question then under consideration. Why this House refuses to vote down a previous question is more than I can

understand, because that in itself is one of the greatest weapons this House can have. Vote down the previous question and it opens the doors to further amendments or to amendments to any rule that the Rules Committee might bring in. Refuse to adjourn the House at the end of the day and continue to do business if legislation is moving too slow. Let the majority be on the job and willing to vote its will, and I do not care what kind of rules we may have. I wonder often if Members do not alibi themselves behind the rules when pretending to be for certain legislation and not really for it, or in a desire to avoid a vote on a highly controversial subject.

Mr. CRISP. Will the gentleman yield?

Mr. LaGUARDIA. Certainly.

Mr. CRISP. I agree thoroughly with the gentleman, but that only furnishes half a remedy. Suppose there is non-action? Suppose the Committee on Rules will not bring in any kind of a rule? How are you going to get up a non-privileged bill under such circumstances?

Mr. LaGUARDIA. I am assuming we are going to adopt the discharge rule.

Mr. CRISP. I was speaking of the present time. However, with that discharge rule there is no trouble about doing business.

Mr. LaGUARDIA. I do not see why, when the previous question is moved, it is simply accepted as a matter of course, a few just saying aye and no one saying no. That, coupled with attendance upon sessions of the House, is a very important proposition. The other day there were 101 Members absent on a motion to recommit an appropriation bill. I believe it is not an unreasonable suggestion, when we are discussing the rules of the House, to also suggest attention to legislative duties in full attendance when the House is considering legislation. That, of course, would not apply to field days under general debate not limited to the bill.

I feel this way about it: It was never intended, I am sure, that there should be a sort of censorship or an extraterritorial committee passing upon the legislative program. I will concede that perhaps, under a liberalization of the rules, hasty and ill-advised legislation may be passed. I will concede that. But I firmly believe that the giving of the power of expression on the part of a majority of the representatives of the American people will not be as harmful as permitting a few individuals to control the legislation of Congress. [Applause.] That being so, it seems to me there should be no hesitancy in adopting the slight amendments which will surely be offered and considered at the next session of Congress.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. LaGUARDIA. Yes.

Mr. JOHNSON of Washington. The gentleman has given some study to a revision of the rules. Has the gentleman given any thought to the question of Calendar Wednesday, and how it fails to go clear through the list? For the gentleman's information, I would like to say that the committee of which I have the honor to be chairman, the Committee on Immigration and Naturalization, has not been called on Calendar Wednesday since April 5, 1922, and is not likely to be called in another two or three years. Yet we have many bills of a minor nature on the calendar which are nearly always subject to objection on the part of one or two persons.

Mr. LaGUARDIA. I was thinking about that, and perhaps instead of giving two successive Calendar Wednesdays to a committee we might give one and then run through the whole list. I think that would be helpful.

Mr. JOHNSON of Washington. The gentleman can see how it destroys the efficiency of a committee, when the members of it know objections will be made to nearly every bill it may report and put on the calendar.

Mr. LaGUARDIA. I trust the gentleman is not looking at me when he makes that statement.

Mr. JOHNSON of Washington. I am looking at many Members of this House who have introduced bills and who are writing to the committee asking why the committee does not report their bills.

Mr. LaGUARDIA. I am sure the gentleman understands the purpose of the Consent Calendar. It is the greatest medium for rushing through bills that are noncontroversial and over which there is no difference of opinion. But to meet the gentleman's suggestion it might be well to have a committee given one Calendar Wednesday instead of two Calendar Wednesdays and enable the whole list to be taken care of. If that were done and a committee is well prepared with its bills, there is no reason why it can not dispose of a great many of them. And, of course, a committee should be able to attract sufficient interest in the bills it reports to keep a quorum present as long as it may take to dispose of the business it has on its calendar day.

Mr. JOHNSON of Washington. Then we should understand that each time we postpone Calendar Wednesday in the early part of a session we are depriving a large number of Members who are on the nonprivileged committees of any right to have their legislation considered.

Mr. LaGUARDIA. There is no question about that; and I am sure that if the gentleman, who has so much influence in this House, will come forward with a modification of the rules the House will be in a temper to consider it.

Mr. CRISP. May I say more in answer to what the gentleman from Washington has said that under the rules of the House Calendar Wednesday is sought to be made sacred. The Committee on Rules can not report a rule dispensing with it and it can not be dispensed with except by a two-thirds vote of the House to dispense with Calendar Wednesday.

Mr. JOHNSON of Washington. Right along that line, some time ago I tried to organize the chairmen and the members of the nonprivileged committees in order to bring this matter before the House. I must have brought it to an issue at an unfortunate time, because I was voted down and since then, to my knowledge, there have been 100 postponements of Calendar Wednesday.

Mr. LaGUARDIA. Now, there is another suggestion which I believe deserves some thought. When a demand for a roll call is made and a division is asked, I believe that some measure should be provided whereby a teller vote could automatically be had. Of course, every one knows that in the rush at the end of a day it sometimes is not very easy to count accurately. I am not saying that any inaccurate count has ever been made in this House, but in order to avoid any inaccuracies in the future, I believe that where a demand for a roll call is made, which is constitutional, that on a division vote any Member may ask for tellers and the tellers are automatically ordered. This is certainly a reasonable suggestion that no fair-minded man could object to.

I do not believe in the system of dodging a vote. Our term was purposely fixed for a short time of two years in order to leave the control in the hands of the people, and I still believe in that. This being so, no Member should want to avoid responsibility on any vote, and worse things could happen in the world than being defeated for standing up and voting for what one believes is right. Let each Member be ready to face his legislative responsibility. [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. OLIVER of Alabama. Mr. Chairman, I yield five minutes to the gentleman from Illinois [Mr. Igoe].

Mr. IGOE. Mr. Chairman, there appears an article in the Washington Post of this morning, January 17, 1931, in which Bishop Edwin D. Mouzon, of the Southern Methodist Church, one of the Democrats who opposed Alfred E. Smith in 1928 on the wet-dry issue, in which he sharply criticized President Hoover for his attitude on the prohibition question and also took a shot at the Wickersham Law Enforcement Commission, saying:

It was time to take prohibition out of the hands of politicians and putting it back in the hands of its friends.

He recalled the commission had been charged with being a "kite flier" for the President, and asserted that in the charge there is apparently "much truth."

On the same day, Mr. F. Scott McBride, general superintendent of the Anti-Saloon League, attending a meeting of the trustees of the North Carolina State League, said:

Believing that prohibition enforcement is now in the hands of its friends, President Hoover is backing up the enforcement by putting it in charge of efficient men who are interested in prohibition itself.

A charge has been made by one of the leaders of the dry movement that the wets are hopelessly divided on any substitute to replace prohibition should the eighteenth amendment be repealed. The public, I am sure, is convinced that it will not take the wets 11 years to work out a solution of the liquor problem that will be far superior to the present prohibition law.

It has been reported in the press that the Wickersham report is in the President's hands, and he is about to write a message to Congress. I hope the message will contain instructions to Congress to immediately modify the Volstead Act, thereby displaying the kind of leadership the country is looking for.

Recently there appeared in the Chicago Tribune a cartoon of Uncle Sam nailing up a sign requesting a leader to guide the destinies of these United States. This opportunity is knocking at the door not only of the White House but of the Supreme Court. They can, if they will, hand down a decision with just two words, "Decision affirmed." The decision to which reference is made is that handed down recently by Judge Clark, of New Jersey, in which he stated the prohibition law and the eighteenth amendment were not constitutional. Immediately an end would be put to the dole system that we are putting out through camouflage of appropriations, the farmers' relief, and the drought-relief appropriations.

Within 24 hours after such a decision is handed down by the Supreme Court every industry in the United States would supply employment in preparing for the wave of prosperity that would necessarily follow. France and other foreign countries would immediately establish a credit of millions of dollars in New York and within 10 days would be shipping from their ports some of the rare wines, and Germany would ship boatloads of Munich beer while the breweries of this country were preparing to supply the demand for good wholesome beverages.

This decision would be beneficial to the farmer as well as it would be to the manufacturer. Thousands upon thousands of men would be employed in the breweries and every other allied industry. If that cartoon has any significance to it, now is the time for that leadership to be displayed by members of the Supreme Court and the President. [Applause.]

Mr. OLIVER of Alabama. Mr. Chairman, I yield three minutes to the gentleman from Georgia [Mr. LANKFORD].

Mr. LANKFORD of Georgia. Mr. Chairman, I am receiving several letters making inquiry about the Farm Board and its activities, and also making certain inquiries about the cooperative associations in my State through which the Farm Board functions.

I therefore wish to make another brief statement concerning my position on the farm marketing act recently passed by Congress. I have been opposed to the present plan ever since it was first suggested several years ago. It was originated during the Coolidge administration and was finally passed during the present administration with only a few variations.

It is not my purpose to discuss the plan in detail at this time. I have done this rather fully heretofore and hope to do so again at a more opportune time. Neither is it my intention to suggest the changes in the law which I favor to bring about what, to my mind, is a proper solution of the farm problem. I have a bill pending for this purpose which I have discussed many times, and which I will continue to discuss until I leave Congress, unless the farm problem is satisfactorily solved in the meantime.

Mr. Chairman, I criticized the present so-called farm-relief plan much more before it became law than since. While I have always believed that the act had failure written on its pages, I have hoped that I was mistaken and that

it would be of some real value. Of course, I realize that the Farm Board will be helpful, to some extent, to the farmers of the country, but at the same time I feel that we should have passed a bill containing an effective marketing and production control scheme. I can not bring myself to believe that the help that will come from this legislation will be at all commensurate with the enormous cost of the experiment. Then, again, we are only delaying real farm-relief legislation while the farmers are losing all that they have ever owned in a financial way. The experiment is expensive, is bound to become a failure, and may prove to be very dangerous.

I very much fear that those farmers who survive the present crisis will stagger from the wreckage of the present farm-marketing scheme with all their hopes blasted and will be too demoralized to expect anything else in the way of farm relief, and that those who oppose real farm relief will take advantage of the situation and contend that one trial has been made and that there is no use in endeavoring to work out a real marketing act. Then, again, I very much fear that there will be efforts to try out some other plans that are as bad or worse than the one we are now trying. Among others, I am referring to the old equalization fee plan, which would not only be a failure but would really be criminal.

I repeat, I hope I am mistaken and that the present act will prove itself to be of more value than I have anticipated. I certainly want the Farm Board to have an opportunity to give the plan a fair trial. If it is to become a failure I want all the country to be able to see its defects and no one to say that a monkey wrench was thrown into the machinery and that adverse criticisms blocked the board in their efforts.

For all these reasons I do not want anyone to understand me as criticizing the board. I am not criticizing the board or their acts. I am criticizing the act itself and I am criticizing Congress for failing to pass real farm-relief legislation.

I trust that the Farm Board keeps a close check on the activities of the various cooperative associations and that any irregularities in these associations are remedied and that everything possible be done to make the act a success. Let us make it a success if possible and if we can not make it a success let us find it out as soon as possible and then pass such legislation as is necessary to put in full force and effect a plan that will work.

We have a powerful board, but no real progress is being made. For instance, the board can use the money at its command to temporarily raise or lower the price of wheat in this country. In fact, with an embargo on wheat and with sufficient money the board can run the price of wheat in this country to \$5 per bushel. The wheat farmer would be helped with this year's crop, but can the board afford to continue to buy wheat at a loss to the Government with no control over the production of wheat and no control over the marketing of the wheat except to buy at an artificial price and store at a loss to the rest of the country. In the end the wheat farmer is bound to lose every dollar he thinks he is now gaining unless the rest of the country wants to make an outright donation to the wheat farmer each year. If we are going to do this why not simply pay a bounty of so much per bushel on wheat. Everyone must see the fallacy of the present plan.

The whole trouble lies in the inability of the board to control production.

There are several other fatal defects with the plan. I shall content myself at this time with mentioning only the one to which I have just referred.

To my way of thinking, Congress has built a mighty locomotive, placed it on its side, half buried in mud, without any rails or throttle, and expects the Farm Board, as its engineers, with plenty of coal and water but no additional help, to make 70 miles per hour.

In conclusion, Mr. Chairman, let me say I do not blame anyone for the failure of the present Farm Board act except

those responsible for its provisions, the Congress of the United States.

There are many of us who are anxious to pass real farm relief legislation, but we will be a long time doing so unless we can get more help than we have ever received in the past.

Mr. OLIVER of Alabama. Mr. Chairman, I yield 15 minutes to the gentleman from Maryland [Mr. LINTHICUM].

Mr. LINTHICUM. Mr. Chairman, ladies and gentlemen of the committee, in a speech on the floor of the House January 6 I brought to the attention of the Members of this body the facts concerning the operation of an unlawful speak-easy set up by agents of the Department of Justice to entrap members of the Police Department of Indianapolis in prohibition cases. In that connection I read into the RECORD letters from Col. Amos W. W. Woodcock, Director of the Prohibition Bureau of the Department of Justice, admitting that funds of the Federal Government were used to rent these premises.

The facts in this case appear to demonstrate that the Department of Prohibition, since its transfer from the Treasury to the Department of Justice, has resumed the practice of setting up speak-easies for the entrapment of public officials and citizens which was abandoned several years ago by the Prohibition Bureau of the Treasury Department. The Senate exposed the practice of the Prohibition Bureau in 1926 in the Norfolk, Va., and the New York speak-easy cases. The facts in those two cases, as revealed in Senate Document No. 198 of the Sixty-ninth Congress, second session, were so abhorrent to the practices of sound and honest government that the Prohibition Unit of the Treasury Department was forced by the power of outraged public opinion to abandon them. It was shown, particularly in the Norfolk cases, that a representative of the Anti-Saloon League influences the prohibition enforcement department to send agents to Norfolk to set up a negro speak-easy and that these agents employed negro spies to operate the speak-easy and spy upon the police of Norfolk and the sheriffs of near-by counties, both in Virginia and North Carolina.

Almost identical methods were employed in Indianapolis where negro stool pigeons were again employed by the Prohibition Bureau of the Department of Justice to spy upon and entrap members of the Indianapolis Police Department.

Since 1923 the Presidents of the United States and the higher officials of the prohibition enforcement department have been making appeal after appeal to the State officials for closer cooperation in the enforcement of the prohibition law. They have begged the governors of the States to take the principal burden off the shoulders of the Federal Government. They have pleaded that the force of the Federal Government is pitifully inadequate to enforce the prohibition laws. They have confessed that the Federal Government can not do the job. They want the police departments, the sheriffs, and the police officers of the States do the work undertaken by the Federal Government.

Yet the Federal Government outrages local public officials by setting up unlawful speak-easies, operated by negro spies, to entrap these local officials into a violation of the prohibition law so that they may be railroaded to the penitentiary. If you will read some of the letters of the agents in the Norfolk case, printed in the Senate Document No. 198, you will see that they were deliberately trying, to use their own language, to "jam" the members of the police department of that city. That is probably what they were doing in Indianapolis by resorting to the same methods used in Norfolk.

It was developed in the Norfolk cases that the agents of the prohibition enforcement department, sent there by the influence of and at the solicitation of the Anti-Saloon League, and who were working under its direction, were frequently in a high state of intoxication. And yet their evidence was used to cause the removal from office of members of the police force of Norfolk and sheriffs of adjoining or near-by counties, and also to cause them to be prosecuted on charges of violation of the prohibition law.

I can think of no more effective means of discouraging the cooperation of State, county, and municipal officials in the enforcement of the national prohibition law than by the process of setting up unlawful speak-easies to inveigle them into the violation of the prohibition law for the purpose of bringing about their indictment and prosecution.

In this connection I desire to bring to the attention of the Members of the House other practices of the Federal prohibition enforcement department which are upon the borderland of the unlawful, if not actually unlawful.

I hold in my hand a copy of what purports to be "a factual outline of Federal and State responsibility" in the enforcement of the national prohibition law, issued by the Bureau of Prohibition of the Treasury Department a short time before its transfer to the Department of Justice. This book is entitled "State Cooperation." It is a plea for better cooperation between the States and the Federal Government in prohibition enforcement. It shows that the State governments are so much better equipped to enforce the prohibition laws that I am surprised that anybody should deem it necessary to have a Federal prohibition law. It shows that there are 200,000 State and local officers who could help enforce prohibition throughout the United States, and that the Federal Government has less than 2,000 field men available for the work. It is clearly a plea for the State and local governments to take over practically the entire job of prohibition enforcement.

I propose to show you that in this booklet the agents of the Federal prohibition enforcement bureau are encouraged and instigated to cooperate with State and local officials to violate the plain and emphatic provisions of the Federal Constitution and statutes. They are told to do things in conjunction with State and local officials which, if they did as Federal officials, would bring them within the range of the Federal statutes and subject them to severe punishment. They are told to do things which are a violation of the Federal Constitution.

I now quote from page 29 of the factual monograph entitled "State Cooperation," from a chapter captioned "Laws of Search and Seizure":

In general—

Says the monograph—

the States have more liberal provisions in their search and seizure laws than the United States. This is due to the historical development of the writ, which puts many restraints upon Federal officers that do not apply to State officials.

Amendment IV is jealously guarded by both Federal and State courts. State officers may exercise a much wider latitude in search and seizure proceedings than Federal officers.

There are broadly three classes of search and seizure laws:

1. The Federal law. This makes a search warrant a highly technical writ. It will issue only upon an affidavit based on probable cause, in which it must be set forth with clearness the description and location of the premises to be searched, the things to be seized, and the reasons the declarer may have for believing that the warrant should be issued.

Should the warrant be in the least technically deficient, any evidence secured under it is not admissible in a forthcoming trial.

2. State laws that permit the issue of search warrants in much the same manner, except that if the warrant is defective the evidence is admissible.

3. State laws that allow the issue of the writ upon information and belief. These laws do not require detailed information upon which to base a warrant. The majority of the State laws of search are of this nature. They allow the search of vehicles and many places without warrants, simply on reasonable assurances of a reliable officer that the law is being violated.

Briefly, the Federal law of search and seizure is (act of June 15, 1917, 40 Stat. 228 et seq.):

"Sec. 3. A search warrant can not be issued except upon probable cause supported by an affidavit naming and describing the person and particularly describing the property and the place to be searched.

"Sec. 5. The affidavit must set forth the facts to establish the grounds of the application or probable cause for believing they exist.

"Sec. 15. If the grounds on which the warrant was issued are controverted, the judge or the commissioner must proceed to take testimony in relation thereto, and the testimony of each witness must be reduced to writing and subscribed by each witness."

TYPICAL STATE SEARCH AND SEIZURE LAW

Few of the States have anything like as stringent laws of search and seizure as this. As typical of the more liberal laws of the States is that of Nebraska (Laws of 1921, ch. 156, sec. 7):

"If any officer of the county or State or any creditable resident of the county makes a complaint before any city, county, or State judge, or justice of the peace, in writing, and on oath, that he has reason to believe, and does believe, that any intoxicating liquor is in the county in any place described, and unlawfully owned or kept by any person as described, or is intended to be sold, or is being manufactured, sold, or kept for sale, in violation of this act, said magistrate shall issue a warrant for the search of the premises described."

Evidence secured, though the warrant be defective, will be admissible; the person whose place was searched must prove that the liquor was lawfully in his possession. That it was in his possession is *prima facie* evidence that he had it for the purpose of illegal sale.

Again, it is pointed out that with State and Federal officers cooperating sincerely, more beneficial results will be obtained by reason of the wider latitude of authority given to State officers. When these officers work together, transportation, for example, can be wholly stopped, as the State officers in most States have the widest authority in searching vehicles without warrants. The same applies to speak-easies and illicit stills even in dwellings, for while Federal officers must have evidence of sale before getting a warrant, State officials can enter with a warrant based on information and belief.

The foregoing instruction is a clear and emphatic order to Federal prohibition agents to work with State officials to do things that are unlawful under the Federal Constitution and Statutes. It is an instruction to them to instigate State officers, under what are described liberal laws of search and seizure, to search vehicles without warrants, to raid dwellings merely upon information and belief, and to use as evidence against the citizen information obtained upon a warrant that would be unlawful under Federal law, and which, under Federal law, could not be used.

It is an instruction to Federal prohibition agents to work with State officials to destroy the rights of citizens which have been jealously guarded ever since the ratification of the fourth amendment to the Federal Constitution, which rights have been safeguarded time and time again by both the Federal and State courts.

If a Federal prohibition agent, hand in glove with a State officer, can undermine the constitutional rights of the citizen by merely acting under tyrannical State prohibition laws, then one of the bulwarks of the Bill of Rights has been completely destroyed. All that a Federal agent has to do when he finds that he does not have sufficient evidence to justify the issuance of a warrant under Federal law and procedure is to go to a local official and influence him to act, under a loose search and seizure State law. Then the right of the citizen to the protection of the Federal Constitution is swept away. He is fined or imprisoned under a procedure that is unlawful under the laws and the Constitution of the United States. Evidence that would be rejected under the Federal Constitution and statutes would be used under State laws, at the instigation of the agents provocateurs of the Federal Government, to send a man to prison, even though he be entitled to the full protection of that Constitution.

The fourth amendment to the Constitution reads:

The right of the people to be secure in their persons, houses, papers, and effects against unreasonable searches and seizures shall not be violated, and no warrants shall issue but upon probable cause, supported by oath or affirmation, and particularly describing the place to be searched and the person or things to be seized.

Every State, county, and municipal officer in the United States is required to take an oath to support the Constitution of the United States. They are as much bound by the Constitution of the United States as are the Federal officers.

But we find the Federal prohibition enforcement department instructing its agents to enter into conspiracies with the State, county, and municipal officers to influence them to violate the Constitution.

When Federal prohibition agents cooperate with State prohibition agents to execute searches and seizures under State warrants that are invalid under the Federal law they are undoubtedly guilty of searching the premises of the citizen without a warrant. I have little doubt that such Federal agents, and officials of the Federal prohibition enforcement bureau who instruct them to make such unlawful searches and seizures, could be punished under the provisions of the act of November 23, 1921, which reads:

Any officer, agent, or employee of the United States engaged in the enforcement of title 27 (the national prohibition act) or any other law of the United States, who shall search any private dwelling, as defined in title 27 (national prohibition act), and occupied as such dwelling, without a warrant directing the search, or who while so engaged shall without a search warrant maliciously and without reasonable cause search any other building or property, shall be guilty of a misdemeanor, and upon conviction thereof shall be fined for a first offense not more than \$1,000, and for a subsequent offense not more than \$1,000 or imprisoned not more than one year, or both such fine and imprisonment.

It is a criminal offense for any Federal officer to search any home without a search warrant. But note the instructions to the Federal prohibition agents by the Prohibition Bureau:

When these officers [Federal and State] work together, transportation, for example, can be wholly stopped, as State officers in most States have the widest authority in searching vehicles without warrants. The same applies to speak-easies and even in dwellings, for while Federal officers must have evidence of sale before getting a warrant, State officials can enter with a warrant based on information and belief.

The Federal prohibition agent may have merely a suspicion of a belief that there is liquor in the home of a citizen. Under the Federal prohibition act he can not get a warrant because he has no proof of sale. But he can go to the State officer and influence him to get a warrant on suspicion or belief, and he can accomplish by conspiracy or connivance a thing that violates both the Federal Constitution and statutes. The instructions to the agents in this volume on State cooperation amount to nothing less than an instruction to violate the Federal Constitution by indirection or evasion whenever it pleases them to do so. It amounts to a conspiracy against the citizen, a deliberate attempt to unlawfully deprive him of his property or his liberty, to fasten upon him the brand of a criminal, to put him into a penitentiary, from which he will issue with the everlasting disgrace of an ex-convict hanging over his head, to the degradation of himself, his family, and his children.

The people of the United States are being continuously told by the President and by the officials of the Prohibition Bureau, by the so-called moral reformers and their spokesmen in Congress, that they must obey and respect the national prohibition law and the eighteenth amendment. But they do not respect other vital provisions of the Federal Constitution.

They beg the State governments to enforce the prohibition law, to relieve the Federal Government of a job that it has undertaken. They admit that the enforcement job is too big for the Federal Government. They know they can not enforce it. Their only hope is to get the States to do a thing that is the work of the Federal Government.

They instruct the Federal agents to induce the State agents to violate the Federal Constitution and statutes in order to raid the homes of the citizen. It is always the citizen who is the victim of the conspiracy. His rights are to be destroyed by any sort of device that can land him in jail. If the officers of the State, viewing the prohibition mess as disreputable, reject the pleas of the Federal Government to enter into the conspiracy to destroy the rights of the citizen, then what happens?

The Federal Government proceeds to violate the law by setting up a speak-easy to entrap the police officer or the sheriff or the constable, so that he can be put in jail. His offense may be that he will not enter into a conspiracy with the Federal agent to violate the law so that the citizen may be deprived of his liberty. Then he must pay the penalty.

With money taken out of the Treasury of the United States the speak-easy is set in operation. The agents violate the prohibition law by stocking it with liquor. The negro spy or informer is set on the job to inveigle the policemen into the trap. The State, county, or municipal official is this time the prey of the spies and the informers. The agents, as shown by the record in the Norfolk case, hold high revel. They get beastly drunk. They keep appointments with women of doubtful reputation. They are out to "jam" the police. Some of the spies they employ are so

disreputable that they are compelled to keep them out of court.

The trap is sprung. The policemen, or the sheriff, or the other local officer is indicted upon the evidence manufactured in the speakeasy, in conspiracy with the negro spies and informers. The testimony of this ilk is accepted in the courts. The policemen are convicted. In the Indianapolis case some were sentenced to three years imprisonment.

The Federal Government is in effect saying to the State and local officers, that you must cooperate with us so that we can do things that are unlawful under the Federal Constitution and laws, and if you will not do it, then we will entrap you and put you in jail. Will you join us in the conspiracy to deprive the citizen of the protection of the constitutional guarantees that have been his ever since the right to a Constitution was won on the battlefields of the Revolution, or will you stand with the citizen and become yourself the victim of the Federal Government's unlawful entrapment?

In either case, it is a most disgraceful procedure. The end of Government, as we understood it before the adoption of the eighteenth amendment and the enforcement act, was to protect the citizen in all his constitutional rights. The end of government now seems to be, by hook or crook, to destroy the constitutional rights of the citizen that existed before the adoption of the eighteenth amendment, so that he can be jailed.

What are the States answering to the pleas, the admonitions of the Federal Government for cooperation to enforce the prohibition? The people of three States replied directly at the polls in November. Their answer was emphatic.

The Commonwealth of Massachusetts withdrew all cooperation from the Federal Government in the enforcement of the prohibition law by repealing its State enforcement act by a vote of 641,967 to 367,165. Rhode Island, by a vote of 171,215 to 48,845, declared that it wanted nothing more to do with the eighteenth amendment.

The people of Illinois, by a vote of 1,035,690 to 514,579, instructed their representatives in the State legislature to repeal the State enforcement act, and withdraw all support from the Federal Government in the enforcement of this obnoxious law.

The people of these three States answered the Federal Government's plea for cooperation in no uncertain language. The combined vote of the three States against further cooperation was 1,848,872, while the vote in favor of further cooperation was only 930,322. Wherever the people are consulted directly at the polls their answer is 2 to 1 against cooperation.

The people of Illinois, by almost the same vote, instructed their Representatives and Senators in Congress to vote for the repeal of the eighteenth amendment and the national prohibition law.

It sometimes takes the truth a long time to get back home. But when the people in their homes learn that you Representatives in Congress are voting money to perpetuate the unlawful cooperative conspiracy between the Federal and State governments to deprive them of their liberties, and that you are voting their money to set up unlawful speakeasies to entrap their policemen and sheriffs, and that you are employing disreputable drunken spies to unlawfully deprive their public officials of their offices and destroy their good names by sending them to prison, then they are going to rebel. There are going to be more seats occupied in this House by Representatives who will protect the constitutional rights of the individual citizens and the rights of the State, county, and municipal officials. [Applause.]

INDIANAPOLIS, IND., December 10, 1930

HON. J. CHARLES LINTHICUM,

House Office Building, Washington, D. C.

DEAR SIR: Permit me to extend to you my sincere congratulations on your stand in reference to the Indianapolis policemen's case. We need more men of your courage in our national legislative body.

I do not know from the information published in the press whether or not you knew that in September of this year there were two indictments charging conspiracy returned against Indianapolis policemen. In one indictment 11 police officers were charged with

conspiracy. This indictment was worked up by a number of Government undercover men, headed by one Mr. Henderson, a convict who is now enjoying liberty on a suspended sentence for larceny. In the other case seven Indianapolis policemen were indicted as a result of the acts of Government agents in renting and equipping a pool room and placing in charge of said room a notorious negro character, whom the Government was unable to produce at the time of the trial.

Evidence was submitted that this negro and these agents on several different occasions approached numerous policemen and endeavored by persuasion and deception to induce them to take a drink of liquor or accept some gratuity. The acts of the Government in this case were most reprehensible, and deserve a most complete and thorough airing.

If I can be of any assistance or service in giving you information, please command me.

Very truly yours,

WILBUR A. ROYSE,
Attorney for Defendant Policemen.

CHICAGO, ILL., January 14, 1931.

HON. REPRESENTATIVE LINTHICUM,
Member of Congress, Washington, D. C.

HONORABLE DEAR SIR: I notice that you have directed a letter to Prohibition Director Woodcock informing him that funds were being used by the Prohibition Department to establish speakeasies and liquor dispensing stations, established for the purpose of inducing different citizens and police throughout different parts of the country. In the particular instance you quoted that it opened a liquor dispensing station at 1213 East Twenty-second Street, Indianapolis, Ind.

If you will make a careful check-up of the Illinois department you will find that they have established similar speak-easies in various parts of the city of Chicago, and in the State of Illinois, especially at Peoria, Ill. I understand the Government paid \$6,000 to buy a speakeasy and establish an elaborate bar and barroom wherein they engaged in the liquor traffic for a considerable length of time in order to entrap some officials from that town and district. The same has been done in many cases in Chicago, and you are unquestionably right in charging that a great deal, if not most, of said money is being used to establish liquor dispensing establishments for entrapping public officials.

I believe you can do a great service in the particular matter by offering an amendment making it illegal to obtain any evidence obtained by any trick or device, scheme or plan wherein the Government seeks, either directly or indirectly, to entrap citizens into violation of the prohibition laws; and make the amendment to the prohibition law so drastic as to make this practice impossible.

Wishing you success in your work in this particular matter, I am,

Yours very truly,

A. O'CONNOR.

Mr. OLIVER of Alabama. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. BLACK].

Mr. BLACK. Mr. Chairman, ladies, and gentlemen, this masterpiece is being delivered in the eleventh year of prohibition and the second year of Herbert Hoover. The theme song of the era is You're Driving Me Crazy. We have had 11 years of corruption, waste, bigotry, brutality, racketeering, and revolt. Terrible to be said, but we live in the dark days of the engineer and the experiment. The people would welcome an experienced politician in place of the experimental engineer.

The holy rollers of prohibition are now celebrating their 11 years of reform by rough-house, and Al Capone is still doing business at the same old stand. The Statue of Liberty has been taken for a ride and the Declaration of Independence has been put on the spot. The Anti-Saloon League promised a paradise, and they produced it for bootleggers and bandits.

A dry depressionist desponds in the White House and he feels sure the worst is yet to come. We have a President with a hair shirt on his back and a public with no shirts on theirs.

We throw men out of jobs in navy yards, arsenals, and post offices, but we add to the jobs in the Prohibition Bureau. We throw skilled mechanics out of work, but we employ stool pigeons, wire tappers, and informers.

The Congressmen from the Northwest let the eastern farmers turn their apples into applejack and the California farmers turn their grapes into wine, but they will not let their own farmers turn their barley, hops, and corn into beer. Under prohibition the fruits trump the grains.

You would not give the city poor or the country poor \$15,000,000 to keep from starving, but you are giving \$11,-

000,000 to prohibition as a birthday present for the Anti-Saloon League.

Again the Congress is about to waste millions of the people's money on a law the people do not want; yet they call us Representatives. The eighteenth amendment is a dead letter, just as in some places are the fourteenth and fifteenth. We wink at violations of the fourteenth and fifteenth, but we throw fits over violations of the eighteenth.

The Congress that passed the eighteenth amendment did not include purchasers as violators, thus plainly indicating that, as far as morals were concerned, there was nothing so reprehensible about drinking. This has been followed up in the personal habits of a great number of legislators who spend the public money to put men in jail who sell them rum. No law in history has staggered like prohibition.

The public has no conscience about the eighteenth amendment and we have no conscience about the public money. There is a revolt against prohibition, for Americans, being practical, are not content to wait for a repeal that can be prevented by 13 States. The public makes its own liquor laws, and, sad to say, sometimes its own liquor. If we keep on wasting public taxes on prohibition there will soon be a revolt against the income tax law, for the public will not pay taxes for their own oppression.

The Constitution was never intended as an engine of government to be driven over our people. It was a machine to protect the States from outside powers. So the States gave to the Federal Government, their agent in dealing with foreign governments, taxing power, so that the agent, through an Army and Navy, could enforce contracts known as treaties with outside powers. The Constitution was to have an objective purpose and was not intended for subjective regulation. The amendment perverted this theory, and so naturally the people are restive under the Constitution. Congressional government has lost popular respect because of such ridiculous appropriations as are set forth in the pending bill.

We are trying to find out all we can about a commission that is trying to find out what it's all about. Without waiting for the report of the Wickersham commission and having no respect for our creature, this ugly duckling of government, we go ahead and appropriate over \$11,000,000 for prohibition enforcement. Why is there not some one to coordinate the activities of the administration. Why does not the committee wait until Wickersham reports? Why not leave these controversial items aside until the sleeping beauty wakes up, and take care of them in a deficiency bill?

There is no doubt about the farcical character of prohibition. It was to end saloons. Well, a speak-easy is only an unlicensed, poorly ventilated saloon with rotten rum, high prices, and a few hostesses on the side.

Mr. Charles Merz, of the New York World, sums up his scholarly and trustworthy treatise on prohibition called the "Dry Decade" in this wise:

National prohibition by constitutional amendment had begun as the golden dream of thousands of devoted men and women. At the end of a decade, it had precipitated a struggle which was to test the political wisdom of the American Republic.

The Democratic Party, following the principles of Jefferson and Wilson and the leadership of Smith and Raskob, is a liberal party. I shall move in the Democratic caucus, that the Democratic Members of Congress pledge themselves to a repeal of the eighteenth amendment. I trust the liberals in the Republican caucus will force their leaders to show their hands. They could also force out Lucas and his revival of bigotry. I notice some former Democrats are again taking up the cry of the klan. An extinguished Senator said that Raskob did not know the difference between a Democrat and a mule. Well, I know the Senator is no Democrat. I think the liberals in both parties should in the coming caucuses force the leadership to provide for roll calls in the next session on the various phases of prohibition. Let us get a line-up on the question so that the public can proceed accordingly.

The dregs from the rural districts, having no strong political machines, fear in the direct primaries the evangelical churches which are the only organized political forces, but

the churches in the rural districts get their support from the farmers. The churches will stop being political bosses and turn again to theology when the farmers realize that a great part of their economic troubles come from prohibition. [Applause.]

It is worthy of note that prohibition got its initial economic impetus in the Lever food control bill under an amendment offered by Mr. BARKLEY, of Kentucky, on June 23, 1917. The great demands for grains for food during the war brought about, to a big extent, war prohibition as a food-conservation proposition. Then the Volstead Act prevented a readjustment when the demand for American grain foods ended with the war. Food that was needed due to the war could not be turned to beverages due to prohibition. The farmer lost his foreign war market, and did not get back his brewery and distillery markets. Farm experts, instead of stressing the disaster due to the loss of markets through the artificial means of prohibitory legislation, insist on the artifice of price-fixing through socialistic legislation to make up the losses. One costly lobbied legislative measure is to be solved by additional error similarly stimulated.

Recent reports from the Department of Agriculture and the Prohibition Bureau indicate that prohibition has been a monumental gold brick for the American farmer.

The Prohibition Bureau reports that the tax on distilled spirits for 1919 was \$365,211,252.26, and on fermented liquors \$117,839,602.21; and in 1927 on distilled spirits \$21,194,668.71, and on fermented liquors \$883.25. There has been an increasing loss in the intervening years. Moreover, national enforcement has required appropriations of about \$100,000,000, and against which approximately \$40,000,000 has been collected in fines and penalties. The farmers, of course, bear a considerable portion of this tax loss and appropriations cost. This is not considering the losses by the States, and it is to the taxes of the States that the farmers are the heaviest contributors. The farm bill proposes to add to the tax burden of the country \$400,000,000.

COST OF PROHIBITION

The New York World on October 24, 1927, published an article by Henry F. Pringle, giving the voters on the New York State referendum facts to be considered. The article reads:

Loss of taxes and license fees, salaries of army enforcement officers, destruction of industries, graft, and new crimes some of facts voters must consider.

Under the caption "The Cost" the article reads:

The cost of prohibition can properly be called as follows: (1) Expenditures of Federal Government for Prohibition Unit and other agencies concerned with enforcement; (2) expenditures of States and cities for enforcement; (3) loss of revenue received before prohibition from excise taxes and import duties; (4) loss to States and cities in former license fees; (5) loss to the Nation in the destruction of industries once engaged in the manufacture of liquors and beer.

Against this bill must be placed the estimates of the savings caused by prohibition. These, according to the estimates of the prohibitionists, have more than made up the cost.

CITY POLICE BEAR MUCH OF THE BURDEN

The expenditures of the Federal Government for enforcement are among the few items that can be given in an entirely authentic form. The records show the appropriations to have been over one hundred million.

The expenditures of the States and cities are difficult to estimate. Appropriations for enforcement appear on few of the State budgets. In 1924, for instance, the only ones made were: Virginia, \$70,000; Wisconsin, \$60,000; Nebraska, \$50,000; Wyoming, \$52,000; New Hampshire, \$15,200; Ohio, \$109,430; Missouri, \$8,500. Even the various organizations working for modification hesitate to make a guess regarding the expenditures by the States.

Not only in the tax losses are the farmers injured by prohibition, but they bear the great proportion of the direct damage in losses on crops. In 1919 the barley farmers produced 147,608,000 bushels at a value of \$1.20 a bushel, or at a total value of \$178,080,000. But in 1927, with the barley crop at 265,577,000 bushels, its face value was only \$180,-

127,000. No brewers on large-scale production; therefore the 1927 barley was only worth 67 cents a bushel. So the farmers lost on their 1927 crop approximately \$140,655,000 due to prohibition. This is on one crop in one year. The following table shows what the barley farmers can charge as losses to prohibition. I base these on the 1919 per bushel price:

1920	-----	\$94,666,000
1921	-----	124,156,800
1922	-----	123,806,240
1923	-----	128,276,060
1924	-----	93,624,500
1925	-----	132,695,060
1926	-----	116,490,150
1927	-----	140,655,810
Total	-----	954,368,620

Ten million acres of land would be used for barley production should the Volstead Act be modified. The drys will answer that the brewers did not consume the total crop in any one year, but they did use over one-third of it and, paying a high premium for it, were responsible for such a high price as prevailed in 1919.

[U. S. Department of Agriculture, Miscellaneous Circular No. 23]

THE AGRICULTURAL OUTLOOK FOR 1924

(By staff of Bureau of Agricultural Economics)

1. The United States is exporting about 20,000,000 bushels of barley each year, and the price of barley is therefore affected by the world price. The recovery in European production is increasing the foreign competition.

Notwithstanding that production has been maintained, market receipts during the past five years have been less than one-half as large as formerly.

[Yearbook of Department of Agriculture, 1922]

2. Effect of prohibition: The most recent factor affecting the production of barley has been the prohibition of brewing. . . . The brewers of the United States were using slightly more than 50,000,000 bushels of barley each year at the time when brewing was prohibited. This 50,000,000 bushels, while constituting only about 30 per cent or less of the crop, did cause a premium to be paid for the highest grades of barley.

The next important beer ingredient that tells a sad story for the farmer is hops. In 1919 hops had a per pound value of 77.6 cents and in 1927 of 23.1 cents. In 1919, 24,970,000 pounds brought \$19,376,000, but in 1927, 29,794,000 pounds brought only \$6,808,000.

Rice, which was exceedingly extensively used in beer, has sustained a loss in value since prohibition. In 1919, 41,985,000 bushels of rice were worth \$111,913,000 and in 1927, 40,231,000 bushels were worth \$37,728,000, or a loss of over \$70,000,000.

When we look at rice we find a most astonishing situation in 1915, 1916, and 1917. We find that in 1915 the brewery consumption of rice was nearly 168,000,000 pounds. In 1916 somewhat over 141,000,000 pounds. In 1917 about 125,500,000 pounds. A total used during that 3-year period of over 434,000,000 pounds. An average use per annum of nearly 145,000,000 pounds, which has been lost by the drys.

Materials used in the production of fermented liquors in the United States, years ending June 30, 1915, 1916, and 1917

[Compiled by the Bureau of Crop Estimates, U. S. Department of Agriculture, from records of the Bureau of Internal Revenue, Treasury Department]

Material	Unit of quantity	July 1, 1914, to June 30, 1915	July 1, 1915, to June 30, 1916	July 1, 1916, to June 30, 1917
Malt	Bushels	62,991,856	57,683,970	67,931,577
Hops	Pounds	38,839,294	37,451,610	41,958,753
Rice	do	167,750,177	141,249,292	125,632,269
Corn or cereals	do	604,890,901	650,745,703	666,401,619
Grape sugar or maltose	do	52,079,621	54,934,521	63,213,698
Glucose or sirup	Gallons	7,185,563	2,742,854	6,557,209
Grits	Pounds	6,619,510	109,371,482	193,263,640
Other materials	Bushels	484,641	72,355	180,436
Do	Gallons	6,630	19,112	16,656
Do	Pounds	68,880,530	24,756,974	17,573,893
Total, all items estimated	do	3,274,261,921	3,004,754,590	3,477,526,330

Those who prior to prohibition had raised barley where they now raise too much wheat are especial sufferers because of the Volstead Act. Hon. Sydney Anderson indicated the extent of the farmer's interest in the brewing business when he stated to the House of Representatives Committee on Agriculture on August 2, 1912, that—

There are to-day 8,000,000 acres of land in this country under cultivation in barley. The barley crop last year was 139,000,000 bushels, and the estimate this year is about 160,000,000 bushels. The production of beer in this country amounts to nearly 2,000,000,000 gallons annually, a per capita consumption of about 20 gallons. I merely mention these facts as an indication of the magnitude of the business. The brewers some years ago issued a propaganda to induce the farmers of the Northwest to engage in barley growing in order that they would have a sufficient supply of that product to manufacture beer. I feel that the farmers who have gone into barley raising—and there is practically no market for it except such as comes from its use in making beer—are entitled to have the term "beer" defined.

In an extension of remarks by Hon. Charles H. Randall in the CONGRESSIONAL RECORD (vol. 56, pt. 12, 65th Cong., 2d sess.) the farmer may find how much the brewers took of his product. Mr. Randall sets forth:

Mr. Speaker, there is before the House the report of disagreement between the House and Senate conference committees on the price of wheat. The House stands for \$2.20 and the Senate insists upon \$2.50 wheat.

The assurance which it is proposed to give the farmer of the price which he shall receive for his wheat, of course, has relation to the food supply of the country. Such a proposition is based upon the effort to assure a sufficient food supply by encouraging the increase of the acreage of wheat.

The food administration wants this law. Yet the food administration can by one stroke of a pen save 4,000,000 pounds of bread daily and fails to act. Last summer Mr. Herbert Hoover, in answer to an avalanche of demands to save the food wasted by brewers, wrote the following response:

"In 1916 there was used in the production of malt for the manufacture of beer for home consumption and export about 60,000,000 bushels of barley, 15,000,000 bushels of corn, and about 3,000,000 bushels of rice. It will be seen therefore that the economic advantage to be gained from the prohibition of the manufacture of beer relates almost entirely to the question of saving 60,000,000 bushels of barley, which could be milled to 60 per cent of its food value and produce a pound loaf of barley bread per day for 6,000,000 people."

Since the above letter was sent out by Mr. Hoover he has written me under date of January 22, 1918:

"DEAR CONGRESSMAN RANDALL: In the administration of the food bill we have reduced the foodstuffs used in brewing by 30 per cent. I hope that by this order there may be effected a saving of approximately 18,000,000 bushels of grain."

It will be seen at a glance that from Mr. Hoover's own figures the brewers are still permitted to use 42,000,000 bushels of barley, more than 10,000,000 bushels of corn, and more than 2,000,000 bushels of rice annually. The barley alone will make more than 4,000,000 pounds of bread daily.

"About 8,000 square miles of American farm lands were at one time devoted to the production of barley for brewers," says E. C. Horst, an American farmer.

I have only seen one answer to my proposition, and that was an editorial in a 1928 number of the Saturday Evening Post. This publication is always intent on fairness, and the editorial I now intend to make comment on has an honest inspiration, but, nevertheless, comes to unfounded conclusions, if the logic of the situation is to have sway. It reads as follows:

PROHIBITION AND FARM DISTRESS

The perennial discussion of prohibition takes many turns, some of them devious enough. Now and then one hears a loud voice declaiming that prohibition has been a prominent cause of agricultural distress.

During the calendar year 1916 there were used in the manufacture of alcohol and of distilled spirits some 40,000,000 bushels of grains, and in the brewing of fermented alcoholic beverages some one and a half million tons of cereal preparations. During the year 1926 something like 9,000,000 bushels of grains and 100,000 tons of cereal preparations were so employed. These are official data from the Commissioner of Internal Revenue of the Treasury Department. The loss of market as material for alcohol and alcoholic beverages may therefore be placed at around 80,000,000 bushels at the outside.

The crop of grains in 1926 was around five and a third billion bushels. The 80,000,000 bushels that might otherwise have gone into distilleries and breweries was therefore under 2 per cent of the crop. This quantity of grain is less than the probable error in the crop estimates. It is nothing less than absurd to ascribe to the loss of this special market any substantial proportion of farm distress.

In 1917 when the question of curtailment of the use of grain in distilleries and breweries came up the users of grain for such purposes resisted curtailment on the ground that little loss of feeding stuffs occurred, since distillery and brewery residues were fed to animals. There was some truth in this contention. But it is inconsistent to make this claim and at the same time to claim that a large market is lost when grains are not so employed.

During recent years the count of horses and mules has been substantially reduced, probably by as much as 5,000,000 head. This has been due to replacement by automotive equipment. These work animals would use annually between three and four hundred million bushels of oats and corn. Compared with this the 80,000,000 bushels whose market has been lost through prohibition is of little importance. Would the people who wish distillation and brewing restored as a market for grain also wish machines banished and work animals restored as a market for grain?

There can be no doubt that the consumption of milk and fruit juices has been increased as a result of prohibition. This enlargement of market for farm produce must be set against the loss of market for grain. When alcohol dropped out of the diet something else took its place and represented new demand. We can not agree that agriculture as a whole lost a market through prohibition. The only people who lost business were distillers and brewers. For them to hide behind the skirts of distressed agriculture is too transparent a maneuver to fool anybody but the wets.

Prohibition might be well called an antigrain consumption law. My purpose now is to compare the consumption of grain before and after prohibition. Of the 5,000,000,000 bushels of grain produced, only the corn and barley production were of major importance in the prohibition debacle. Rye, from the standpoint of the crop produced and quantity ever used, was affected in a minor degree, and, of course, wheat and oats were only consequentially affected.

The 1923 wheat crop measured 900,000,000 and oats 1,200,000,000 in bushels. So these two crops contributed 2,100,000,000 to the five and one-third billion bushels cited in the editorial.

The destruction of the brewery market for corn and barley would only have an indirect effect on prices of wheat and oats but a direct and serious effect on corn and barley prices. The rye farmer, with land too poor for other grains, has conclusive evidence of harm in the loss of his domestic market.

Adam Smith, in substance, said:

A man who brings to market for sale 10 bags of wheat and finds in the market place buyers willing to purchase only 8 bags learns that it is the price of the 2 bags for which he fails to find immediate buyers that makes the price on the 10.

Applying Adam Smith's wisdom, and developing the figures involved, we can not conclude on a parallel with the editorial, though we may assume the correctness of the elementary mathematics of the editorial. Its arithmetic is sounder than its economics.

I have had the help of an expert grain-market man in making the analysis I am about to submit on prohibition, the grain market, and the conclusions of the Saturday Evening Post.

The fiscal year 1926-27 indicates a consumption for beverages of under 5,000,000 bushels of malt or barley and a little over 2,000,000 bushels of corn.

In the last three preprohibition years the use of corn by the distilling and brewing industries aggregated—

	Bushels
1915.....	27, 143, 000
1916.....	45, 643, 000
1917.....	49, 324, 000

A total of a little over 122,000,000 bushels of corn, or an average consumption per year of nearly 41,000,000 bushels.

In the most recent three years for which I have complete figures available, these industries used—

	Bushels
1924.....	5, 357, 000
1925.....	7, 496, 000
1926.....	8, 262, 000

A total use during these years of a little over 21,000,000 bushels, or an average use per year by these industries of about 7,000,000 bushels.

These figures establish that in the 3-year dry period the domestic demand for corn was reduced by an aggregate of 100,000,000 bushels, and that the yearly use of corn by these

beverage industries has been reduced on the average about 33,000,000 bushels.

In these same dry years the exports of corn have been as follows:

	Bushels
1924.....	18, 366, 000
1925.....	12, 762, 000
1926.....	23, 084, 000

This exportable surplus of corn, which farm experts claim is the cause of the distress, would not during these last three years have existed had the corn crop enjoyed the domestic demand of a size equal to that which obtained as an average consumption for three preprohibition years. The domestic brewing and distilling demand has been reduced by prohibition 33,000,000 bushels per year. The exportable surplus in the same three years has been about half that amount. A universally condemned cause of the farm trouble, the surplus of corn, was caused itself by prohibition. The proximate cause is the surplus, but the real, though remote, cause is prohibition.

When we consider barley we find the brewing and distilling use was in—

	Bushels
1915.....	65, 349, 000
1916.....	62, 164, 000
1917.....	85, 738, 000

Since prohibition we find a total of only 17,162,000 bushels, or an average annual use of about 5,700,000 bushels. We find a reduction of use annually on the average of about 65,000,000 bushels.

The domestic demand for, or market, has been destroyed by a yearly average of thirty-three and one-third million bushels of corn and sixty-five and one-third million bushels of barley, or a total disappearance of American annual demand for the two grains of about 100,000,000 bushels.

It is true that in both brewing and distilling feed by-products are recovered, which products are in high favor amongst the dairy interests.

These by-products aggregate about 20 per cent of the initial weight of the raw material, so that the net disappearance after deducting feed residue would be in substantial accord with the editorial's 80,000,000-bushel estimate.

The price registered in terminal markets, which gives the crop value, is measured by the demand there for the supply of grain which is brought there for sale. We must, therefore, compare these primary receipts, namely, the arrival of grain at the terminal markets, with the actual demand, as experienced now, and the theoretical demand which would have existed had preprohibition demand in addition been preserved.

The receipts of corn at primary markets in the last three years have ranged from 232,000,000 to 284,000,000 bushels. Those receipts approached markets and found the demand for corn has been reduced by an average of 33,000,000 bushels. The demand has been reduced by prohibition alone nearly, say, 14 per cent. The demand for barley has been reduced approximately by 65,000,000 bushels per year, or by more than the whole amount of present primary receipts.

So barley has had to find a new market. It has had to compete with corn for the feed trade, and it has done this at the injury to both the corn and barley farmer.

To apply the Adam Smith theory: The American corn farmer brought to market seven cars of corn and found there buyers for six cars, the buyer for the seventh car having been outlawed from the market by prohibition. The farmer who has raised barley has brought his barley to market and found that as the premium-paying brewer could not brew, he would not buy. He has had to sell it to a buyer who paid cheaply for it only for its feed value.

Adam Smith would be forced to declare that prohibition has had a crippling effect on the farmer. The man on the farm is paying for hypocrisy through the nose.

The arrangement of figures given, all of which are from governmental documents, contradict the inferences drawn from the editorial and indicate that the comparison of an annual loss of market demand for 80,000,000 bushels of

grain is far more serious in the results to the American producer of grain, in the way of reducing his income, than is indicated by the editorial comparison of that loss with the whole crop. If one compared it with the national debt or the annual American bank clearings, in dollars, it would appear even more insignificant than the Post's editorial indicated.

The United States Department of Agriculture Year Book for 1924 contains some interesting comparative statements of rye, corn, and barley prices prior to and during prohibition.

Rye: Seven-year average, 1914-1920, \$1.28; 1918, \$1.61; 1920, \$1.45. In 1925 the price on the farm was not much better than 50 cents.

Corn: 7-year average, 1914-1920, \$1.11; 1918, \$1.52; 1920, 62.6 cents. In 1925 the price on the farm was about that of 1920.

Barley: 7-year average, 1914-1920, 90.9 cents; 1918, 98.6 cents; 1920, 76.1 cents. In 1925 the price on the farm was about 40 cents.

The hops farmer was also badly affected by prohibition. The year prior to prohibition the farmers received about \$20,000,000 for the hops. Last year they received \$6,000,000.

Rice, which was extensively used in beer, brought in 1919 for 42,000,000 bushels \$112,000,000, while in 1929, for 45,000,000 bushels it brought in \$40,000,000. This loss to the farmer is chargeable to prohibition.

The farmers have been propagandized by the dries for many years. They were led to believe if they supported prohibition their taxes would be reduced 80 per cent, that crime would disappear, and there would be no more criminal-court costs, and that jails and eleemosynary institutions would be emptied. Just the reverse has been true. The principal interest of the farmer in the prohibition question was to get rid of the saloon in his own particular locality, something he could have done through local option, and he had no idea when he was agitating a wider degree of prohibition that he was paving the way for his own economic destruction.

A dispatch from Washington, D. C., appearing in the New York World some years ago:

The District of Columbia has increased its arrests for intoxication 168 per cent in the seven years since the Volstead Act went into effect. Arrests for manufacture of liquor advanced 307.7 per cent; for sale of liquor, 825.4 per cent; for transporting, 4,580.9 per cent; for possession, 13,323 per cent; and for driving a vehicle under the influence of liquor, 1,083 per cent. The only declines are 9.4 per cent in arrests for "drinking in public" and 83.3 per cent for possession of property designed for manufacture of liquor, according to a chart submitted by Maj. Edwin B. Hesse, District police head, to a House appropriations subcommittee and made public to-day.

The Canadian farmer must be amused at the Yankee farmer across the border as he contemplates the reports of Canadian grains in liquid form sent into the Volsteadized United States.

The Washington correspondent of the New York Times, February 6, reports that:

The minutes of the August conference, with some deletions, were made public at the State Department to-day, and revealed a large annual increase in the amount of liquor exported from Canada to the United States in violation of the United States laws. This movement was set forth from official records by William R. Vallance, Assistant Solicitor of the State Department, to the customs conference, in figures on the value of alcoholic beverages exported from Canada, which were as follows:

Fiscal year	Total	To United States	Percentage to United States
1924.....	\$14,854,175	\$8,714,709	62
1925.....	16,225,533	11,610,169	72
1926.....	21,207,777	17,207,777	82
1927 ¹	9,069,093	8,236,126	91

¹ 5 months ending Aug. 31, 1927.

Also from a Washington, D. C., dispatch in the Seattle (Wash) Star of February 7, 1928:

Vast dimensions of the illegal liquor traffic on both sides of the Canadian-American border were revealed to-day with publication of minutes of a joint customs conference here last August. Prices

of bootleg liquor on the American side of the border will be increased if legislation recommended by the conference to the Canadian Parliament is enacted. The minutes revealed that between 1924 and 1927 the percentage of liquor exported from Canada ostensibly to the United States increased from 61 to 91 per cent.

Moreover, the farm country has always proven a rich harvest for Anti-Saloon League collectors. How much they have gathered from the farm belt I do not know. Perhaps the league will be glad to tell the farmers how much the farmers have paid for prohibition propaganda, which has been to them the promulgation of an Iscarlot.

Modification of the Volstead Act will go a long way toward economic relief of the farmer, and when the figures are presented to him he will change his views, particularly when he realizes that while he has grown poor the bootlegger, the Canadian farmer, the prohibition agent, the dry lecturers, and press agents have prospered at his expense in a theoretically dry country.

The following bulletin of Hallgarten & Co. is timely on the economic aspect of prohibition:

NEW YORK CITY, November 1, 1930.

BULLETIN—THE REVIVAL OF AN OLD INDUSTRY

Constructive developments in the security market have, to a certain degree, become identified with the growth of particular industries. Public attention was attracted by earning power, investment position, and the potential outlook. We cite a few instances. Public-utility issues provided a material impetus for a recovery in values after the 1920-21 depression. This was followed by the motors, reflected especially in the rise of General Motors. Radio securities followed, and the movement culminated in a marked enthusiasm for stocks of aviation companies. If the entrance of new factors can serve to encourage investment psychology—why may not the same effect be obtained through the revival of an old industry?

We are approaching this problem entirely from its economic side. Though we consider its possible import worthy of careful consideration, we have hesitated to place our views before you in the bulletin, as the subject has been too frequently relegated to the ethical field and treated theoretically at least as a great moral issue. The economic side, however, is now asserting itself, while a large percentage of the voters also appear to feel that the moral issue is not all on the side of the eighteenth amendment.

Over six months ago we touched on the possible revival of the brewing industry when discussing the outlook with individual members of the organization, and they will be familiar with our general views. Certain personal considerations served as an inhibition against giving our views wider currency. However, now that this question is being debated in the public press, and that a possible revival of the industry has been referred to as responsible for the decline in certain stocks, accompanied by a search for brewing securities, we feel that the inhibition no longer applies. Furthermore, we are concerned entirely about the economic factors and about the constructive impetus this revival implies. The dispute as to the ethical merits of the issue we regard as not within the province of our work.

There are three major factors involved:

1. Federal revenue: The present cycle of depression is expected to materially reduce Federal revenues as determined by corporation income taxes, individual income taxes, custom revenues, etc. In 1914 the brewing industry had an output of over 66,000,000 barrels. The normal tax was equal to \$3 a barrel, which secured for the Government a revenue of \$198,000,000. In addition, a special war tax of \$3 was imposed during the war. The production had declined to 50,266,000 barrels in 1918. We believe it may be assumed that a legalization of beer will bring about a production equal to the 1918 figure, affording the Federal Government a minimum revenue of \$150,000,000, based on the \$3 tax per barrel. The population has increased materially since that date, and, may we say, the thirst has increased proportionately.

2. Construction and allied industries: This offers, we believe, a major consideration. With but few exceptions, the old breweries would have to be reconditioned and equipped. The same, we believe, applies to the big malting plants. A revival further entails the installation of machinery, particularly as pertaining to the beer-bottling business. Nobody expects the return of the saloon. The majority of the trade would therefore be in the form of bottled beer, which would call for large installations, as well as orders for bottles, boxes, caps, and trucks. This latter feature should not be overlooked, as it is an important item.

2a. Employment: We understand from sources which we believe are reliable, but can not vouch for its authenticity, that one prominent brewer was consulted by Washington authorities regarding the effect a revival of the brewing industry would have on unemployment. He is supposed to have made the statement that considering the ramifications of the business, it would give employment to 2,000,000 people once the resumption of operations had been legalized.

3. Farm relief: A statement has been credited to Mr. James Clifford Stone, vice chairman of the Federal Farm Board, that wheat prices would tend downward for the next four years, largely because of increasing Russian competition abroad. To what extent Mr. Stone may have been influenced in his statement by the general advice of the Farm Board that wheat growers reduce their acreage and raise wheat only for United States consumption, thereby realizing the protection of our tariff, can not, of course,

be established. To adopt the advice of the Federal Farm Board the farmer would be compelled to diversify his crop.

In 1914 the Federal census revealed that the cost of materials used in brewing and malting was approximately \$167,000,000. By far the larger amount of this item, we understand, was represented by barley. It is particularly this phase of the picture which deserves to be stressed, we feel. Prohibition sentiment was particularly strong in the Middle West, the farm belt. The economic depression is especially keenly felt in this very territory and industry. According to our studies, economic considerations usually outweigh all other factors.

The absorption of the barley acreage by other crops, primarily wheat and corn, has not been felt thus far because the war eliminated Russia as an exporter of wheat. We have seen figures as high as 450,000,000 bushels of Russian wheat exports quoted for the year 1913. Not only did Russian wheat exports cease but the adjustment to new revolutionary conditions, aggravated by a large crop failure, compelled Russia to import wheat. Nineteen hundred and thirty appears to be the first year that Russian wheat production has attained a level which permits of export. The estimates vary from a minimum of 48,000,000 bushels to as high as 150,000,000. The advice of the Federal Farm Board suggesting diversification as a solution and production more commensurate with our domestic demand appears very timely. A recognition of this fact by voters in the farm belt may have an important bearing on the revival of the brewing industry.

This recalls to our mind another instance where the pressure of economic considerations forced a modification in a territory which was fundamentally as dry in sentiment as the farm belt. We refer to the Province of Ontario. It remained dry while many of the other Provinces had abolished or modified prohibition so as to permit the revival of the brewing industry. For years Ontario witnessed the parade of American tourists hastening across its territory into Quebec. This latter Province was enjoying the fruits of its policy in the form of a large increase not only in the actual revenue derived from the brewing industry and the profits of the liquor commission, but also in American tourist trade as such.

The writer had occasion to travel extensively in the Province of Quebec shortly after the present Quebec liquor law was inaugurated. He had been asked to report on the impression Quebec conditions made on him—whether the policy was workable, and what beneficial or detrimental effects it gave rise to. He discussed the law, among others, with a former member of the liquor commission, and was particularly interested in learning how the revenues were applied. He was told that one-third was applied to reduction of the debt, one-third to building of roads in order to attract more tourists, and one-third for schools.

The gentleman added: "When I was on the commission I suggested that the revenue be divided into four parts." He had a twinkle in his eye, so the writer took the bait and asked how he intended to apply the fourth part. Whereupon the gentleman replied most unconcernedly, "I was going to suggest that it be contributed to the prohibition movement in the United States."

To harbor strong dry sentiments was one thing. To see other Provinces, particularly Quebec, benefit from their change in policy and the business revival it apparently brought in its wake seems to have placed the subject in a very different light, with the result that Ontario followed the procession. We do not believe it was the weakening of dry sentiment but the pressure of economic circumstances.

Wheat acreage in the United States increased from 47,589,000 in 1913 to 61,141,000 in 1929. Canadian acreage jumped from a 5-year pre-war average of 9,945,000 to 24,168,000 in 1929. In Argentina and Australia the combined acreage expanded from 23,654,000 in 1913 to 33,978,000 in 1929. Allowing for the improvement in agricultural methods, a better idea of the threat is gained which a re-entrance of Russia into the wheat market presents to the farmer and the economic compulsion he may face to scan all possible openings affording a profitable diversification of his crops.

Thus far prohibition has been treated largely as a political issue, and though we are adverse to considering the political aspects of the situation, in this case we believe the two factors are so closely interwoven at this stage as to call for comment. There can be no expectations, we feel, for a sudden election of a predominantly wet Congress or even a Congress which would favor a modification of the Volstead Act permitting the brewing of 2.75 per cent beer. The most optimistic hopes of the wets are limited to a gain of approximately 6 to 7 votes in the Senate and 60 to 70 votes in the House. This would not constitute the majority needed to pass the necessary enabling legislation.

But this does not complete the picture. Aside from the economic pressure in the farm belt which may make itself felt, there are two other elements: (1) The attitude of the American Federation of Labor, which at its convention in Boston passed a resolution requesting the legalization of a 2.75 per cent beer; (2) The Hoover commission on law enforcement, headed by Mr. Wickersham. The members of this commission were selected from among the leading personalities in the field of law. We refer to Mr. Wickersham himself, Dean Pound, of the Harvard Law School, the outstanding authority on "common law" in our country, Judge Kenyon, and others.

It is generally believed that the subject of prohibition has afforded the principal study of this commission, and reports have been current that its deliberations may result in a recommendation of a modification of the prohibition law. Should such a recommendation be made, it would lift the entire question out-

side of the mere controversy of wet and dry sentiment and place it on the basis of a cardinal principle constituting the very foundation of a democratic government—the proper observation of the law of the land. On this principle all parties can unite, and the President may assume leadership without injecting his own personality into the field of wet and dry contentions. In other words, it may be possible to visualize a recommendation by the President to Congress in accord with advice given the President by his own commission, supported solely by consideration of proper enforcement and observation of the law of the land, to modify the Volstead Act so as to materially reduce or entirely eliminate a disregard for law and its sinister corollary, the development and growth of the bootleg industry.

And what has this to do with the trend of securities in general and the bond business in particular? We return to our introductory comments. Would not a revival of an old industry afford a similar impetus to recovery as a development of a new branch in our industrial life? If our premises are correct, the legislation of beer would stimulate general business activity and find reflection in increased confidence. It was for this reason that we thought a discussion of the situation timely as having a possible bearing on the fundamental trend and therefore constituting a proper subject for the bulletin.

The question has been raised whether such modification of the Volstead Act permitting 2.75 per cent beer would be subject to attack as unconstitutional, and therefore be brought up before the Supreme Court for determination. As we understand the law, Congress is empowered to pass such enabling act as it may decide upon in order to enforce the amendment. It seems a moot question whether the Supreme Court would inject itself into the actual determination of what is or is not intoxicating. However, we do not claim sufficient acquaintance with constitutional law to answer this particular question, and whether actual repeal of the Volstead Act may be necessary to bring about a revival of the industry through the elimination of the enforcement agency.

This, to my mind, is a very well-reasoned statement as to the economic phases of prohibition. What the country needs is a revival of industry. A revival of the brewing industry would accord with majority opinion, as shown in official and unofficial referenda. It would also mean a revival of congressional prestige.

Mr. SHREVE. Mr. Chairman, I yield three minutes to the gentleman from Kansas [Mr. SPARKS].

Mr. SPARKS. Mr. Chairman and members of the committee. On the 29th day of September, 1930, Hon. Hays B. White, a former Member of this House was summoned from among the living to join that innumerable throng beyond the realms of earthly existence and into a haven of eternal peace.

He was born at Fairfield, Iowa, on September 21, 1855, and died at his home in Mankato, Kans.

He was of sturdy Scotch-Irish stock.

His father died when he was but 13 years of age.

He was then left as the main dependence of his widowed mother. Although untrained in business, he set about his task with a resolute determination to succeed. He conquered the developing business problems, and the impoverished condition of his father's estate was transformed into a successful business.

His close application to the task assumed, his clear and keen intellect enabled him to clear the obstructions that line the pathway of life, and travel successfully on to the end, achieving merited rewards for his fidelity and perseverance.

He was cut down by the reaper of Death while upon the threshold of a brilliant political success. He was honored with the positions of mayor, State senator, a member of the Kansas State Tax Commission, and Congressman from the sixth district of Kansas for 10 years, the longest continuous service of that character ever enjoyed by anyone in that district.

With confidence and youthful ambitions he penetrated the mysterious veil of life with each unfolding day, and with the passing of each successive day he left an indelible imprint of rich accomplishments upon the record of his life.

He was a son of the Great Plains, enduring the hardships and privations incident to pioneer life; but the struggles of that period enriched him for the great responsibilities he later assumed when placed by his fellow men in positions of trust.

In official life he exhibited that same true devotion to the trust reposed in him that had characterized his accomplishments in private life.

The brilliancy of his political achievements did not detract from his loyal and affectionate devotion to his family, for in the circle of his home the richest and noblest of man's attributes found expression, for his fidelity to home and family brightened the record of this life with its greatest luster.

The shadows of eternal night have encompassed his earthly form, but his real substantial qualities of honesty, integrity, kindness, modesty, gentleness, and generosity will be perpetuated in the hearts of those who knew him until they, too, shall reach the sunset of life's journey. [Applause.]

Mr. SHREVE. Mr. Chairman, I yield 30 minutes to the gentleman from Pennsylvania [Mr. Swick].

Mr. SWICK. Mr. Chairman, ladies and gentlemen of the committee, in the last session of Congress I introduced a resolution calling for a general survey of hospital facilities in the United States. Due to the press of other legislation that bill was not considered.

During the recess I have studied to some extent the hospital situation in the United States. A week or two ago I noticed in the Washington Post this significant statement made by Dr. C. Rufus Rorem, in which he says:

Hospitals have become one of the Nation's major industries, with investments totaling in the neighborhood of \$3,125,123,000. Dr. C. Rufus Rorem, economist on the staff of the committee on the costs of medical care, reported here to-day.

"This represents more than all money invested in the lumber, paper, or printing industries," Doctor Rorem said. There are 7,310 hospitals in the United States and their annual cost of operation is \$900,000,000, nearly one-third of the Federal Government's total yearly expenditures, he reported.

I feel that in view of the magnitude of this hospital service it was right and proper that it should be called to the attention of the House and to the Nation. For that reason I have requested this time to call the committee's attention to it and in this way inform the country of the great activities that are being carried on for the benefit of the needy veterans and those requiring hospitalization.

There is little doubt, that Congress will in the very near future enact legislation to make hospitalization and treatment available for every needy war veteran. A great majority of veterans, and posts of veteran organizations are under the impression that this was done when we amended the World War veterans' act and made it possible to hospitalize nonservice-connected cases when Government facilities were available.

Beginning with the act of March 3, 1919, Congress has to date appropriated for the construction of veterans' hospitals \$92,450,000, which when completed will have a total bed capacity of 31,000, and these added to the facilities made available in other Government agencies will in the next few years make available for beneficiaries of the Veterans' Bureau approximately 40,000 hospital beds. This will provide ample hospital facilities for service-connected cases.

During the year ended June 30, 1930, the average number of service-connected cases requiring hospitalization was approximately 17,000. There were available beds for 31,525. Due to the increasing number of nonservice-connected cases being hospitalized, every bed was filled, and there were waiting lists in every regional office. In other words, 45 per cent of the veterans receiving hospitalization were nonservice-connected cases.

It is very evident, if the Government is going to make it mandatory to hospitalize every veteran regardless of the source of his disabilities, and continues the policy of erecting new hospitals to meet the requirements of such a mandate, we are facing a construction program far surpassing our total efforts to date.

There has been insistent demand on the part of State departments of the various veterans' organizations for the construction of sufficient hospital facilities within the confines of their respective States to meet the needs of the veterans resident therein, despite the policy of the Veterans' Bureau to ignore State lines in this matter. It is interesting

to note, however, that with the completion of the present program, the Veterans' Bureau will be operating 64 hospitals. There will be but nine States without a veterans' hospital, and six of these will have hospital facilities operated by the bureau, or the Federal Government.

I learned yesterday that 31 States out of 48 have appeared before the veterans' subcommittee on hospitalization this year and requested greater hospital facilities in their States.

Since the year 1925, one year after the passage of legislation authorizing hospitalization of nonservice-connected cases, this class of veterans has steadily increased at the approximate rate of 2,000 annually. In 1925 they represented 14.43 per cent of the total load; in 1926, 20.12 per cent; in 1927, 29.27 per cent; in 1928, 37.18 per cent; in 1929, 43.01 per cent; and in 1930, 46.49 per cent.

The growing problem of hospitalization and necessity for a steady expansion of hospital facilities may be readily understood by studying the increasing number of hospital admissions each year. Since 1919 there have been 832,687 admissions to hospitals. During the fiscal year of 1930 there were 92,115 admissions, the largest number since the peak in 1922, an increase of 10 per cent over the admissions in 1929. Of the total, 46 per cent were admitted to bureau hospitals, 50 per cent to other Government institutions, and 4 per cent to civil and State hospitals.

Since June 7, 1924, 52 per cent of all admissions have been for veterans whose disease or injury is not service connected, and of the total admissions in 1930, 71 per cent were of this class.

I want you to think of this particular problem. Seventy-one per cent of all of the admissions last year were nonservice-connected cases. If this Government is going to adopt the policy of hospitalizing nonservice-connected cases, then we must evaluate our resources and in that way come to a definite conclusion as to our future building program.

The cost of erecting hospitals may be estimated on the basis of \$3,750 per bed capacity. The cost of operating them is estimated by the bureau as an average of \$3.86 per diem for all classes. The cost of operating tubercular hospitals per diem last year was \$3.28; of neuropsychiatric hospitals, \$2.81; and of general medical and surgery hospitals, \$4.49.

In other words, every time you open a bed there begins immediately an expense of \$3 per day. The only difference between a bed occupied and a bed vacant is a matter of a little food and medicine. It has been determined that this amounts to very little, probably not over 80 cents a day. So, taking the hospital bed at \$3.80, it costs \$3 a day to maintain the bed empty.

It is reasonable to believe that the number of veterans requiring hospital treatment will increase each year as they grow older and become more susceptible to the ravages of disease, with the resultant loss of vitality which comes with age. Certainly it behooves us to take stock of our resources now, with a view to conservation and economic expenditure of funds in the payment of our debt to the veterans before it is necessary to reverse our policies and deny veterans the right of hospitalization, except in case of service-connected disabilities.

The Veterans' Bureau several years ago adopted the policy of hospitalizing veterans in Government owned and operated institutions, and Congress has endeavored to appropriate funds to carry out a building program to accomplish that end. If the same conditions and requirements existed to-day that were in force at the time that policy was adopted, no further expenditure would be necessary for hospital construction. However, with the right of hospitalization given to every veteran, regardless of service connection, the demand for new construction will continue for at least 15 years, presenting a financial picture almost inconceivable if not impossible to fulfill.

I favor the proposal to hospitalize every needy veteran, regardless of service connection and despite the fact that it has a close relation to State medicine. Like every other

Member of this House, I am eager to repay in every possible way the debt of gratitude we owe those who have borne the brunt of battle in defense of their country in time of greatest need.

On the other hand, I recognize our obligation to the taxpayers of the Nation, who are faced each year with an increasing taxation. It is our duty to conserve the resources of the Nation by utilizing all resources to the fullest extent.

We have to-day within the confines of the United States and her territorial possessions approximately 8,000 hospitals, with a bed capacity of approximately 1,000,000. This represents a capital investment of nearly \$3,500,000,000. Of this number in 1930 there were 6,665 hospitals qualified for registration with the American Medical Association, with a bed capacity of 907,133. The average number of patients in these hospitals during the year 1930 was 726,766, or 65.5 per cent of their capacity. An approved hospital is required to maintain constant personnel and facilities to care for 85 per cent of its total capacity. Therefore the hospitals of the country could have cared for approximately 230,000 additional patients without increasing their personnel or facilities.

Mr. CAMPBELL of Iowa. Mr. Chairman, will the gentleman yield?

Mr. SWICK. Yes.

Mr. CAMPBELL of Iowa. Is it the gentleman's idea that every war veteran, whether his disability is service connected or not, should be hospitalized at Government expense?

Mr. SWICK. No.

Mr. CAMPBELL of Iowa. The gentleman's idea is only those who are really dependent?

Mr. SWICK. That is true.

Mr. CAMPBELL of Iowa. Is it not true that very few men are hospitalized in veterans' hospitals who have the money to take care of themselves at home?

Mr. SWICK. I can not say as to that.

Mr. CAMPBELL of Iowa. I know in my own district I tried to make some sort of a survey of that, and I found that there were very, very few who could be hospitalized and stand the expense themselves, who had the money to take care of them, who went to veterans' hospitals.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. SWICK. Yes.

Mr. BLANTON. What would the gentleman do with a case of this kind? Say a man went to the trenches of France and was gassed. He came back and naturally he wanted to get home quickly; he was not carefully examined. Nothing appears in his record showing any disability, but within the last year he has become afflicted with tuberculosis. Physicians tell me that they can not say when tuberculosis is the result of being gassed. Would not the gentleman be fair enough with that kind of a soldier to send him to a hospital to be taken care of at Government expense?

Mr. SWICK. I think there never has been any question, never so far as I have been able to determine, about such hospitalization. Just last week I had two cases who had to be hospitalized, and there was no question asked relative to their ability to pay their way or whether their cases were even service connected.

Mr. BLANTON. Then I misunderstood the gentleman. The gentleman is, then, in favor of granting them hospitalization regardless of whether their disability is of service connection or not?

Mr. SWICK. Yes. That is now in the provisions of the veterans' act.

Mr. BLANTON. I am in favor of granting all of them hospitalization, wherever needed, if they served in our Army.

Mr. SWICK. It has been determined that unless a hospital is filled to 85 per cent capacity it must operate at a loss. We find these hospitals all over the United States operated to only 65.5 per cent of their capacity.

Mr. SUMMERS of Washington. The gentleman is now referring to hospitals not connected with the Veterans' Bureau?

Mr. SWICK. Yes; I am referring to all the hospital facilities in the United States.

Mr. SUMMERS of Washington. And the gentleman's statement in regard to the necessity of operating 85 per cent capacity refers to independent hospitals?

Mr. SWICK. Yes, indeed. So we find that this percentage between 65.5 and 85 is entirely lost. All of those beds in between there, 19½ per cent, are vacant every day in our great civilian hospitals. There may be some argument as to whether these civilian hospitals compare favorably with the veterans' hospitals so far as their equipment is concerned.

It seems to me that if the great general hospitals over the country are fit to take care of the 117,000,000 people who were not in the war, they surely are equipped well enough to take care of the 4,500,000 who were in the war.

The question of traveling expenses enters into this problem. Last year the Veterans' Bureau expended more than two-thirds of a million dollars, paid for transportation of the veteran from his home to some veterans' hospital and return.

It has been estimated that 91 per cent of the hospital capital has been provided by public contribution, without expectation of repayment or return on the investment. Operating costs of these hospitals in a very great amount is borne by the public through municipal, county, and State taxes, membership in various organizations, religious and fraternal, by endowments and contributions through community chests and other charitable organizations. Few if any of them could operate if required to depend on the fees received from patients.

The logical conclusion, after studying the hospital situation of the United States, is that there is an oversupply of general hospitals, all of which in a large way are dependent upon the generosity of the great American public for support.

There may be those who feel that the veteran should be hospitalized in a Government hospital. Many of the veterans felt, soon after coming out of the Army, that they wanted to be hospitalized by themselves. But conditions have changed. It has been 12 years since the close of the war. Eighty per cent of these men at that time were single and rather preferred to be with their comrades. To-day, however, the picture has changed, and 80 per cent of these men are married and have families, and it seems to me that a great majority of them would prefer to be hospitalized in their own city, or in their own county, or even in their own congressional district, where "Johnnie" or "Mary" could call on them, along with mother, every day or two and know exactly how the veteran father and husband was getting along, and it would be a comfort for him to have these near and dear ones see him often.

I want to conclude by asking that each and every one of you may give this subject your earnest consideration, with a view to giving the greatest service to the veteran with the least burden on the taxpayer.

I have selected four States in the Union and have given some consideration to the general type of hospitals in those States. For instance, in Boston I have taken four hospitals that are outstanding as shown by the record of March last year, The Hospital Service of the United States. Those four hospitals have a combined bed capacity of 1,431. After taking out the 85 per cent, which they should have to make them pay expenses so that they would not operate entirely at a loss, we still have 476 beds available. That is just in the city of Boston. Those beds are available all the time for the use of veterans.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. Swick] has expired.

Mr. SWICK. Mr. Chairman, I ask unanimous consent to extend my remarks by inserting two tables from the Veterans' Bureau.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The matter referred to is as follows:

United States veterans' hospitals as of December 1, 1930

Location	Capacity ¹	Facilities under construction	Average beds occupied during November	Remarks
24. Palo Alto, Calif.	1,010	-----	910	
27. Alexandria, La.	421	-----	367	
32. Washington, D.C.	205	65	146	Contract for new construction awarded Nov. 6, 1930. Contract date of completion July 29, 1931.
37. Waukesha, Wis.	250	-----	218	
42. Perry Point, Md.	1,015	-----	1,013	
48. Atlanta, Ga.	200	-----	186	
49. Philadelphia, Pa.	416	-----	354	Loaned by Navy Department. Quarters for nurses and other personnel leased.
50. Whipple, Ariz.	600	-----	522	Loaned by War Department.
51. Tucson, Ariz.	261	-----	257	
52. Boise, Idaho.	235	-----	183	Do.
53. Dwight, Ill.	225	-----	189	
55. Fort Bayard, N. Mex.	450	-----	392	
57. Knoxville, Iowa.	705	-----	703	
60. Oteen, N. C.	612	-----	579	
62. Augusta, Ga.	617	138	618	Contract for new acute building awarded Nov. 15, 1930.
63. Lake City, Fla.	302	-----	278	
67. Kansas City, Mo. ²	200	-----	176	
72. Fort Harrison, Mont.	306	-----	232	Loaned by War Department.
74. Gulfport, Miss.	425	138	436	Contract for additional facilities awarded Dec. 1, 1930.
Edw. Hines, Jr., Hines, Ill.	1,007	648	944	Personnel quarters completed. Remodeling main building, being accomplished under several contracts. All completed Jan. 1, 1931.
77. Portland, Oreg.	313	-----	269	
78. North Little Rock, Ark.	750	-----	753	
79. Outwood, Ky.	375	-----	362	
80. Fort Lyon, Colo.	500	138	353	New neuropsychiatric building completed Nov. 21, 1930.
81. Bronx, N. Y.	950	-----	980	Nurses' quarters leased.
85. Walla Walla, Wash.	355	-----	255	
86. Sheridan, Wyo.	438	-----	449	
88. Memphis, Tenn.	360	-----	313	
89. Rutland Heights, Mass.	420	-----	389	
90. Muskogee, Okla.	400	-----	358	
91. Tuskegee, Ala.	747	-----	583	
92. Jefferson Barracks, Mo. (St. Louis).	403	-----	362	
93. Legion, Tex.	433	-----	370	
94. American Lake, Wash.	512	-----	500	
95. Northampton, Mass.	555	-----	550	
96. Sunmount, N. Y.	375	-----	357	
97. Chillicothe, Ohio.	614	-----	631	
98. Castle Point, N. Y.	400	-----	397	
99. Excelsior Springs, Mo.	-----	301	-----	Capacity being increased from 125 to 301 beds. Contract date of completion, Jan. 1, 1931. 99 per cent completed.
100. Camp Custer, Mich.	602	138	602	Contract date of completion of new acute building, Sept. 2, 1931. 3 per cent completed.
101. St. Cloud, Minn.	494	-----	520	
102. Livermore, Calif.	318	-----	269	
103. Aspinwall, Pa.	226	38	232	Contract date of completion of facilities, Jan. 5, 1931. 97 per cent completed.
104. San Fernando, Calif.	230	-----	227	
105. North Chicago, Ill.	971	164	782	Contract date of completion of new facilities, May 20, 1931. 38 per cent completed.
106. Minneapolis, Minn.	562	-----	584	
107. Bedford, Mass.	492	152	496	Contract date of completion of new facilities, Jan. 8, 1931. 92 per cent completed.
108. Northport, Long Island, N. Y.	944	448	923	Contract date of completion of new facilities, Sept. 15, 1931. 49 per cent completed.
109. Fargo, N. Dak.	57	-----	52	
110. Somerset Hills, N. J.	430	465	50	Opened for patients Nov. 12, 1930. Contract date of completion of additional facilities, Aug. 26, 1931. 14 per cent completed.
111. Coatesville, Pa.	483	-----	49	Opened for patients Nov. 11, 1930.
112. Lincoln, Nebr.	-----	197	-----	Construction completed Nov. 26, 1930.

¹ Approved by construction division.

² Leased; all other properties Government owned.

United States veterans' hospitals as of December 1, 1930—Contd.

Location	Capacity	Facilities under construction	Average beds occupied during November	Remarks
113. Hartford, Conn.	-----	232	-----	Contract date of completion, Jan. 21, 1931. 94 per cent completed.
114. Lexington, Ky.	-----	249	-----	Contract date of completion, Feb. 28, 1931. 93 per cent completed.
Total	24,171	3,511	21,719	

Table showing number of registered hospitals, with total bed capacity and average number of patients, in each State, as shown by latest census reports

State	Number of hospitals	Number of beds	Number of patients
Alabama	98	9,691	7,207
Arizona	81	4,595	3,074
Arkansas	69	7,411	5,573
California	421	51,865	41,261
Colorado	110	12,161	9,131
Connecticut	90	14,817	12,364
Delaware	15	1,665	1,190
District of Columbia	37	10,367	8,150
Florida	82	8,159	5,903
Georgia	113	12,332	9,613
Idaho	59	2,990	2,010
Illinois	353	63,774	51,354
Indiana	149	21,531	16,485
Iowa	176	17,892	14,025
Kansas	137	11,870	9,317
Kentucky	118	12,539	9,741
Louisiana	66	11,395	8,730
Maine	67	6,198	4,962
Maryland	85	14,549	11,932
Massachusetts	292	49,820	42,239
Michigan	227	34,229	27,649
Minnesota	230	25,039	20,270
Mississippi	74	7,611	5,770
Missouri	157	25,289	20,574
Montana	66	4,658	3,337
Nebraska	104	9,296	7,209
Nevada	22	955	604
New Hampshire	50	4,668	3,558
New Jersey	168	31,714	25,233
New Mexico	49	3,546	2,331
New York	607	131,214	112,724
North Carolina	173	14,449	10,708
North Dakota	53	4,914	3,711
Ohio	277	44,857	37,332
Oklahoma	116	10,798	8,102
Oregon	92	9,010	7,169
Pennsylvania	399	71,687	57,556
Rhode Island	31	6,210	5,069
South Carolina	67	6,244	4,681
South Dakota	64	5,106	3,727
Tennessee	111	12,684	9,722
Texas	281	25,772	19,143
Utah	36	2,598	1,847
Vermont	34	3,029	2,525
Virginia	113	15,720	12,774
Washington	117	14,362	10,753
West Virginia	78	8,441	6,205
Wisconsin	219	25,233	20,687
Wyoming	32	2,179	1,508
Alaska	25	585	229
Canal Zone	9	1,740	1,167
Guam	1	90	92
Hawaii	49	4,676	3,050
Philippine Islands	92	8,074	5,326
Porto Rico	65	2,758	890
Virgin Islands	2	128	64

Table showing number of veterans undergoing treatment on June 30, 1930, in all hospitals by patients' State of residence, with the number hospitalized outside of home State

State	Total number	Outside
Alabama	612	466
Arizona	345	57
Arkansas	497	216
California	2,046	162
Colorado	408	147
Connecticut	399	393
Delaware	44	44
District of Columbia	475	91
Florida	448	264
Georgia	705	478
Idaho	201	68
Illinois	2,365	406
Indiana	654	414
Iowa	378	168
Kansas	261	249

Table showing number of veterans undergoing treatment on June 30, 1930, etc.—Continued

State	Total number	Outside
Kentucky	454	341
Louisiana	552	254
Maine	141	97
Maryland	407	205
Massachusetts	1,263	134
Michigan	895	349
Minnesota	948	111
Mississippi	304	201
Missouri	1,002	610
Montana	255	100
Nebraska	186	186
Nevada	63	61
New Hampshire	138	104
New Jersey	723	705
New Mexico	173	96
New York	3,014	323
North Carolina	511	378
North Dakota	153	112
Ohio	926	449
Oklahoma	507	239
Oregon	362	140
Pennsylvania	1,931	975
Rhode Island	185	136
South Carolina	324	324
South Dakota	156	129
Tennessee	510	341
Texas	1,137	653
Utah	74	73
Vermont	60	58
Virginia	647	277
Washington	615	106
West Virginia	296	296
Wisconsin	605	132
Wyoming	111	64

United States troops in the World War, by States

[Figures, which are official, cover the Army, Navy, and Marine Corps]

State	Total commissioned and enlisted	Per cent of total
Alabama	84,109	1.78
Alaska	2,096	.05
Arizona	12,470	.27
Arkansas	70,314	1.49
California	161,367	3.42
Canal Zone	337	.007
Colorado	42,898	1.00
Connecticut	67,709	1.44
Delaware	9,191	.20
District of Columbia	27,318	.61
Florida	42,217	.90
Georgia	103,288	2.19
Guam	248	.005
Hawaii	9,535	.21
Idaho	22,071	.47
Illinois	322,731	6.84
Indiana	133,121	2.82
Iowa	113,719	2.41
Kansas	81,265	1.72
Kentucky	93,944	1.99
Louisiana	76,581	1.61
Maine	33,032	.69
Maryland	62,034	1.32
Massachusetts	198,692	4.22
Michigan	164,075	3.48
Minnesota	118,410	2.55
Mississippi	62,345	1.32
Missouri	161,805	3.43
Montana	39,663	.84
Nebraska	57,094	1.21
Nevada	5,412	.12
New Hampshire	18,918	.41
New Jersey	144,156	2.84
New Mexico	14,304	.31
New York	489,608	10.16
North Carolina	86,550	1.83
North Dakota	27,333	.58
Ohio	239,609	5.08
Oklahoma	90,378	1.92
Oregon	43,138	.92
Pennsylvania	359,817	7.63
Philippine Islands	26,265	.56
Porto Rico	18,073	.39
Rhode Island	27,809	.59
Samoa	90	.002
South Carolina	63,109	1.34
South Dakota	32,038	.68
Tennessee	89,618	1.90
Texas	191,656	4.05
Utah	21,275	.45
Vermont	13,910	.30
Virginia	91,623	1.94
Virgin Islands	59	.001
Washington	66,541	1.41
West Virginia	57,856	1.23
Wisconsin	120,483	2.55
Wyoming	12,258	.26
No residence	2,422	.055
Total	4,727,988	100.00

Mr. CAMPBELL of Iowa. Mr. Chairman, I ask unanimous consent that the gentleman proceed for two additional minutes.

Mr. SHREVE. I yield the gentleman from Pennsylvania [Mr. SWICK] two additional minutes.

Mr. CAMPBELL of Iowa. Will the gentleman yield?

Mr. SWICK. I yield.

Mr. CAMPBELL of Iowa. Is it the gentleman's idea that the Veterans' Bureau should designate certain hospitals which are now private hospitals, to be used for veterans?

Mr. SWICK. Exactly. Not private hospitals. I do not think the gentleman wants to make that statement. General independent hospitals; civilian hospitals.

Mr. CAMPBELL of Iowa. Then the gentleman's idea is that there should be some fixed charge to be paid for those veterans?

Mr. SWICK. Absolutely.

Mr. CAMPBELL of Iowa. That is my idea entirely. I agree with the gentleman.

Mr. BURTNES. Will the gentleman yield?

Mr. SWICK. I yield.

Mr. BURTNES. Is it the gentleman's intention to make the hospitals that are selected for the exclusive use of the veterans?

Mr. SWICK. Oh, no; no.

Mr. BURTNES. Simply to put the veterans in there to the extent they have facilities for them?

Mr. SWICK. I might say I have a plan worked out in my own mind, but I do not have time in this discussion to take that up. I believe it could be worked out whereby every veteran could be hospitalized in his own district.

Mr. BURTNES. In existing institutions?

Mr. SWICK. In existing institutions.

Mr. BURTNES. Would that require the appointment of Veterans' Bureau doctors who would reside in the place where the hospital was located?

Mr. SWICK. No, sir.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. SHREVE. I yield one minute to the gentleman from Iowa [Mr. COLE].

Mr. COLE. Mr. Chairman, I ask unanimous consent to insert at this place in the RECORD a statement on the recent corn-sugar ruling made by Secretary Hyde, and to include therein a copy of the ruling and statement issued by the Secretary in explanation.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa [Mr. COLE]?

There was no objection.

Mr. COLE. Mr. Chairman, the appropriation bill before us under the Department of Commerce carries an appropriation for research and experimental work by the Bureau of Standards, looking to the discovery and development of new industries. One of these new industries that the bureau has under way is levulose sugar made from the common plant known as the Jerusalem artichoke. I think it is four years ago that I had the honor of appearing before the subcommittee which has charge of this bill to ask for the initial appropriation for this new sugar. I again want to thank the chairman of this committee, Mr. SHREVE, and his associate, Mr. ACKERMAN, for the interest that they then took in this matter, an interest that has not been abated. The development that has been carried on with these appropriations has been highly successful. I am assured that the new sugar is well under way to commercial production.

Whatever immediate uses we may be able to make of this product, we are assured that conditions of sugar shortage, such as we incurred during the World War and following it, when the price of sugar was pushed up to nearly 30 cents a pound, will never recur. If ever such a world contingency arises again we will be able amply to supply ourselves with sugars derived from American products and made by American labor.

In this connection it may not be amiss to call attention to the recent order issued by the Secretary of the Department of Agriculture, Hon. Arthur M. Hyde, in the matter

of so-called corn sugar, which is the elder of the two sugars in the development of which the Bureau of Standards has been concerned. The order has not only freed corn sugar from the ban under which it has existed but it assures a free market for the artichoke sugar also. The order sets out the status of corn sugar under the Federal food and drugs act and is as follows:

Corn sugar (dextrose) when sold in packages, must be labeled as such; when sold in bulk must be declared as such; but the use of pure refined corn sugar as an ingredient in the packing, preparation, or processing of any article of food in which sugar is a recognized element need not be declared upon the label of any such product.

Nothing in this ruling shall be construed to permit the adulteration or imitation of any natural product such as honey by the addition of any sugar or other ingredient whatever.

ARTHUR M. HYDE,
Secretary of Agriculture.

DECEMBER 26, 1930.

In explanation of this order I will insert the statement made by the Secretary himself regarding this new ruling, as follows:

This ruling removes a discrimination against the use of corn sugar which has too long been permitted. The requirement heretofore that the presence of corn sugar as an ingredient in prepared foods be declared on the label was not a matter of law, but was a matter of administrative interpretation of the law. This ruling therefore involves no change in the Federal food and drugs act; nor does it change the rules with reference to labeling of harmful or injurious ingredients. Labeling of such ingredients still is required.

When the Federal food and drugs act was passed 23 years ago corn sugar was a muddy, brown product less than 50 per cent sweet. Under conditions existing then a prejudice existed against it. As a matter of administrative procedure, this department ruled that its presence in a prepared food must be declared on the label.

In the last 10 years great progress has been made in refining corn sugar. It is now a clear, clean, white, granulated sugar. It is a wholesome and healthful food. It is now about 75 per cent as sweet as cane sugar. It has some properties more valuable than cane sugar. It has no qualities which are in anywise harmful to health. The reason for the old departmental ruling has disappeared. It is high time that the discrimination against it, based on an ancient prejudice, should disappear also.

At the beginning of the administration of the Federal food and drugs act this department made the same ruling as to edible vegetable oils, other than olive oil, that has existed against corn sugar. Our regulations for many years required that the presence of any vegetable oil except olive oil in salad dressings must be declared on the label. But modern methods of refining made wholesome edible oils from cottonseed, peanuts, and corn. The regulation requiring a declaration of their presence on the label was removed in 1923. The public was not injured—the administration of the law was not weakened. Quite the contrary. The case of edible vegetable oils is not distinguishable in principle from the case of corn sugar. It is desirable that departmental regulations should keep pace with industrial developments. They should not retard progress.

If the use of corn sugar in prepared food products without labeling would serve in any wise to weaken either the Federal food and drugs act itself or the administration of the law, the damage has long since been done. For many years corn sugar has been used in confectionery, candy, ice cream, bakery products, and prepared meats without its presence being declared on the label. The public has eaten these products and found them appetizing and healthful. The law has been in no wise weakened or undermined. No reason whatever exists for such discrimination. To deny to corn sugar the advantage of the market its merits warrant would be to perpetuate the prejudices of 25 years ago, and to deny any progress in the processing and refining of wholesome foods.

I can not agree to the proposition that the purchaser of prepared fruits or other foods in which sugar is an element expects or believes that such sugar will always and everywhere mean sucrose. The purchaser of canned peaches, for instance, expects to buy, primarily, canned peaches. There is no declaration on the label that they are sweetened at all, the label declares only peaches. He looks to the manufacturer to guarantee that they will be tasty and appetizing. He expects the Federal food and drugs act to insure their wholesomeness. If those requisites are fulfilled, he is far from being deceived. He is entirely satisfied.

Nor is there any danger whatever to the manufacturer of special brands whose formulas call for sucrose and whose brands are a guarantee of quality. This ruling can not affect them. If, on the other hand, its use is beneficial and wholesome without adversely affecting the appearance or taste of the product, the fact that corn sugar is cheaper ought to commend it to the consuming public, who are entitled, as a matter of right, to demand food products on the most economical basis.

There is also an affirmative economic reason for this change in departmental rulings. American agriculture is overproduced. The fact that production runs ahead of consumption is responsible for most of the ills of agriculture. The Federal Farm Board, farm organizations, many of the State colleges, and this department are striving to reestablish the economic balance of agriculture.

The control and limitation of acreage planted is one method of reestablishing that balance. Finding new uses and new outlets for crops is another method.

We produce annually about 2,700,000,000 bushels of corn. Only about 275,000,000 bushels of this ever reaches primary markets. The sale price of this small amount fixes the farm price for the whole crop.

There exists a potential market for corn through corn sugar variously estimated at from 5,000,000 to 100,000,000 bushels per annum. The smaller figure represents about 2 per cent of the cash corn reaching primary markets. The larger figure represents about 35 per cent. It is not likely that the larger figure will be realized for many years. Be the percent large or small, the opening of this potential market for additional corn is a step in the right direction. If we fail to use all available methods of restoring agricultural balance, whether those methods represent great and spectacular gains, or merely short and unnoticed steps, we shall be derelict in duty.

I believe that this modification removes an undeserved stigma from corn sugar; that it harms or deceives no one; that it weakens neither the Federal food and drugs act nor its administration; that it is a just recognition of modern progress in refining; and that it will aid in some degree in reestablishing the economic balance of agricultural products.

This order is the culmination of a persistent and consistent campaign of education carried on through Congress. Corn sugar, in its present form, a pure, refined, and crystallized white sugar, 99.9 per cent dextrose, came into existence as recently as 1922. It encountered a handicap, which has now been removed, which was not of legislative origin but which was, as the Secretary says, "a matter of administrative interpretation of the law." In removing this discrimination the Federal food and drugs act has not been disturbed. The interpretation referred to arose from a definition which was promulgated before that Federal act was placed on the statute books. At that time sugar was defined as sucrose. That was a logical definition at the time, for the only sugars known in commerce then were cane and beet and maple, all of which are sucrose sugars. When corn sugar knocked for admission it could not qualify under that definition for it is dextrose and not sucrose. It was with respect to this chemical name alone that corn sugar was discriminated against. The discrimination had nothing to do with the merit of the sugar but only with its chemical name.

No legislative action was ever necessary to remove this discrimination, for it was by no act of Congress that the discrimination existed. Legislative action was sought after consultation with the late Henry C. Wallace, who was then Secretary of Agriculture, who at that time did not feel free to act to remove the discrimination. Corn sugar was not only a new product at that time but it was a product that labored under many prejudices which had been left over from the time when an imperfect glucose and what Secretary Hyde calls "a muddy, brown product less than 50 per cent sweet" were placed on the market. Secretary Wallace, in effect, told the late Senator Albert B. Cummins and myself that it was our duty to establish a reputation for the new sugar and to create a public sentiment that would support a removal of the discrimination.

In view of what has been accomplished it is with some pride that I look back on my own connection with this legislative campaign of education which has enabled the present Secretary of Agriculture to issue his order. It was in 1924 when the first of the McNary-Haugen bills was under discussion that I presented this issue on the floor of the House, and I think that was the first presentation or even mention of this corn sugar in Congress.

When I was called upon to speak on the McNary-Haugen bill I wandered from the subject and asked if it might not be possible to make better use of our so-called surplus products than to try to dump them in that euphonious place called "abroad" at such prices as they might be willing to pay in that place, the losses being made up by fees levied on the products sold in our domestic markets. I cited the fact that we were at that time converting ordinary corn into a refined sugar in the plant of the Penick & Ford Co., in my home city, Cedar Rapids, Iowa. This suggestion called out many inquiries on the floor and at the conclusion of my remarks my colleague from Wisconsin, HENRY A. COOPER, asked me to make a fuller statement of this new

industry, which I did under permission to extend my remarks.

My statement aroused so much interest that I was encouraged to introduce a bill in the form of an amendment to the food and drugs act, to remove the handicap, Mr. Cummins introducing the same bill in the Senate. The bill, I want to add, was prepared by Mr. E. C. Corey, of Des Moines, Iowa, then attorney for the National Corn Growers Association. Our purpose was to make it part of the program of farm legislation. It was referred to the Committee on Interstate and Foreign Commerce. When it came up for hearings, the late Dr. H. W. Wiley appeared against it. He was opposed to all amendments to the act which he had been instrumental in placing on the statute books. He treated this new sugar as an adulterant in his testimony and he even went so far as to question its dietetic values.

This changed the whole course of our procedure. It took us into the realms of chemistry and dietetics. Not being either a dietician or a chemist, I asked for help, and Mr. W. B. Newkirk was assigned to be my technical assistant. Mr. Newkirk is an eminent chemist. He was then in the employ of the Corn Products Co., but he had been in the employ of the Bureau of Standards when this sugar was developed, or perfected, there.

The bill was referred to a subcommittee of which my colleague, T. J. B. ROBINSON, was chairman. He was, of course, friendly to the legislation and he did much to help clarify the situation which had been created by Doctor Wiley's opposition. The report of this subcommittee is one of the important documents in the campaign of education. They received a report from George K. Burgess, Director of the Bureau of Standards which, among other things, set forth the testimony of a dozen or more leading physicians and dietitians to whom he had submitted the question of the effect of dextrose and levulose sugars if used in the average daily diet. The authorities consulted were all of the highest standing, such as Dr. John Harvey Kellogg, of the Battle Creek Sanatorium; Dr. Russell M. Wilder, speaking for the Mayo Clinic, Rochester, Minn.; the director of the Johns Hopkins Hospital, Baltimore; Prof. Lafayette B. Mendel, of Yale University and director of the Russell Sage Institute of Pathology; and many others of like repute in the professional world.

Without an exception all these men testified in favor of these new sugars. Not one of them cited a harmful effect that would come from their use and many of them cited beneficial effects. Some of the men even spoke of them as sugars "par excellence."

In the report of this subcommittee the testimony of Dr. ROYAL S. COPELAND, a Senator from the State of New York, was set forth to this effect:

One reason why unripe fruit is irritative and indigestible is because the contained sugar has not yet been converted into digestible sugar. The more we take of digested and converted sugar the better for us. On this account the ideal sweetening product is dextrose. * * *

I would be the last man to attempt to weaken these health-giving and life-saving laws, but as experience dictates, they should be revised to meet modern conditions. Personally, I was so impressed with the wholesomeness and utility of corn sugar that when I approved the ice-cream standard for New York City I insisted that it should be so written as to permit the use of corn sugar. That is the law to-day.

Thus supported, the bill was reported out by the full committee and was passed by a majority of 44 in the House, but it was talked to death in the Senate. When it came to a vote in that body, after the vote had been taken, viva voce, in the affirmative, which was overwhelming, a Senator from West Virginia got the floor and prevented the vote from being completed. Taking advantage of the fact that at 2 o'clock another bill would come up, he talked until it was too late to call for the negative votes. This Senator afterwards told Mr. Cummins that he himself had no objections to the bill, but he had promised a ladies' aid society in his State that he would oppose the legislation. Those ladies up in the mountains had been influenced solely by a magazine article. I mention this incident to show that

a group in some remote place may determine the course of legislation in Washington.

Not discouraged, similar bills were introduced in each subsequent Congress. Senator CAPPER, of Kansas, taking charge of them in the Senate after the retirement of Mr. Cummins. The campaign of education was kept going relentlessly and corn sugar found its way into the public mind.

In the meantime, also, the food administration under the Department of Agriculture had admitted the use of dextrose without labeling into many food products, such as candies and confections, ice cream, all bakery products, and many meat products. Every such admission weakened the opposition. If it could be used in these products, why not in others or in all?

The way was prepared for the final action, which stands to the credit of the present Secretary of Agriculture, Mr. Hyde.

In issuing his order, the Secretary stipulated that the ruling—

Shall not be construed to permit the adulteration or imitation of any natural product such as honey by the addition of any sugar or other ingredient.

This proviso was not necessary, for honey is in full protection under the rules and regulations of the Food Administration. It was added to allay the fears of the bee and honey men, many of whom had been led to believe that this new sugar would in some manner be detrimental to their industry. There was never any ground for such beliefs or fears. The proponents of corn sugar are the friends of the bees. Without bees, we understand, the clovers could not be propagated, the bees being the carriers of the pollens, and without the clovers for rotation crops the Corn Belt soils would soon be exhausted.

What future is before these new sugars—dextrose and levulose—and they may be spoken of jointly, for they are supplemental to each other. In all the processes of nature these two sugars are associated. They are the sugars that we find in all the ripened fruits. By the alchemy of the sunshine which ripens the fruits, the raw and the crude sugar in the form of sucrose that flows in the juice of the trees and vines and bushes is converted into these two elemental sugars. It is dextrose and levulose that we take into our systems when we eat perfected fruits, and not sucrose, and that is one reason why ripened fruits are so wholesome and so healthful.

Even the bees which gather sweets in the form of sucrose when they deposit them in their hives by a God-given process of their own convert the sucrose sugar into dextrose and levulose which is the fit food for the young. The best honey is more than one-third dextrose and more than two-fifths levulose while sucrose exists only as a trace. It is the dextrose and levulose in honey that makes it such a wholesome food.

What the chemists do in the factories is in imitation of what the bees do in their hives and what nature does in ripening its luscious fruits.

And the same process is provided for in the human system. When sucrose sugar is taken into it, by the action of the acids, or whatever they are, the sucrose is converted into dextrose and levulose and it is only in such forms that the sugar can be assimilated into the human organism. Dextrose is blood sugar in fact.

I cite these facts to show how vital and beneficial these new sugars are and how unreasonable the opposition to them has been.

And as to their future, that is to be worked out. Corn sugar has been given the right of way. That is all. It is no longer under any ban. It must now proceed on that right of way upon its merits. I look for no astounding revolution in the sugar world. Cane and beet sugar are well entrenched. They have uses for which neither dextrose nor levulose can be substituted. Because of their chemical qualities these new sugars must be used after their own formulas. It may be possible, eventually, to substitute corn sugar

for cane and beet sugars in 25 per cent of the industries. Of course this percentage may be increased by new developments. But admitted to that extent, it would call for the conversion of more than a hundred million bushels of corn into sugar. If even half of this estimate is realized it will mean much to agriculture and to American labor.

There are chemists and industrialists who believe that these two new sugars will dominate the sugar world. There are vast possibilities in them. I will not venture into prophecy.

In conclusion, as one of the proponents of this movement and in behalf of the corn-producing States, of which Iowa is chief, I want to thank Secretary Hyde for his far-visioned and statesmanlike action. I believe he has done something that will stand out in his record and that will bless his country and its laborers whether in the corn fields or in the corn-products factories.

And may not the greatest blessing of all fall on those who are the consumers of sugar, and without sugar no human being can exist—it is par excellence the food that supplies human energy and life itself.

Mr. SHREVE. Mr. Chairman, I yield one minute to the gentleman from Illinois [Mr. WILLIAM E. HULL].

Mr. WILLIAM E. HULL. Mr. Chairman, I ask unanimous consent to place in the RECORD my statement to Secretary Hyde with reference to the corn-sugar ruling, made about one week ago.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois [Mr. HULL]?

There was no objection.

The matter referred to is as follows:

STATEMENT BY CONGRESSMAN WILLIAM E. HULL, SPOKESMAN FOR THE CONGRESSIONAL DELEGATION THAT CALLED UPON THE SECRETARY OF AGRICULTURE IN BEHALF OF CORN SUGAR, DECEMBER 18, 1930

We are here this morning to ask that the proper provision be made for recognition of the pure refined sugar, made from American corn and known as dextrose, or corn sugar, in the definitions and standards for carbonated beverages, and for canned fruits and vegetables, which are in the making and will come before you shortly for your decision. The new definitions and standards for canned fruits and vegetables are especially important, because under recent legislation these standards will have the force of law.

We have been unable to understand why it is that some of the definitions which have been drawn up as a guide in the administration of the pure food law permit the use of corn sugar on the same basis as cane or beet sugar without label declaration, while others discriminate against corn sugar by recognizing only sucrose as a sweetening ingredient. We are told that these definitions look back to a definition of sugar promulgated more than 25 years ago, at a time when the only sugars available for use as an ingredient of manufactured foods were cane and beet sugar.

Since sugar was so defined, there has been developed, originating with the Bureau of Standards, the pure refined sugar, dextrose, equal in nutritive value and just as wholesome as cane or beet sugar, although it is less sweet. Its use and value as an ingredient in ice cream, candy, bakery products, and meat-food products is recognized by the department, and permitted without label declaration the same as cane or beet sugar. On the other hand, the tentative definitions issued by the department, both for beverages and for canned goods, revert back to the old definition of sugar, and makes no provision at all for corn sugar, with the result that, if they become effective, beverages, and canned peaches, canned pears, and canned peas become substandard if any corn sugar is used, and must be so labeled. Dextrose belongs to the family of sugars. Now that it is available for use as an ingredient of manufactured foods, why should not definitions now being made recognize it?

Realizing that the chief hope for relieving the distressing condition confronting agriculture in the Corn Belt lies along the lines of broadening the market for products of corn, we ask that the restrictions upon the use of corn sugar, based upon an obsolete definition of sugar, be removed from the definitions now pending before you.

The manufacturers of ice cream, confectionery, bakery products, and meat-food products use corn sugar because its use enables them to make better products. Is it not reasonable to assume that the manufacture of beverages, and the canners of fruits and vegetables, may also make better products if its use is sanctioned by your new definitions?

The pure food law was never intended to operate as a bar against the manufacture and sale of better food products, and certainly it is the function of the Department of Agriculture to recognize changed conditions and provide for the utilization of new and wholesome articles of food. These new definitions should be so drawn as to encourage manufacturers to use corn sugar, and not to place an obstacle in the way of its increased consumption. It is estimated it will utilize 35,000,000 bushels of corn per year.

Mr. OLIVER of Alabama. Mr. Chairman, I yield 20 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, the gentleman from New York [Mr. LA GUARDIA] is one of the most interesting personalities in this House, and, in my humble opinion, he is one of the most valuable Members of this House.

He is absolutely fearless; he has good judgment on most things; he is a born fighter, and he is not afraid to stand alone when it is necessary in advocating his principles.

I have watched him ever since he came to the House. He was one of the first to leave for the front after war was declared. His leave was unostentatious. He served valiantly during the war. He has led many fights on this floor in behalf of the common people of the country. Time and effort consumed in those fights, even though they lose for the time being, is not time wasted or effort lost.

I remember that the gentleman from New York [Mr. LA GUARDIA] years ago was one of the first to take the floor and lead then a losing fight for the time being, in trying to save Muscle Shoals for the people of the United States. If you will look at the record of that first fight, when there was an attempt to turn Muscle Shoals over to Henry Ford under the most unreasonable contract that a shrewd, skilled lawyer could draw, as against the interests of the Government, in which, for a nominal sum the Government of the United States was to undertake to run and keep up the Muscle Shoals plant at the people's expense for 100 years, for the operation of private interests, the gentleman from New York [Mr. LA GUARDIA] led the fight against it. Only about four of us stood with him. I was one of those who stood with him, and followed him on it, and helped him to make the fight. It was then a losing fight temporarily. We got only a sprinkling of votes here and there against that proposition. It passed the House by an overwhelmingly majority, but it was never finally passed by both houses, and failed to become a law.

Years have passed and Muscle Shoals is still the property of the people of this Government. No private interest has yet taken it from the people of the United States.

The gentleman from New York [Mr. LA GUARDIA] has led many losing fights, the great majority of which have been just. Most everything he fights for is diametrically opposed in this House by the so-called triumvirate, of whom, he today, and our friend from Georgia, the parliamentarian of the House [Mr. CRISP], yesterday spoke so eloquently. He is continually and constantly diametrically opposed by this triumvirate. They oppose all of his plans and policies. He is absolutely hog-tied here under the present rules of the House. Only such legislation as the triumvirate approves can be taken up and considered by the 435 Members of this House.

He naturally rebels. He does not like to be chained hand and foot to the wall; but he can not perform. He spoke eloquently of the fact that his certificate of election reads just like the certificate of election of the gentleman from Ohio who presides over this body; just like that of the gentleman from New York, the chairman of the Rules Committee; and just like that of the gentleman from Connecticut [Mr. TILSON], the leader of the House; and that he is presumed to have the same prerogatives and privileges and the same standing in the House as any other Member, and yet his hands are tied and his feet are shackled by the rules.

I have seen the time, and so have you, when the Rules Committee, by an overwhelming unanimous vote, voted a rule for certain legislation—not one rule, but several rules for different legislation—which the great majority of this body wanted passed, and you saw the then chairman of that Rules Committee [Mr. CAMPBELL] stick those rules in his hip pocket, and though besieged by the Members of the House daily and by the members of his own committee, under the direction of the then Speaker, and with the approval of the then Speaker, that chairman, the despot of the House, the Mussolini of the House, kept those rules in his hip pocket and did not bring them up and let the session of Congress die, and he refused to bring them on the floor and present them for consideration. The gentleman from New York rebels against that procedure.

He spoke this afternoon of a discharge rule. There is now no discharge rule. There is only a pretense of one. Why, you must first have 218 men sign a petition even to get a bill on the discharge calendar, then it is put on the discharge calendar to take its turn. First, the committee has 15 days in which to report; then after it is on the discharge calendar seven days you can call it up only on the Monday that is specified in the rule, and there are not many of them during a session; then you must get a second of 218, not a majority of the Members on the floor but 218 Members to stand up here and pass through tellers to second a motion to take it up. Such a rule is a farce and a sham.

We have just now a four-department bill under consideration and under debate by this body, a supply bill furnishing annual supplies for four departments of this Government—the Department of State, the Department of Justice, the Department of Commerce, and the Department of Labor. The time was when the committee brought separate bills in here for each of these four departments, but now you have four of them considered together in one bill, and with a 4-department bill here under debate we have about 40 Members or 50 Members of this House here on the floor. Yet the discharge rule requires that even to consider the motion to discharge 218 Members of this House must pass through tellers, and after it is put on the calendar and taken up and considered, then 218 Members must actually vote for it to pass it—not a majority of those present but 218. Yesterday I called the attention of my distinguished colleague from Georgia [Mr. CRISP] to the fact that you might have 220 Members present on the floor and 217 might vote to take the bill up, and three men might vote against it, say the triumvirate, the Speaker, the chairman of the Rules Committee, and the majority leader; those three men only could vote against it, with 220 present, and 217 voting to take it up and yet you could not take it up with a vote of 217 for and 3 against it, because you must have 218 Members voting to take it up. Is not such a rule ridiculous?

Mr. MICHENER. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. MICHENER. The gentleman said we were now discussing this appropriation bill and that there were only 40 or 50 Members in the House. As a matter of fact, we are in general debate, where Members may discuss any subject, and the gentleman himself is not discussing the bill or anything connected with the bill.

Mr. BLANTON. I can not yield further.

The gentleman from Michigan [Mr. MICHENER] knows that the only bill now before this committee is the 4-department supply bill. We are now in the Committee of the Whole House on the state of the Union to consider this bill.

Mr. MICHENER. We are not considering the bill.

Mr. BLANTON. But we are in the Committee of the Whole House on the state of the Union to consider this bill H. R. 16110, and under the rules of the House we have a right to speak out of order, even without getting consent. I am speaking for the good of the order. I am speaking on the state of the Union, because it is the state of the Union when 435 Representatives of the Government, like a bunch of mocking birds, like slaves, if you please, with their hands tied and their feet shackled, permit a triumvirate here to control everything, and the distinguished gentleman from New York [Mr. LA GUARDIA], who does not like that system, gets up here and rebels against it. Yet the press says that the triumvirate is going to appease him; the triumvirate is going to hand him a little sop; they are going to liberalize this rule a little bit in order to appease his wrath, and then he is going to go on with the triumvirate and keep going on with them. And what are you going to get out of it? Are you going to get such rules as will permit you to perform here as the Representative of your district. No, sir. You are going to get merely a little sop. Now, if you want to be a real Representative of your district in New York, if you want to let your colleagues be real Representatives, Republicans and Democrats; if you want to do that, do not let them appease you and make you follow on with a little sop, my friend, but stand up

and make them give you something that is worth while for the people of the United States before you go along with them. Make them liberalize their rules so that Representatives in this House, at least 100 of them, may vote to take up a piece of legislation and have it considered by the House.

Mr. WILLIAM E. HULL. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. WILLIAM E. HULL. If we change the rules so as to permit 100 to bring out legislation and the gentleman from New York [Mr. LA GUARDIA] brings out his legislation to repeal the Volstead law, will the gentleman from Texas stick to him and vote with him?

Mr. BLANTON. I will always vote for the right of consideration, but I would oppose his measure on its merit. The gentleman from New York has the right to have proposed legislation considered by the House. He has the right to attempt to repeal that law if he desires to do so, and, on consideration, I have the right to oppose his measure and help to defeat it.

Mr. WILLIAM E. HULL. I want to know whether the gentleman from Texas is going to stick to him on that proposition?

Mr. BLANTON. No; I will not. I will not stick to him on such a proposition to repeal the prohibition laws. However, because a man is wrong on the merits of his bill that does not mean that he has no right to have it considered and voted on by the House. The gentleman from New York would have the right to attempt to have such a proposition considered and have a vote on it; and the gentleman from New York could not get over 100 votes in the next House for any proposition of that kind, but he has the inherent right to have the membership vote on it, and we will meet him on the merits of that proposition when the time comes.

Mr. LA GUARDIA. Will the gentleman yield?

Mr. BLANTON. I yield to the gentleman.

Mr. LA GUARDIA. I may say to the gentleman from Illinois [Mr. WILLIAM E. HULL] that the gentleman from New York [Mr. LA GUARDIA] has other ideas besides prohibition.

Mr. BLANTON. Certainly he has; and I want to say again that he is one of the most valuable Members of this House in spite of the fact that he is a wet.

I spoke last night in Baltimore and I called attention to the fact that we drys are not fighting a bunch of bootleggers on this wet proposition. We are fighting some of the most intelligent and enlightened men in this Nation, lots of whom do not drink themselves. Why, you take the wet leader of the House, Mr. J. CHARLES LINTHICUM, he is as dry as I am in practice.

I spoke in a Methodist church in Baltimore last night, speaking largely to Methodists. Why, J. CHARLES LINTHICUM was raised in the old Holly Run Methodist Church, of Maryland. His father, William Linthicum, was one of the organizers of the Methodist Protestant Church of Maryland. His uncle, Asa Shinn Linthicum, who was named after Asa Shinn, who is said to have been the first president of the Methodist Protestant Church, left \$2,000 in his will to be spent either for charitable or religious purposes, and our colleague, J. CHARLES LINTHICUM, the wet leader of this House, was his executor, and he saw fit to spend that \$2,000 as an initial construction contribution to the Linthicum Heights Methodist Church, one of the largest churches in that conference, and it was J. CHARLES LINTHICUM, our wet leader, who helped devise ways and means to pay off the mortgage on the parsonage over there, and it was Mrs. Linthicum, if he will pardon my reference, who contributed the bell in the tower that calls the people to service in that church. He is a wet, but he is dry in practice, as dry as I am. I do not know of an enemy he has in Congress. He is one of the most-beloved men we have here. It is this kind of men that the drys must stand up and fight. It is this kind of men who are organized here for the wets, including a former distiller from Illinois, who does not drink himself. This is the type of men we have got to fight, and we have to meet them with logic, we have to meet them with facts, we have to meet them with personality if we expect to keep the

eighteenth amendment in the Constitution, and I want to say that it is going to stay there for the next 100 years.

Mr. STRONG of Kansas. Will the gentleman yield?

Mr. BLANTON. No; I regret that I can not yield now, because I want to use my time to discuss my friend the gentleman from New York [Mr. BLACK], who made his usual wet speech this evening.

What do the legislatures of the various States stand for? Ought they not to be presumed to represent the will of the people? I want to call your attention to some very interesting facts. I copied this from Senate Document No. 169, Sixty-sixth Congress, second session, embracing a communication from the President of the United States transmitting the official certification made by the Secretary of State on the ratification of the eighteenth amendment by the various States.

The Legislature of the State of New York was presumed to represent the sentiment of the people of New York. The Legislature of the State of Maryland was presumed to represent the sentiment of the people of Maryland. Why, the old commonwealth of Virginia that boasts its F. F. V's, upon whose sideboards it is said there was always a filled decanter and a glass waiting for you, it was the first State to ratify?

The eighteenth amendment was not an incident of the war, as has been stated in the wet press. The war was merely an incident of the great fight that the sober men and women of America had been making for 50 years in this Nation for a sober Government. The war helped to bring it about, but it was a mere incident of and in that long fight, and here is the way the States fell all over each other in their ratification. Why, they almost ran races with each other in their efforts to ratify first.

After Virginia came the commonwealth of Kentucky, which had been fed up on antiprohibition by all the big distilleries that were in the State. It was the second State that ratified the eighteenth amendment. Then North Dakota, South Carolina, Montana. Texas was the sixth State, ratifying on March 4, 1918. And Maryland was the seventh State, it ratifying on March 12, 1918. Then South Dakota, Delaware, Massachusetts, Arizona, Georgia, Louisiana, Michigan, West Virginia, Maine, Mississippi, Florida, Oklahoma, Washington, New Hampshire, Indiana, California, Colorado, Alabama, Oregon, Ohio, Illinois, Idaho, Kansas, and Tennessee came in line. On January 16, 1919, North Carolina, Utah, and Nebraska ratified the eighteenth amendment.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. OLIVER of Alabama. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. BLANTON. And on January 17, 1919, Minnesota, Wyoming, Wisconsin (the home State of our colleague [Mr. SCHAFER]), and Missouri ratified, making 38 States to ratify by January 17, 1919. Two more than the required three-fourths had ratified the eighteenth amendment on January 17, 1919. Then the States did not stop. We already had a sufficient number and more, yet Iowa, Nevada, Vermont, and even the great metropolitan State of New York ratified on January 29, 1919.

Mr. BLACK. I was there.

Mr. BLANTON. Was the gentleman a member of the legislature?

Mr. BLACK. Does the gentleman want to hear about it?

Mr. BLANTON. Was the gentleman a member of the legislature?

Mr. BLACK. I was a member of the State senate.

Mr. BLANTON. Did the gentleman vote for it?

Mr. BLACK. I voted against it.

Mr. BLANTON. And they outvoted him, just like the gentleman from New York has been outvoted here on the floor of this House ever since he has raised this wet question. He is still rebelling against the people of New York and he is rebelling against his own legislature, in the senate of which on this question he was outvoted.

Mr. BLACK. Will the gentleman kindly yield to me?

Mr. BLANTON. Yes.

Mr. BLACK. The senate passed it by a majority of one vote and two wet members on the Republican side were forced into a dry caucus in order to retain their committee chairmanships in the State senate.

Mr. BLANTON. That is the first good thing I ever heard about a Republican in New York. [Laughter.]

Mr. BLACK. Will the gentleman hear me further?

Mr. BLANTON. I am sorry I can not yield further. I only have five minutes.

Then Pennsylvania followed. Pennsylvania was the last one, embraced in this presidential certification, and that made 44 States, out of the 48, and it ratified the eighteenth amendment on February 26, 1919.

So we thus had 44 States out of the 48 to ratify by February 26, 1919, as certified by the Secretary up to this time, when the President certified it to the Senate. I have not mentioned the other two States that afterwards ratified, because they are not certified by the Secretary of State in the Senate document from which I have quoted. I have only mentioned the States which were certified in the message to Congress by the President of the United States.

Mr. COCHRAN of Missouri. Yes; the State Legislature of Missouri ratified the amendment despite the fact that, by a majority of over 200,000, the people of the State indicated that they were opposed to prohibition.

Mr. BLANTON. I still maintain that a legislature is presumed to express the will of the people. I still come back to my logic that the Legislature of Missouri, like the Legislatures of New York and Massachusetts and Maryland, is presumed to carry out the wishes and the sentiment of its people. The Constitution of the United States says it may be ratified by the legislatures of the States, and the very resolution that was passed by this Congress submitting it to the States provided that means of ratification. And it will require the same orderly procedure to repeal it.

Mr. BLACK. And the Republican Party in New York is totally wet.

Mr. BLANTON. Oh, I will tell you what the gentleman from New York will do when in the Democratic caucus he makes his wet motion, he will not get any further than his wet motions do in the House.

I want to now serve notice on the gentleman, as from one member of the Democratic Party, that the people of my district do not stand for that kind of sentiment.

Mr. BLACK. Do you mean the Hoover Democrats? [Laughter.]

Mr. BLANTON. No; the regular, rock-ribbed Democrats. I stayed with my party and voted the ticket, as obnoxious as the head of it was to me, because the Democratic Party is bigger than any one man and the Democratic ticket is bigger than any one man whose name happens to be on it. I supported my ticket, and the people of my district who supported that ticket do not stand for this wet sentiment as preached by the gentleman from New York [Mr. BLACK] and the gentleman from Maryland [Mr. LINTHICUM]. God forbid that either the Republican Party or the Democratic Party will ever stand for a wet platform.

I would rather go down in defeat, and if I were a Republican I would rather they lose control of this House and of the White House, than to sacrifice principles. There is no compromise on this question; it is either that the open saloon or the eighteenth amendment shall stay in the Constitution. [Applause.]

Mr. OLIVER of Alabama. I yield to the gentleman from Oklahoma [Mr. McCLINTIC].

Mr. McCLINTIC of Oklahoma. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. McCLINTIC of Oklahoma. Mr. Chairman, Secretaries of the Navy may come and go, yet it is doubtful if any other citizen of the United States will ever travel through as many cycles as did the Hon. Josephus Daniels when serving in this capacity.

As a rule the nimble hand of hospitality soon enmeshes every person selected for this responsibility and then certain officers in charge of bureaus are able to run riot in everything they undertake.

It is not necessary for me to point out the weak vacillating administration of some of those who, while serving in this capacity, completely lost the power of saying "no," and went out of office with a record anything but complimentary. It was not so with the Hon. Josephus Daniels. He had a backbone, he had national and world vision, and instead of acting as a rubber stamp for a clique his actions were in the interest of the Navy and the people. The record made by this splendid official during the World War will stand out for all times to come as one of efficiency and splendid judgment.

As an echo of the last campaign when Oklahoma turned over a 180,000 majority given to the Hon. Herbert Hoover two years ago and elected a former democratic Member of Congress to the office of governor, the Hon. William H. Murray, by a majority of 93,000—I am reproducing an article which was printed in one of Oklahoma's prominent newspapers as follows:

[From Daily Oklahoman, October 19, 1930]

INSIDE STORY OF WAR-TIME SCANDALS MAY BE TOLD BY DANIELS ON TRIP TO STATE

By J. V. McCLINTIC, member of the U. S. Naval Committee

Josephus Daniels, Secretary of the Navy during Woodrow Wilson's administration, has locked up in his memory much interesting information relative to the affairs of the Nation and the world that has never been given out to the public.

He is coming to Oklahoma to speak under the auspices of the Democratic State Committee and it is the hope of his many friends that he will complete the story about the upheaval which is purported to have taken place relative to certain high-ranking officials, and in addition, inside information that has never been given the public concerning the Nation's oil reserves.

It is generally understood that when Josephus Daniels, a southerner from North Carolina, received his appointment as Secretary of the Navy the ruling officers in charge of the various functions of the Navy saw danger ahead and began quietly to spread the propaganda which brought about an avalanche of criticism on him from many sources. In fact, one publication in magazine form caused to be dedicated an entire issue to Josephus Daniels, every page being in the form of criticism, which was probably the most severe arraignment ever read by the public concerning a Cabinet officer.

It will be remembered that when Secretary Daniels went into office he immediately saw that every activity of the Navy was under the entire control of certain high ranking officers, who were determined to carry their own policies into effect. It was said that when Daniels saw this situation he immediately started the process of decapitation, removing from high positions of command many of those who had banded themselves together for the purpose of controlling every activity of the Navy, regardless of the Secretary's wishes, and these same officers, when assigned to other duties, through the activities of their friends, were responsible for the kind of back fire in the way of criticism that he had to combat for many months prior to the declaration of war with Germany.

All during this period Secretary Daniels remained silent, refusing even to dignify the attitude assumed by his critics, keeping in mind that all the American people desired was a Navy efficiently commanded, so to be ready to protect the shores of this Nation if an emergency arose.

It was under Secretary Daniels's administration that a far-sighted policy of construction was commenced, one which was well under way prior to the time we ended the war with Germany. It will be remembered that after the war had been brought to a conclusion it would only have been a few months until the United States, under his direction, would have had the most powerful fleet of any nation in the world. During the terrible struggle against Germany and her allies it was necessary to transport more than 2,000,000 men across the seas, and it was to the credit of his farseeing policies that all of these men were transported to Europe and back without there being a single major catastrophe. In addition, those he selected for responsible positions made a record that will stand for all time to come as one of the most efficient in the history of the Nation.

Diverting from the war, Secretary Daniels, when he went into office, immediately caused to be set aside certain oil reserves in the United States, having in mind that fuel oil would be used in all kinds of machinery in the future, and that sooner or later it would be necessary to change all the boilers in our ships so that oil could supplant coal. Soon after these reserves had been set aside and it was known that they contained large quantities of oil, the designing politicians began to lay plans for the purpose of obtaining control of the same, and when applications were made to him requesting permission to develop such reserves, he and his officers charged with this responsibility stood adamant, having in mind that these reserves belonged to our citizens and it was far better

to keep the oil in the ground rather than have it placed on the market.

Then came the election in 1920 and Warren G. Harding was elected President of the United States. Soon thereafter Senator Albert B. Fall was made a member of his Cabinet, being appointed Secretary of the Interior and Denby was named as Secretary of the Navy, with young Theodore Roosevelt as his assistant. Immediately the politicians who had been rebuffed and turned down by Secretary Daniels began to lay their plans for the purpose of obtaining possession of the Teapot oil dome and the California oil reserves.

The three naval officials serving under Secretary Daniels, in charge of the reserves, were immediately transferred. One was sent to the Philippines, one to Hawaii, and one to Panama, and in their place was selected an admiral by the name of Robison, who agreed to the policy and the program laid out by Fall, Denby, and Roosevelt, namely, that the oil reserves should be leased and that the storehouses of fuel belonging to the Navy should be disposed of. Secretly and silently and in as cautious a manner as possible, Secretary Fall had the jurisdiction of these reserves transferred to the Interior Department and then, without any publicity, they were disposed of without giving the public a chance to bid.

Secretary Daniels, more than any other person in the United States, knows the inside story concerning the activities of those who are responsible for probably the greatest scandal that was ever unfolded to our citizens. In addition, he can, if desirable, tell you of the German propaganda that was spread from one end of this country to the other and the methods used by our Government in solving secret code messages that came through the air, around through South America, and up the coast to those who were trying to undermine sentiment in this Nation. Very few of our citizens have any conception of the amount of damage done by the German U boats along the coast of the United States and in our harbors. These submarines sank 51 ships, carrying to a watery grave hundreds of sailors, without any information being given to the public at the time. Soon afterward the German submarines reached their peak, causing 1,000,000 tons of shipping to be lost in a month, and Secretary Daniels, more than any other one person, realized that unless something was done to check this menace American shipping would be tied up, thereby having the effect of making it impossible to move from the shores of the United States our surplus crops and manufactured articles. It was then that he called upon American ingenuity to unfold something to combat this menace, and under his direction the depth bomb and a type of fast eagle boats were put in operation, which soon spread terror to submarines, causing them gradually to be withdrawn from the sea.

No person in the Nation is capable of now revealing such a wonderful chapter as Secretary Daniels, and when he speaks at Oklahoma City, Okmulgee, Tulsa, Muskogee, and McAlester, it is hoped that our State will be the first in the Union to receive that knowledge which has been locked up in his memory for so long.

Mr. OLIVER of Alabama. Mr. Chairman, I yield 10 minutes to the gentleman from Alabama [Mr. PATTERSON].

Mr. PATTERSON. Mr. Chairman, ladies, and gentlemen, we have had a great deal of interesting discussion here this afternoon; but I want to bring to the attention of the House and the country some further things which I am sure in a way you are already acquainted with, as they have been brought to the attention of the House from time to time. I have an article here from the Montgomery Advertiser, printed in the capital of my home State, which says:

Scores of persons are starving in Autauga County for the want of bread and meat. This fact became known yesterday upon receipt by the Advertiser of an urgent appeal in behalf of the sufferers from E. H. Pearson, well-known merchant of Autaugaaville.

These are people who have worked always to live and who will work now "at any price" if work can be found for them. They think no longer of clothes and are clamoring for food.

Mr. Pearson makes no appeal for money. What is needed is food, any kind of food, and it is needed now. His letter speaks eloquently:

"EDITOR THE ADVERTISER:

"This is the first time that I have asked to make an appeal through your paper. I will appreciate very much if you will publish this article for me, as you will see that I am only trying to help the people that are really suffering from hunger in our community. I am not asking for clothes, although they will be acceptable. I am asking for food for the people here who are actually starving.

"I have over 30 families on my place. I am not asking for help for these folks, for I have already made arrangements to take care of them. I am asking for help for the people who haven't a thing in their houses to eat and no work to do.

"There are some people in our community going around to the different homes asking if they haven't some work they can give them to do so they can get some food—they have quit thinking about clothes—for their children to eat. These are the people I am asking help for. They are willing to work for any price. There are plenty of people in our community who are not averaging but one meal a day, and they are as hungry when they get up from that meal as they were when they sat down to it.

"Day before yesterday I set aside \$20 to give to the ones who needed help most. I run a store, and looked into each case that asked me for help. If I thought they were just a little worse off than the other fellow, I gave them an order to trade \$1 in meal, meat, or lard. No sugar or coffee or things of that kind were given them. The word went out what I was doing, and that poor little \$20 melted like water and didn't start going round. I now have a bunch looking me in the face that need help, and if I give to them I won't have enough to take care of the families I am obligated to care for until another crop is made.

"I hope this appeal will reach those of you who have something and are willing to give it. These people here in Autaugaville have helped make Montgomery what it is to-day. I make two trips a week to Montgomery to buy supplies for my store. I buy about 98 per cent of my supplies from Montgomery merchants.

"I am not asking for money, but if you have any kind of food-stuffs that you can give these people, I will be very glad to go to Montgomery in my truck and bring it to these folks who are really needing it.

"Tuesday I went to a packinghouse in Montgomery to get some merchandise for my store and saw a bunch of empty lard buckets with some lard sticking on the walls. They gave me those empty buckets to bring home, and I in turn gave them away to the people here who needed it. So to-night there will be a little grease in their bread instead of having to eat it dry.

"One of your firms in Montgomery gave a charitable organization 80 pounds of coffee, and they didn't think enough of the gift to go and get it. I wish some firm would make me that offer, and then come down here and watch me give it to these hungry folks. If you have a little flour that is a little musty or has some bugs in it, don't hesitate to offer it to me, for it will be appreciated and fill an empty stomach.

"I will say to the firm or person who gives me anything for our people here, they will surely be repaid for it, for I will give that firm enough free advertising to pay them. You folks who know me know I will do it. If you are interested and want to help me, just write me what you have to give and I will come by and get it. Remember, now, that I am not working for the Post Office Department, and do not write me a lot of letters that require answering, for that 2-cent stamp will help feed a family."

"E. H. PEARSON,
"Autaugaville, Ala."

I bring that to the attention of the House and stress the importance of rushing relief to the people of our State, and, as for that, all the States which are in need. I also bring to the attention of the House, in view of the fact that it has been stated from time to time that whenever there was a move made to make an extra appropriation to give the people of our country relief or lend money for food that the Red Cross had plenty of money to handle this situation and was handling it. That was told from time to time before Christmas. Some Members of Congress have written Judge Payne asking him what his organization was doing for relief. I, for one, did this in reference to work being done in my State.

He replied that he could not give a summary of it, but did admit that there had been one little place in my district that had had some assistance. The country is now asked to contribute \$10,000,000 to help out in this great emergency caused by the drought and unemployment. I consider that a worthy appeal. I do consider the amount asked inadequate, and I think we are going to find that out further along.

But I particularly come before this House to refer to something that transpired some time ago. About 15 months ago we had a drop in the stock market in New York City, something that I know but little about from personal observation. A few weeks later the Administration recommended on the floor of the House to return under the guise of a tax reduction \$160,000,000 to the wealthy taxpayers. That was highly recommended and it passed this House without a record vote on the 5th of December, 1929. It was done to stimulate business as I understand it—to help over the crisis. For myself I have never considered that a tax reduction. I consider that after 12 months of 1929 which had passed and in view of this fact, that those who were at the head of these big corporations and business concerns had taken the money out of the employees and had placed it aside, as reason would show that they had, for that purpose it was not a tax reduction, but it was a gift to the wealthy people of this country. I am glad that there were men on the floor of this House who strongly opposed that measure. I challenge any man on the floor of the House to get up and defend a measure like that and

at the same time take the position some have on the measures that we have had before us to relieve suffering and unemployment with people suffering from the lack of the necessities of life. I don't know what the purpose was in giving back that tax money, but I do believe that it is unfair and unjust to take that position in the face of what we have now in this country and the contrary in reference to relief so much needed.

I have an article here that I clipped yesterday from the little News, published here in Washington. Perhaps I am wrong in using that word "little," for it may be a very big newspaper. I used the same expression in reference to a paper not long since and was criticized for it.

Mr. KVALE. The gentleman's reference to the paper as little was to its physical size.

Mr. PATTERSON. Yes.

Mr. COLLINS. Mr. Chairman, will the gentleman yield?

Mr. PATTERSON. Yes.

Mr. COLLINS. Does not the gentleman think that it is the best-edited paper in the District of Columbia?

Mr. PATTERSON. Well, I take it regularly.

Mr. COLLINS. I do, I will say to the gentleman.

Mr. PATTERSON. I am not a judge. A little while ago I saw the distinguished gentleman from New York [Mr. FISH], who has been looking after the reds, and I was anxious for him to be here, because I noticed something in the paper the other day which encouraged me and that was that he was recommending some reformation in other lines, along the lines of big business in this country. This article to which I refer says:

During the first nine months of 1930 when dividends increased by more than a billion dollars over the 1929 dividends, the wages paid to the working people declined \$8,800,000,000.

I challenge any man to get up and defend the operation of a system which perpetrates such a thing as that on the country. It seems that, whenever there comes a loss and a depression, the wage earners, farmers, and the common people are made to bear the burden of it. It is not right and fair. Talk about overproduction of farm products and overproduction of this and the other! I do not believe there is any such thing, and in my judgment there never will be an overproduction of the products of the farm or anything else as long as there are eight or ten million people in our country who are hungry. It is underconsumption. This article goes on further to say that at the present time it is safe to say that the wages paid to the wage earners and salaried people in 1930 were lower by \$10,000,000,000 than they were in 1929. And surely in 1929 they were low enough. The other day when we were discussing the Wood amendment in respect to the appropriation bill, I made the point that the way to solve depression and remove the great inequalities in this country is not by reducing wages, but that we should increase wages and thereby get a more equitable division of income among the great masses of the people.

The people who toil and produce on farms and in factories and others in this country are hungry and lack many of the necessities of life, and it is necessary to help them and help them now. This is particularly true in my State and my district, and I plead earnestly in their interest for help. They are starving, as this article indicates. I am glad I can ask this in their name. I am sorry that such a system has come about, and then in addition to this the great drought affected direly every county in my district. I have received hundreds of letters, where their corn and other crops were cut off, many of them 80 or 90 per cent.

Then one other thing we need, and that is the extension of time on those farm-loan notes which are due. I will say just here that you could not perpetrate a greater crime against the farmer than to take his home from him at a time like this. Especially is this true of a Government agency. So we hope to get a bill passed postponing these payments.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. SHREVE. Mr. Chairman, I yield 15 minutes to the gentleman from North Dakota [Mr. BURNETT].

Mr. BURTNESS. Mr. Chairman and gentlemen of the committee, I am going to address myself this afternoon to a bill that I introduced on January 5, H. R. 15595, to place a temporary embargo on certain agricultural products. I think most of you who are here this afternoon will recall that Mr. Alexander Legge, chairman of the Federal Farm Board, a few weeks ago, in a public speech, recommended that an embargo be placed upon wheat.

That statement attracted the attention of the country. It attracted my attention. I concede that at first blush I thought there was little to the suggestion. But I went to work upon the general subject, not only with reference to wheat but also to a few other farm products, and thereupon reached different conclusions.

Another member of the Farm Board, the Hon. Samuel R. McKelvie, more particularly representing the wheat regions, agrees with Chairman Legge. Permit me to quote from an article which appeared in the January 5 issue of the United States Daily, as follows:

Some action is desirable to prevent the importation of wheat and feedstuffs into the United States over the tariff, and operation of the flexible tariff law is too slow, so that congressional action may be necessary, Samuel R. McKelvie, member of the Federal Farm Board, representing grain growers, stated orally January 3.

Two of the possible actions which Congress may take, Mr. McKelvie said, are to increase the tariff or to place an embargo on the imports. He added, however, that he did not wish to suggest to Congress what action it might take, that being a question solely for Congress to decide.

Mill feeds and corn are coming into the United States from foreign countries in considerable quantities, Mr. McKelvie said. Shipments have arrived from South Africa, Argentina, Manchuria, and other countries. The imports of feedstuffs are hurting American millers, Mr. McKelvie said, since the Americans lose the milling business which they might receive if the grains were milled in the United States rather than abroad.

The flexible tariff law, Mr. McKelvie said, provides that an investigation of foreign costs of production must be made before a higher tariff is recommended to the President by the Tariff Commission. Such an investigation in the case of agricultural products would take many months, he added, since figures on costs are not kept by farmers generally to an extent comparable with the compilation of statistics of industrial costs.

The small millers and elevator operators in the Southwest, particularly Kansas, are beginning to complain more than usual that they have not as much wheat in their bins as they would like to carry, Mr. McKelvie said. A similar situation usually develops at this season and wheat is moved back from the larger markets to supply the need, he added, but the condition appears to be more accentuated this year than usual.

I was induced to introduce this bill because of the very depressed prices now prevailing on wheat, feed grains, and butter caused in part by the threat of foreign importations.

I might first say that I do not believe in an embargo as permanent legislation. Tariff duties should constitute sufficient protection under normal conditions, providing the duties are high enough to represent the difference in the cost of production within the United States and principal competing countries.

However, these are not normal times. An emergency exists with reference to many farm prices. In my judgment the situation is so serious as to warrant unusual temporary measures that may be helpful in making it possible for farmers to save their homes, as well as in rehabilitating the purchasing power of agriculture, which would in turn accrue to the benefit of labor and capital engaged in other industries.

For this reason I propose an embargo until March 1, 1932, on three classes of farm crops and products: First, on wheat and flour; second, on feed grains, including corn, barley, oats, bran, mixed feeds of all sorts, including screenings—as rye can be substituted both for feed and for human consumption, I include rye, rye flour, and meal; third, butter, oleomargarine, and other butter substitutes.

It will be noted that I have included nothing of which we do not have ample in the United States for domestic consumption and nothing as to which the present price is not most deplorable. The American farmers are entitled to the American markets.

I am not taking the market away from foreign producers in any case where we have not ample production at home for domestic consumption at less than reasonable prices.

Mr. REED of New York. Will the gentleman yield?

Mr. BURTNESS. I yield.

Mr. REED of New York. Does the gentleman include an embargo on cattle?

Mr. BURTNESS. I have not included cattle. That raises so many troublesome and controversial questions and would not come strictly within the tests I have laid down here, at least not definitely enough to include them. It would not do to include too many things, for that would surely defeat the measure.

Mr. SUMNERS of Texas. Will the gentleman yield?

Mr. BURTNESS. I yield.

Mr. SUMNERS of Texas. Will the gentleman state how much wheat is being imported for domestic use?

Mr. BURTNESS. I will come to that later in my remarks if I have the time.

I already mentioned Mr. Legge's position. I sent Mr. Legge a copy of this bill under date of January 8, accompanied by my own letter, as follows:

JANUARY 8, 1931.

HON. ALEXANDER LEGGE,

Chairman Federal Farm Board, Washington, D. C.

MY DEAR MR. LEGGE: I inclose herewith a copy of the bill H. R. 15595 and a short statement by way of explanation thereof.

I would appreciate having the benefit of such comments as you may care to make thereon, confidential or otherwise.

Very sincerely yours,

O. B. BURTNESS.

Mr. Legge's reply will give you the attitude of the man who, as the head of the Farm Board, has probably studied these problems more carefully than any other person in the United States. It also shows that other products than wheat should be included, and thus sustains the independent conclusions I reached.

The letter is as follows:

FEDERAL FARM BOARD,
Washington, January 14, 1931.

HON. O. B. BURTNESS,

House of Representatives.

DEAR CONGRESSMAN: Replying to your letter of January 8, would say that I certainly hope the present Congress will pass some measure of relief which will protect the American farmer against the present world-wide depression in the prices of agricultural commodities.

Just how this relief is to be afforded is perhaps not material. Some time ago, in writing Senator CAPPER, I suggested that unless there was an improvement in world conditions we would ask for a temporary embargo on wheat imports. However, just as strong an argument could be made to-day on other grains, including beans. Some of these commodities are coming into the country on a basis that seems as though the price obtained for them would hardly pay the cost of transportation from the areas in which they are produced.

So far there has been no improvement in world prices. Many students of the situation seem to think that there is a probability that they will go still lower. I, therefore, hope that before the present Congress adjourns they will find it possible to pass such legislation as will protect the American producer during this period of distress.

I think the bill that you have introduced is along the right line as affording perhaps the quickest method of dealing with the situation. However, it is immaterial to us just how this result is arrived at, but present conditions certainly justify action on the part of Congress to meet the present emergency.

Yours very truly,

ALEX. LEGGE,
Chairman Federal Farm Board.

Now, that letter is indicative of the kind of support the bill is receiving. Do not forget what Mr. Legge says about the dangerous trend of world prices and the present emergency demanding action.

I also have letters from the American Farm Bureau Federation, the National Dairy Union, and others, which I will not take the time to read, but will add some of them by way of extension, if I obtain permission so to do.

While it is true that importations have not been exceedingly large, it is also equally true that the threat of importations has seriously affected the market. Let me illustrate by the case of butter.

Butter, 92 score, was 37 cents at New York on July 31. The usual seasonal rise started and the price reached 40 cents on August 28 and remained at about that figure through September and October. Normally we should have seen a continuing rising price level till the end of December.

However, in the month of October New Zealand butter dropped in the London market to less than 25 cents, making the spread between New York and London about 15 cents, or 1 cent more than the tariff. Some importations were made, which probably had their effect. More serious, however, was the threat of importations, with the result that American prices declined to a figure so low that importations were not possible. By November 27 the price at New York had been reduced to 34 cents, New Zealand butter at London in the meantime declining to less than 22 cents. It is this threat I desire to remove until normal conditions are restored. The price of New Zealand butter may continue to decline, aggravating the situation still further. Butter has continued to drop in price since I obtained these figures.

Now as to feed grains, the second class of products as to which I urge an embargo, the market price of barley in my State has been running from 20 to 25 cents a bushel, oats at 19 and 20 cents, and rye about the same as barley. In spite of these disgustingly low and unfair prices feedstuffs have been imported, particularly from Canada and Argentina. Such importations include corn, barley, and a large amount of bran, shorts, and mixed feeds. Feed barley has been sold across the Canadian border from my State for as low as 4 cents per bushel and good grade barley at from 10 to 12 cents.

The importations of bran, shorts, and other by-products of wheat as it is ground during October and November averaged an equivalent of 4,395,300 bushels of oats. The duty charged on these by-products of wheat is only 10 per cent ad valorem and, of course, when the price drops to as low as \$5 per ton on some screenings a duty of 10 per cent ad valorem amounts to little or nothing. An embargo on these by-product feeds would save the American market for the barley, corn, and oats and the wheat by-products raised by our own American producers on American farms.

Now, the gentleman from Texas [Mr. SUMMERS] asked with reference to the importation of wheat. Just now they are only nominal. The proposed embargo on wheat and wheat flour might well be of much greater benefit when the 1931 crop is harvested and marketed than it would be just now. At present American wheat prices are about 20 cents higher than Canadian prices. I am not urging an embargo on wheat because of the effect it will have during the next few weeks, but I am concerned about what the marketing year of 1931 is going to bring about. You heard Mr. Legge's letter, where he said in effect that he fears that world prices are going down still farther, and if the Farm Board is unable to maintain American prices above world prices the farmers of Kansas, Oklahoma, North Dakota, and other wheat States will probably receive only about 35 cents per bushel for their wheat next fall. That is all we would receive now if our wheat were shipped to Liverpool.

You must not forget the situation we have throughout the world. Neither do you want to overlook the Russian situation. During the five years immediately prior to 1930 the Russian exports of wheat probably did not amount to more than 10,000,000 bushels, on the average, annually, but during this past year, 1930, it is estimated that their exports amounted to 100,000,000 bushels.

I see the gentleman from New York [Mr. FISH], who has been at the head of a committee investigating this matter, nodding his head. I have not consulted with him about it, but I deem his nods as corroboration of my figures. Exact figures can not be obtained. The best students and observers also tell us that in all probability Russia will sell in her export trade this coming season 250,000,000 bushels of wheat. What will that mean? Of course, it will absolutely deprive the American farmer of the European market. There is no question about that, but just as serious an effect will be the fact that the Russian wheat will probably also deprive the Canadian wheat farmers of the European market.

The CHAIRMAN. The time of the gentleman from North Dakota has expired.

Mr. OLIVER of Alabama. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. BURTNESS. When Russian wheat takes the European market away from the Canadian wheat farmer, where is he going to look to for the disposal of his grain? There is only one place and that is the United States. The situation with reference to Canadian wheat, then, will probably be about the same as it was in Canada this fall with reference to barley. Wheat will possibly be selling for almost as little as barley did this fall. In any event, the selling pressure will be tremendous. The only outlet for Canadian wheat may be the American market, and that is the reason why, before Congress adjourns on March 4, it seems so vitally necessary, for the protection of this coming season's crop and the price our farmers are to receive therefor, that something be done to keep out foreign production. We do not need the foreign wheat, and its introduction will produce a tremendous amount of harm.

There is another reason for an embargo on wheat, and that is in order to maintain protein premiums. Because of the dry season last year we had a large protein content of wheat throughout the entire United States, with the result that no protein premiums are being paid for the 1930 crop. If, however, this next season should be different, so that there is a high-protein content in some sections and a low-protein content in other sections, there will again be substantial protein premiums. If general American markets are sustained by the Farm Board as at present at 20 cents above Canadian markets, the maximum protein premiums that could be paid without any danger of large Canadian importations would be about 20 cents. So in order to protect those protein premiums it is important to keep out Canadian wheat in the coming season, for most of you know that in seasons more or less unusual protein premiums may amount to as much as 40 or 50 cents a bushel on the highest-protein wheat. That is in years when the Canadian and American markets are on about the same level. They can then run up to the full amount of the tariff. When general prices are maintained above the world price for any reason the maximum-protein premium becomes that much less.

I think it is well to send word to the wheat farmers of the country and tell them the truth about the situation, and tell them that their export possibilities in the future are such that there is no reasonable hope to expect a profitable price in the export trade. It simply is not in the picture. Of course, they should, if they possibly can, cut their production to an amount such as can be reasonably consumed here in the United States. But that is not easy and presents another problem which I will not go into now.

In connection with the bill I have proposed I want to emphasize this, that as far as I can see, it can not possibly hurt anyone. We have the grain and the products here; our consumers can obtain them all at reasonable prices; it will not cost the Government a cent and I do not think it will cost anybody else anything. I believe it will help to rehabilitate the purchasing power of agriculture in some sections and if it does that it will help rehabilitate the purchasing power of labor throughout the country as a whole. It is not a cure-all but many sections would be benefited.

Mr. GLOVER. Will the gentleman yield?

Mr. BURTNESS. Yes.

Mr. GLOVER. Will the gentleman please name the principal things on which he would place an embargo?

Mr. BURTNESS. My bill, as I have said, divides the products into three general classes. I have not the time to read the technical descriptions which follow the language of the tariff act, but answering the gentleman, my bill places an embargo on wheat and wheat flour, feed grains of all sorts, including corn, oats, barley, rye, wheat by-products, such as bran, and so forth, and all of those that enter into feed for cattle, and the third class of products is butter and butter substitutes. Perhaps other things should be included. Maybe there are some things in my bill that ought not to be included. That will become a question, first, for consideration by the committee in hearings and later by the House. I have avoided the controversial question of vegetable oils,

for that would throw us into a discussion of the whole Philippine question.

Some ask, Why not increase the duties? This is a fair question. Congress, however, will not now disturb the tariff rates, so the only procedure remaining in that respect is to use the so-called flexible provisions of the tariff act. These are not practical for the purpose for two reasons.

The first reason is that it takes too long a time to do so. The Tariff Commission and the President have no power to change duties without a detailed study into the costs of production in this and in principal competing countries. Experience shows that this ordinarily takes from two to four years.

The second reason is that we have no evidence and no assurance that the facts disclosed by the required investigations would warrant increases rather than decreases under the provisions of the tariff act. These officials have no discretion to raise duties unless it is found that the present rates do not cover the difference in the cost of production. For instance, in the case of wheat, who can say that it costs even more than 42 cents additional to raise a bushel thereof in the United States than in Canada? When that figure was determined by the commission and the President a few years ago, the average costs for the preceding three years were used as a basis therefor. Those happened to be years when yields were relatively high in Canada. I for one do not favor risking the hazard that would be involved in another investigation at this time.

Most of these duties are probably ample in normal times. The one outstanding exception is the rate on bran, shorts, mixed feeds, screenings, and so forth, but this rate is on an ad valorem basis; namely, 10 per cent. The maximum increase that could be granted under the law would give us a duty of 15 per cent ad valorem and would constitute little or no relief. This rate should be increased at the earliest opportunity by act of Congress.

Before closing I do want to urge those of you who have listened to my remarks, and if you believe in my conclusions, to cooperate with me in securing, just as early as possible, a hearing before the Committee on Ways and Means because the time is short.

Mr. SELVIG. When does the gentleman expect to have hearings held on his bill?

Mr. BURTNESS. Just as soon as it is possible to induce the committee to hold them.

The CHAIRMAN. The time of the gentleman from North Dakota has again expired.

Mr. BURTNESS. Mr. Chairman, I ask unanimous consent to revise and extend my remarks by inserting copies of the letters to which I have referred and also three or four tables, one showing the market prices of butter over a given period, and the others are tables relating to the importation of various commodities, as well as a short editorial relating to my bill.

The CHAIRMAN. The gentleman from North Dakota asks unanimous consent to revise and extend his remarks in the RECORD by inserting the letters referred to; also certain tables and a short editorial. Is there objection?

Mr. SPROUL of Illinois. Mr. Chairman, I object to the editorial.

Mr. BURTNESS. I wonder if the gentleman would care to look at the editorial before he objects?

Mr. SPROUL of Illinois. I must be consistent. We have been objecting to these editorial articles and magazine articles for the past two years, and I would not be consistent if I allowed the gentleman's editorial to go into the RECORD.

The CHAIRMAN. Does the gentleman from North Dakota desire to modify his request?

Mr. BURTNESS. Yes; by omitting the editorial.

The CHAIRMAN. The gentleman from North Dakota asks unanimous consent to revise and extend his remarks in the RECORD by printing certain letters and certain tables. Is there objection?

There was no objection.

Mr. BURTNESS. The following are the letters and tables for which extension was granted:

WASHINGTON, D. C., January 14, 1931.

HON. O. B. BURTNESS, M. C.,
House Office Building, Washington, D. C.

MY DEAR CONGRESSMAN BURTNESS: Your bill, H. R. 15595, to place an embargo on certain agricultural products, is of good intent and would be helpful to many groups of agricultural producers in our Nation if it could be enacted.

I have read with interest your statement in relation to this measure and note that you have specified a number of commodities which are now in need of greater protection against foreign competition than is to be secured even from the newer and higher rates in the tariff law of 1930.

It occurs to me, on account of the impending and increased competition from foreign vegetable oils, particularly palm oil, that you might improve your bill by adding foreign vegetable oils to your list of products.

Very truly yours,

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

THE NATIONAL DAIRY UNION,
OFFICE OF SECRETARY,
Washington, January 14, 1931.

HON. O. B. BURTNESS,
House Office Building, Washington, D. C.

MY DEAR CONGRESSMAN BURTNESS: My attention has been called to your recently introduced bill (H. R. 15595) which provides for an embargo on certain commodities of which we have an ample supply in the United States for all normal needs.

In view of the emergency situation which confronts practically every agricultural industry and many other domestic industries engaged in the production of what we term "raw materials" I can see no harm and much good in the temporary application of the principle used in your bill.

In the dairy industry at the present time we are confronted by a situation which would make the receipt of imports of butter a very serious blow to dairy prices which have already broken to a point which is ruinous to the dairy industry of the United States. While butter imports are not large they are in sufficient quantity to measure the difference between adequate supply and that kind of an oversupply which ruins the farmers' markets.

Permit me to add, however, that in this particular field of dairy prices our most serious trouble comes from imports of cheap vegetable oils. These cheap vegetable oils are made by American manufacturers into substitutes for American farm products—that is, into oleomargarine, salad oils and salad dressings, and lard and cooking compounds—and perhaps a greater benefit would come to the dairy industry if there could be an embargo upon these imported vegetable oils and the materials from which they are made. This embargo in order to be effective must also apply to those imports which come from the Philippine Islands, which is the largest single source of domestic imports of vegetable oils. As a temporary expedient paving the way for an orderly and systematic relief which will give to domestic producers the first chance at the whole domestic market your bill would certainly be wise legislation.

Yours sincerely,

NATIONAL DAIRY UNION,
A. M. LOOMIS, Secretary.

Butter: Weekly wholesale prices at New York and London, 1930
[In cents per pound]

Week	New York, 92 score	London, ¹ New Zealand	London, ¹ Danish	Spread between New York prices and London prices of—	
				New Zealand	Danish
July 31.....	37.00	29.98	33.67	7.02	3.33
Aug. 7.....	37.50	29.55	32.37	7.95	5.13
Aug. 14.....	39.50	29.44	32.15	9.06	7.35
Aug. 21.....	39.25	28.35	31.28	10.90	7.97
Aug. 28.....	40.00	27.59	31.39	12.41	8.61
Sept. 4.....	39.50	27.27	31.94	11.23	7.56
Sept. 11.....	39.50	27.37	33.46	11.13	6.04
Sept. 18.....	40.50	28.13	32.81	12.37	7.69
Sept. 25.....	39.00	27.59	32.26	11.41	6.74
Oct. 2.....	40.00	26.07	31.94	13.93	8.06
Oct. 9.....	40.00	24.55	31.50	15.45	8.50
Oct. 16.....	40.00	25.42	32.81	14.58	7.19
Oct. 23.....	40.00	24.98	34.11	15.02	5.89
Oct. 30.....	39.50	24.33	33.24	15.17	6.26
Nov. 6.....	38.50	24.33	30.85	14.17	7.65
Nov. 13.....	36.50	24.01	30.63	12.49	5.87
Nov. 20.....	34.50	23.25	30.20	11.25	4.30
Nov. 27.....	34.00	21.94	28.46	12.06	5.54
Dec. 4.....	36.50	22.60	28.46	13.90	8.04

¹ Quotations for following day.

TABLE 1.—Imports of bran, shorts, and other by-product feeds of wheat into the United States, July–November, 1926–1930¹
[In long tons]

Year	Monthly					Cumulative from July 1 through—				
	July	August	September	October	November	August	September	October	November	
1926	24,694	10,938	13,240	21,765	20,486	35,632	48,872	70,637	91,123	
1927	9,201	10,892	18,682	24,454	30,888	20,093	38,775	63,229	94,117	
1928	22,625	30,184	19,420	34,802	32,894	62,809	82,229	117,031	149,925	
1929	20,698	22,148	10,823	10,622	10,167	42,846	53,069	64,331	74,498	
1930	34,105	34,545	34,771	66,702	58,578	68,650	103,421	170,123	229,001	

DIRECT IMPORTATIONS²

1926	13,528	7,075	8,465	13,219	20,486	20,603	29,063	42,287	62,773	
1927	3,755	5,727	5,560	19,232	17,836	9,482	15,042	34,274	52,110	
1928	15,614	13,703	19,304	13,822	22,028	29,317	48,621	62,443	84,471	
1929	16,999	9,989	6,635	4,616	5,667	26,988	33,623	38,232	43,905	
1930	34,105	30,000	34,771	47,256	34,296	64,105	98,876	146,132	180,428	

WITHDRAWN FROM BONDED MILLS³

1926	11,166	3,853	4,775	8,546	0	15,029	19,804	28,350	28,350	
1927	5,446	5,165	13,122	5,222	13,052	10,611	23,733	28,955	42,007	
1928	17,011	16,481	116	20,980	10,866	33,492	33,608	54,588	65,454	

¹ Not reported separately before Sept. 22, 1922, when a tariff duty became effective.
² Not reported separately before Jan. 1, 1926.

United States—Imports wheat bran (long tons)

From—	January	February	March	April	May	June	July	August	September	October	November	December	Total
1929													
Canada	22,274	17,820	14,290	12,843	15,417	12,212	16,626	9,393	6,039	4,174	5,107	3,002	139,197
Honduras	48	26			16	36	48		59	46			279
Mexico	417	264	223	56	90	235	325	594	537	392	590	644	4,339
Dominican Republic					9					4		4	17
Japan						44							44
Total	22,739	18,110	14,515	12,900	15,532	12,537	16,999	9,989	6,635	4,616	5,667	3,650	143,877
Withdrawn from bond	28,242	11,997	11,501	12,841	4,123	22,240	3,699	13,159	4,183	6,046	4,500	7,453	128,987
1930													
Belgium							348	196					544
France							1,447	1,181	300	1,649			4,577
Germany					149	651	224	801	201	50			2,076
Greece						656	300	684					1,640
Netherlands							440			500			940
Canada	122	74	787	1,588	1,275	8,860	16,082	14,101	17,557	28,195	21,163		109,802
Honduras	122	89	90	27	34	66	89	45	89	170			821
Mexico	332	282	272	213	175	275	189	270	250	207	131		2,596
Dominican Republic		8	5	4	9		4	9	8				47
Argentina	208	2,395	3,001	6,777	7,220	8,642	12,369	11,939	15,759	15,256	12,030		95,686
Brazil					1,200	416	2,613	774	601	1,103	702		7,409
Turkey										298			298
Paraguay											100		100
Total	874	2,848	4,155	8,609	10,062	19,566	34,105	30,000	34,771	47,256	34,296		226,542
Withdrawn from bond	8,845		11,596	14,263	7,118	27,921		4,545		19,446	24,582		118,316

Compiled by Felix T. Pope.

Canada: Exports of barley to the United States, June–November, 1929 and 1930

Month	1929	1930
June	106	45
August	84,006	1,250
September	50	111,108
October		321,149
November	1,298	125,557

Compiled from Trade of Canada.
The Dec. 12, 1930, issue of Canadian grain statistics gives shipments of barley to United States from Aug. 1–Dec. 1 as 559,000 bushels.

United States: Value of imports of "all other" grains and preparations, June–November, 1929 and 1930¹

Month	1929	1930
June	\$25,574	\$89,207
July	12,194	37,402
August	12,742	27,054
September	28,194	62,295
October	27,979	271,125
November	31,479	215,668

¹ This includes barley, buckwheat flour and grits, cereal breakfast foods and preparations, cracked corn, corn meal, flour grits and similar products, semolina, crushed, cracked, and other wheat products, oatmeal, grits and similar products, rye, rye malt, rye flour and meal, other grains, and grain flours.

² June 1–17.
³ June 18–30.

Monthly Summary of Foreign Commerce of the United States.

TABLE 1.—Imports of bran, shorts, and other by-product feeds of wheat into the United States, July–November, 1926–1930—Con.

WITHDRAWN FROM BONDED MILLS—continued

Year	Monthly					Cumulative from July 1 through—				
	July	August	September	October	November	August	September	October	November	
1929	3,699	12,159	4,188	6,046	4,500	15,853	20,046	26,092	30,592	
1930	0	4,545	0	19,446	24,582	4,545	4,545	23,991	48,573	

Source: Monthly Summary of Foreign Commerce of the United States, and latest data from Foodstuffs Division, Bureau of Foreign and Domestic Commerce.

TABLE 2.—Direct importations of bran, shorts, etc., by countries of export, July–November, 1930
[In long tons]

Exporting country	Monthly					Cumulative from July 1 through—				
	July	August	September	October	November	August	September	October	November	
Canada	16,082	14,101	17,557	28,193	21,163	30,183	47,740	75,933	97,095	
Argentina	12,369	11,939	15,759	15,256	12,030	24,308	40,067	55,323	67,353	
Brazil	2,613	774	601	1,103	702	3,387	3,988	5,091	5,793	
France	1,447	1,181	300	1,649		2,628	2,928	4,577	4,577	
Other countries	1,594	2,005	554	1,055	401	3,599	4,153	5,168	5,569	
Total	34,105	30,000	34,771	47,256	34,296	64,105	98,876	146,132	180,428	

Source: U. S. Department of Commerce, chiefly from Foodstuffs Round the World.

Mr. OLIVER of Alabama. Mr. Chairman, I yield 20 minutes to the gentleman from Texas [Mr. SUMMERS].

Mr. SUMMERS of Texas. Mr. Chairman and members of the committee, I do not want to be in the attitude of being opposed to the bill of the gentleman who has just addressed you. I am deeply sympathetic with reference to the situation in which the wheat farmers of the Northwest find themselves, but I am wondering if the remedy proposed by the gentleman can reach the difficulty in which his farmers find themselves.

EMBARGO ON WHEAT RIDICULOUS

For another purpose, I had an examination made with regard to the importations of wheat during the last year. The importation of wheat for domestic use from the beginning of the season until the close, or until the 1st of November, was only 2,000 bushels. At no time has the foreign price got within 20 cents of the limit of the tariff against the importation of wheat.

Mr. BURTNESS. I think the gentleman is correct.

Mr. SUMMERS of Texas. So there is a margin now of 20 cents in the tariff on wheat, making impossible, naturally, the importation of any considerable amount of foreign wheat into this country.

Mr. BURTNESS. Will the gentleman yield on that point?

Mr. SUMNERS of Texas. Yes; very briefly.

Mr. BURTNESS. That is true as to the margin against Canada, but it is not true with reference to the margin that exists if Canada also gets down strictly to the Liverpool market. The difference between Liverpool and Chicago now is almost as much as the tariff.

Mr. SUMNERS of Texas. I repeat the statement, and I think it is approximately correct, that the wheat farmers of the Northwest are now protected against any substantial importation of wheat, by a margin of about 20 cents on their wheat.

NOT DEALING WITH TEMPORARY SITUATION

My judgment is we are not dealing with a temporary situation. To the situation in which we find ourselves now there have been many contributing causes; yet I believe every student of this situation appreciates the fact that in so far as this country is concerned our present difficulty began with the paralysis of the debt-paying and purchasing power of the producers of exportable agricultural surpluses.

Ordinarily a physician seeking to diagnose a case and seeking to devise a remedy wants to know the history of the case, how it got started. With the application of steam, electricity, and gasoline there came an economic and industrial revolution to the earth which interrelated all the industries and all the sections of the country, so that each became a part of the other; and while it can not be said with any degree of accuracy that this or that or the other business is the basic business, yet in a peculiar sense to America agriculture is a basic business. It is impossible to maintain any general prosperity in America when the producers of agricultural commodities are not able to buy, and eighty-odd per cent of the acreage of American agriculture is used in the production of those commodities which in turn produce exportable surpluses. So it may be said, as a general proposition, that you can not have prosperity in America when the debt-paying and purchasing power of the producers of exportable agricultural surpluses is paralyzed.

DOUBLE DISCRIMINATION AGAINST AGRICULTURE

I am not going to make a partisan speech this afternoon. We have reached the end of the road, in my judgment. We started from the Atlantic Ocean to the Pacific Ocean, having in front of us a territory of remarkable fertility. Railroads began to develop in the country. Different from any other great migration or development in history, these railroads made it possible for large groups of people to go immediately into vast, fertile territory. About this time this Government said—and I am addressing myself to everybody, irrespective of politics, because we have got to meet this irrespective of politics—about this time the Government declared the general policy of protecting its people from competition with the cheap labor and the low-living conditions of the rest of the world.

This was a general policy declared by this Government, but when it came to apply that policy it excluded the producers of agricultural surpluses from the benefits of the policy.

Of course, we have an unusual condition in America to-day, but if you will make a little examination with regard to your wheat importations back behind this period, when we are giving this bounty of \$500,000,000, you will find that as a rule the American market for wheat—for instance, your own Duluth market—did not exceed the Winnipeg market because we had moving out from this country 200,000,000 bushels of wheat per annum. We had moving out of this country \$325,000,000 worth of tobacco and over half of our cotton production. So the movement being outward, I think it is recognized by all students, and admitted by all honest people now, that you can not protect by a tariff producers of any commodity where you have a very large movement out to the competitive markets of the world. I think everybody recognizes that now.

I want to illustrate this. The best way to study a big question, I think, is to study it in the miniature. When a chemist wants to find out the composition of an article he takes a sample here and there, but when the House wants to study a question the disposition is to run the simple question into the big complicated one.

Let us take an illustration: The laws of nature are universal. Economic laws are laws of nature. Suppose a parent has four children and he says, "Now, I am going to protect you children against the cheap labor of your neighbors." But when it comes to apply the policy he says, "I am going to make it work with reference to two of you only. I am going to establish a policy so that two will get the benefits of the policy and the other two will not." So he excludes two from the benefit of the policy. Well that would be pretty bad. But if, in addition, he says to the excluded two, "You have to pay a part of what you get competing with your neighbors to boost the price which the other two are getting," well, that would be doubly bad. Pretty soon the two still compelled to compete with their neighbors and compelled to provide the bounty which raised the price of their brethren would get where they could not buy from their brethren. Their brethren would have all the money, and stagnation would ensue. But that is exactly what the Government is doing between those whose prices are increased by the tariff system and the producers of agricultural exportable surplus, and the thing has happened in the Nation which would have happened among those four brothers. That is a fact that nobody can deny.

The products—cotton, wheat, and tobacco—are raised to-day in competition with the cheapest labor in the world, and when these farmers bring back what they get from sales made in competition with the cheapest labor in the world the Government compels them to give a part of what they receive in competition with the cheapest labor to boost the prices paid to those whom the Government seeks to benefit by a protective tariff. The remarkable thing is that the system has stood up as long as it has. The explanation is to be found chiefly in our virgin soil.

RESULT OF THE DISCRIMINATION

We talk about how much richer we have got in this country, we have gone across the country like a swarm of devastating locusts.

We have gone into new fields, new ground, and robbed and robbed it until it ceases to produce a profit and then we go and get some more new ground. That process has been going on from the Atlantic to the Pacific Ocean until we are at the end of the road.

You people who live in the cities and depend upon the farmer do not doubt that. If you do, you are making a serious mistake.

While the farmers have been bled in order to stimulate manufactures, the farmers have been bleeding the soil. We are at the end of that bleeding process. Both the soil and the farmers are bled white. The paralysis which began with the farmers is extending to other parts of the economic body. The country has plenty of money. New York can not lend its money at 3 per cent. The farmers can not sell wheat at the cost of production. The farmers in my country can not sell cotton at the cost of production. Of course, conditions are bad.

I do not want to tire you this afternoon, but I am talking about something that I know concerns all of you. What I am talking about is as important to you of the great cities as the destruction of the roots of a tree would be important to the branches of the tree or the fruit. In a definite sense these producers of agricultural surpluses are the root. That is where the sap comes from, particularly in my country.

My people can not buy. How can your factories sell? You have plenty of factories; you have plenty of people to work in them. When you have a situation in any country where you have plenty of money, plenty of food and clothing materials, plenty of factories, plenty of people to work in

them, and the people are hungry and idle, it is proof positive of the failure in economical and political statesmanship.

This is not a thing to be cured by faith cure. It can not be cured by these big fellows in business coming out one after another with a whoopee and running around, jingling their bells, saying that conditions are all right, we are soon coming out of it.

RENEWAL OF BUYING POWER OF AGRICULTURE NECESSARY

This is not a case that can be fixed up by the medicine doctor with his whoopee, his hurrah, and his bells. The difficulty is fundamental. My friend from the Northwest, Mr. BURNES, and you gentlemen who are representing factories in this country, I say to you, revive the debt-paying and purchasing power of the farmers of the country, and, to use a figure of speech, it will be just like a rain upon the watershed. It would start the little streams going and we would begin to buy and your factories would start. Of course, this is a bad situation. I do not like to see this money being sent out here for destitute people. It is almost like the dole system, but we have bled these people until they have no reserve, they are living hand to mouth, one crop failure and they are exhausted. They are starving, we have to do an extreme thing, a dangerous thing. It is the penalty which nations must pay which sin against the laws of justice. For seventy-five or almost a hundred years you have been bleeding the producers of agricultural surpluses in order to stimulate the development of your cities, and to return to the illustration, that thing has happened which would happen with reference to a tree. If you pump away from the roots of the tree into the superstructure and keep on pumping, after awhile when a drought comes, as it has come, the top would begin to wither, the limbs would begin to die. Banks are breaking, factories are idle. You have to give to these men who dig in the ground the ability to develop a root structure that will sustain your industries when the drought comes. We are paying the penalty now.

SUPPOSE GOVERNMENT POLICY WAS REVERSED

Suppose the thing were reversed. Nothing is strange that we are used to. There were no funny or peculiar names in the community in which I grew up. You have to be outside and come into a room in order to know the atmosphere is not good. You men who have been living in cities all of these years are so accustomed to the benefits of the protective tariff that you have never considered it as a bounty, you have never considered it as a tax upon others. You have been used to it all of your lives. I am not criticizing you or fussing with you. Indeed, this proposition is too serious. You never thought of it that way before. Suppose the situation had been reversed. Suppose all of these years you had been compelled to sell in competition with the cheapest labor on earth, and out of the products of what you sold you were compelled to pay a bounty or premium to the producers of agricultural surpluses, where would you be? Nobody on earth could stand up under that. It is the biggest fool policy that this country is undertaking to operate under. The very idea that any particular part of our people engaged in necessary production can continue to do it, or that anybody could imagine that they could! I have heard the analysis made frequently on the floor of this house in regard to what the farmer has to pay because of our tariff system. It is usually recited that the farmer has to pay so much more for clothing and machinery, but that is not the picture. Look at it as it is. The farmer sells in competition with the cheapest labor on earth, and to the highest bidder. He can not possibly pass on any of his burden. I want to make that clear and then I will conclude, because you gentlemen have been very patient. Suppose a manufacturer goes into the market and buys a commodity the price of which has been increased by reason of the tariff. He writes that increase into his production cost, does he not, and passes it on to the wholesale man?

FARMERS ABSORB THE TARIFF BOOST

The wholesale man writes it into his cost of buying and passes it on to the retail man, and the retail man in turn on to the consumer. Even organized labor is frequently able,

when the cost of living goes up, by an increase in the wage scale to pass these burdens on. Doctors and lawyers pass them on, and so in America they are passed from one to the other to a very definite degree until you get to the man who raises the bushel of wheat, who has to sell that bushel of wheat in Liverpool or in the domestic market at a price fixed by the world market in competition with Argentina and all of the other countries of the world, selling it to the highest bidder. He can not pass a penny of it on, and the cotton farmer can not pass a split penny of it on. These farmers can not sell at a price which has figured into it the cost of production plus a profit. But that is not all; in the price that the farmer has to pay for tuition, for instance, who buys clothes, of course, for his girl whom he sends to school, he has to pay not only the increase in the price of her clothes, which he can not figure into his selling price, but in the tuition which he must pay, he pays a part of the increased price resulting from the tariff on the clothes that the teachers who instruct his children buy, and he can not pass it on when he comes to sell his goods, his cotton, his corn, his wheat. What is true with regard to the teacher is true generally. These farmers are at the final receiving end of this passing process. It is no wonder they are prostrate.

Mr. DENISON. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. DENISON. I have been following the gentleman very closely and I hope before he concludes his remarks he will tell us what he thinks we ought to do to remedy the situation?

Mr. SUMNERS of Texas. I appreciate that suggestion. The Republican Party comes around asking me for advice. I tell them what to do, and they have been taking my advice for so long that I have been getting tired of it. I would not mind it if they would not use my suggestions so freely, but they use them all of the time. However, I will do it just this once more. [Laughter.] After this the good things you put into your policies you have to think up yourselves. In the first place, when we were confronted with this situation, with an assured economic paralysis coming to the farmers of the country, you ought not to have passed the last tariff bill. To be candid, I realize you can not deal with the tariff as an academic proposition now.

In America we did two very foolish things—we established slavery and we established the high protective-tariff system.

TARIFF MUST BE REDUCED

Those two serious mistakes have been tremendously fruitful of difficult problems. But we have the tariff. We can not deal with the tariff as an academic proposition. We have to deal with it now as an established institution in America, with all sorts of industries operating that have been built up behind that tariff wall conforming to the tariff wall. It is my judgment we should enter upon a policy of sane, well-considered gradual reduction. If we are going to live within America, selling nothing abroad, very well, keep it up; but if we propose to remain in world commerce, we ought to begin to let it down. We have not felt the burden of that system so much during the years that have gone by because we have had this wonderfully rich soil that we have been bleeding to maintain this policy. There is no doubt on earth about the fact that if we had not had this vast territory lying behind us and had the railroads by which we could go quickly, and the improved farm machinery, we would have reached the collapse earlier than this. That is my judgment.

I submit the proposition to you that if we continue to put up prices—the cost of everything, boost it up and boost it up—when we shall have reduced our natural resources to the level of those of our competitors, how can we do world business? I yield to anybody to answer that question. There are a few fundamental things that God Almighty fixed. I repeat, when we shall have reduced our national resources to the level of those of our competitors, how can we do world business? Nobody can ever answer that question. It just runs against some fundamental things that are wrought into the economics of things, and you can not do it.

This bleeding process of the producers of exportable surplus is at an end. But we can not tear down the whole tariff system right now, even if everybody wanted to do it. I know that. Everybody knows that. It would bring chaos to the country. We have been a long time working into this situation, and it will take a long time to work out of it, but we are at the point where we must begin.

NECESSARY TO RETURN TO AGRICULTURE WHAT TARIFF TAKES

Of course the abandonment of home manufacturing on the farm has hastened the development of this crisis.

Coming now directly to the answer of the question of my friend from Illinois [Mr. DENISON], for whom I have an affectionate regard, I will return to the figure: As long as we are pumping this vitality away from agriculture, which in a very definite sense is the root, we will have to give a vitality transfusion to agriculture. I realize that is a mixed figure, but there is much mixed thinking, and I will let it stand. The tariff is artificial and arbitrary. It is an artificial arrangement by government under which it sees to it that some people get more than they otherwise would get. It is paternalistic and arbitrary.

Gentlemen may think it is sound public policy, but they can not dispute it is an arbitrary thing. When somebody gets more for what he sells than he otherwise would have got, somebody has to pay more. When anybody gets a boost somebody has to pay for it. With us it is the producers of exportable surpluses who, finally, located at the end of the passing process, pays most of it; at least, in much larger proportions than others pay. While that artificial process is continued you will have to give an artificial blood transfusion to the patient you are bleeding. Again, I do not apologize for mixing the figure. Has anybody any other remedy than that? I can not imagine it. If you have tapped the vein and pumped out the blood and the patient is already prostrate and you are continuing to pump, I do not know of anything else to do, especially if you can not or will not stop pumping, and you can not stop pumping as long as the tariff system continues. What, then, is to be done about it?

I do not want to go into details, but I say something like the debenture has to be applied. I am not arguing it. I say it has got to be applied. Something like it has to be applied. So long as the Government arbitrarily excludes producers of exportable surpluses from its plan to protect American producers from competition with the cheap labor of the world and takes away arbitrarily from these producers of this exportable surplus a part of what they sell for in these markets, and their debt paying and buying power is paralyzed, certainly you have got to put it back where you took it from in order that they can purchase what the factories produce. If anybody has any remedy other than that, I would like to have it. You may be able to modify the method, but you have got to get that result. How are these people going to buy the products of the factories unless they get something to buy with? We have plenty of everything. It is the lack of circulation. You have heard from these farmers. They are starving. There is no reserve. How can they do it?

Mr. REED of New York. Will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. REED of New York. I hesitate to interrupt the gentleman's excellent address, but how would the gentleman meet the situation if what we are told is true? Russia is opening up countless thousands of acres of land and coming into the market for the first time. They are opening up new land and feeding the peasants who do the work only black bread and a little poor coffee. They live and subsist on that, and eventually throw all of that wheat on the world market. How are we going to handle it?

RUSSIAN DEVELOPMENT COMPLICATES

Mr. SUMNERS of Texas. I agree with my friend that it tremendously complicates the situation. It makes more difficult the doing of the necessary thing but emphasizes the necessity of doing the thing. Do I make myself clear? That fact makes more difficult the doing of the necessary thing but makes the more necessary the doing of the thing.

I want to make just one observation with regard to that Russian situation. I am not afraid of military Russia. Up to this time the history of Russia has been a repetition of the history of France in the period of the French Revolution. Up to this time the same thing has happened to Russia that happened with reference to France. When France had the revolution immediately it found itself in an atmosphere of antagonism. All the nations of Europe were aligned against France. That attitude drove the French people back upon themselves in solidarity. It gave them disposition to stand punishment they otherwise could not have stood. It gave them a solidarity and the impetus that carried them not only through the period of the revolution but through the Napoleonic period, and they almost whipped the world. The same thing has happened with reference to Russia. I do not say it is good or bad, but the same thing has happened to Russia. Girded about by antagonistic attitude, that, in my judgment, gave the Bolshevik rulers an excuse for all their failures and tends to give to the Russian people the solidarity which they otherwise probably would not have had.

I think we have to look at the fact now. I am not criticizing the policy of nations. I am not discussing that. I am discussing the facts. We are sending to Russia our very best engineers. We are sending to Russia our farm implements and machinery. In other words, if we could carry the parallel from the French Revolution to this situation we would be doing the same thing that would have been done if the nations of the earth, in addition to the attitude I have indicated—

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. OLIVER of Alabama. I yield to the gentleman from Texas five additional minutes.

Mr. SUMNERS of Texas. Economically speaking, we are sending to Russia our best generals and our cannon. I think we may reasonably expect that in a comparatively short length of time those cannon will be turned in our direction.

Now I yield to my friend from New York [Mr. FISH].

Mr. FISH. Will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. FISH. I would like to point out to the gentleman that there is a considerable difference between the parallel he has drawn with reference to the French Revolution and the Russian Revolution, inasmuch as France was never socialized like Russia, and it is from that socialization that your economic difficulties come.

Mr. SUMNERS of Texas. The gentleman emphasizes what I said. However, France was militarized, and that is what I have been saying. France was militarized and engaged in a military conflict with the world, while Russia has been socialized and is being organized into a great economic army, moving and acting as under military control and discipline, and is entering upon that character of conflict with the world. The difference, as I have indicated, between France and Russia, is that the world is sending to Russia its best economic generals and its most effective ordnance and munition for economic war upon itself, the world.

Mr. REED of New York. Will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. REED of New York. The point I wanted to stress was that we were coming into competition with practically slave labor. The Russian peasant is given no compensation and barely exists, so that in Russia we practically have slave labor, and we can not compete against them.

Mr. BURTNES. Will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. BURTNES. Somewhat connected with the question that was in the mind of the gentleman from New York [Mr. REED] and the gentleman's conclusion as to the necessity of putting in new blood by some sort of transfusion—

Mr. SUMNERS of Texas. You have got to do it.

Mr. BURTNES. With which I am in general accord, this question occurs to me, whether, in view of the tremendous

competition which the wheat farmer would have in the world market, in Russia and elsewhere—and I am talking of wheat simply, because of my familiarity with that problem; I do not know your cotton problem—may it not become necessary for the Government to take into consideration some method by which it can take out of production the acreage that is not now needed for our domestic consumption, so as to insure a production within the United States of an export surplus crop like wheat, with simply enough to take care of our own consumption, and in that way permit our tariff wall to operate on an equality and parity with other industries that are protected by the tariff?

Mr. SUMNERS of Texas. It would seem to me that would be rather difficult for the Federal Government, but it might do it indirectly. However, I do believe, with regard to cotton and with regard to wheat, that possibly the States, under their general police power, in an effort to conserve the fertility of their soil could compel diversification or rotation.

There can be no question that the revival of business depends largely upon restoring the debt paying and buying power of producers of agricultural surpluses.

Mr. BURTNESS. One difficulty in our country with reference to diversification and rotation is that we find it impossible to determine the places into which to carry the substitution, and that it is more or less like jumping from the frying pan into the fire. Of course, I am thoroughly in favor of the diversification proposition, but somehow or another it seems we have too much land in production at this time, and a farmer, as long as he owns the land, is not going to allow it to remain entirely idle; he is going to try to make the best use of it possible, and, as I say, the difficulty we have had is in finding substitute crops.

Mr. SUMNERS of Texas. I will say to my friend that if we had a condition under which the farmers in the drought-stricken areas of this country had any reserve or surplus with which to purchase food for to feed their families and animals, you would not have such an acute wheat problem; and if these cotton farmers, could have some money to buy the products of these factories there would not be so acute a problem of the idle, hungry, and poorly clothed factory people. It is my judgment the remedy for this general paralysis must be applied where the paralysis began with the producers of agricultural exportable surpluses. The process of bleeding the farmers while they bleed the soil is at an end. Both are exhausted.

Mr. BURTNESS. I think that is true to some extent.

Mr. SUMNERS of Texas. I think that is true to a great extent. Now, I do not want to take any more of your time. I have just talked along here in a sort of random fashion, but I do believe that the sort of talk I have been trying to make, with a sort of round-table discussion, is a whole lot better way for sensible men to consider serious questions than to have some man make an oration here for an hour or so, soaring in his flights of oratory entirely away from the matter which lies right flat down here on the earth. [Applause.]

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. SHREVE. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. REED].

Mr. REED of New York. Mr. Chairman and gentlemen of the committee, it has been charged now and then on the floor of the House and elsewhere that Congress has been derelict in its duty toward the service men. This is unfair, as the record conclusively shows. A survey of the legislation of every country in the world will show that no nation, ancient or modern, has done more for its service men than our country. The legislation enacted by Congress for the relief and assistance of its veterans of all wars has had the hearty approval of the people of this country.

Much of the criticism of Congress for an alleged failure to legislate for our service men has been due to the failure of those who are called upon to administer the relief legislation. A narrow construction of the laws has worked in-

justice in thousands of instances, contrary to the spirit and intent of the veterans' legislation enacted by Congress.

By legislation and by executive order we have done much to correct discrimination and injustice, but there are still sins of omission and commission on the part of Government departments that must be stopped if we are to be fair with many veterans, disabled and otherwise.

I wish to call the attention of the Members of the House to the case of a disabled ex-service man from my congressional district who has been endeavoring since early in the spring of 1929 to be reinstated as a guard in the Zoological Park under the Smithsonian Institution. I refer to Mr. George Weaver, whose statement of service in the Marine Corps and the Regular Army I shall submit for the RECORD:

HEADQUARTERS UNITED STATES MARINE CORPS,
Washington, January 8, 1931.

Hon. DANIEL A. REED,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN REED: In response to your telephonic request of this date, you are informed that George Russel Weaver, who was born January 28, 1881, at Grant, Montgomery County, Iowa, enlisted in the Marine Corps December 19, 1905, at Minneapolis, Minn., and was honorably discharged June 1, 1907, at Mare Island, Calif., upon report of medical survey for disability, a private, with character excellent. During this enlistment he served ashore in the Philippine Islands from April 22, 1906, to January 13, 1907.

With best wishes, I am, sincerely yours,

B. H. FULLER,
Major General Commandant.

WAR DEPARTMENT,
THE ADJUTANT GENERAL'S OFFICE,
Washington, January 8, 1931.

Hon. DANIEL A. REED,
House of Representatives.

MY DEAR MR. REED: This is in reply to your personal call at my office to-day for the military record of George Weaver, who it is stated, served in Company E, Nineteenth Infantry, and Fifty-fourth Company Coast Artillery, 1908-1911.

The official records show that George Weaver first enlisted in the United States Army January 6, 1908, at Jefferson Barracks, Mo., for three years. He was assigned to Company E, Nineteenth United States Infantry; was transferred June 30, 1910, to the Fifty-fourth Company, Coast Artillery Corps; and was honorably discharged December 21, 1910, at Fort McDowell, Calif., for the convenience of the Government, a private. Character good.

The records further show that this soldier reenlisted February 27, 1911, at Fort Logan, Colo., for three years, and that he was honorably discharged August 10, 1911, at Fort Logan, Colo., as a recruit, attached to the Nineteenth Recruit Company, United States Army, on surgeon's certificate of disability, due to dysentery, amebic chronic, incurred in line of duty in previous enlistment. Character excellent.

The records also show that this soldier served in the Philippine Islands from March 4, 1910, to November 15, 1910.

Very respectfully,

C. H. BRIDGES,
Major General, The Adjutant General.

Here we have a man whose character was above reproach throughout three enlistments in the Marine Corps and Army. You will note that he was first discharged in 1907 "for disability incurred in service in line of duty" in the Philippines. His record indicates that he is the high type of man who attempts a "come-back" time and again. He did not give up and apply for a pension; he then enlisted in the Army and served in the Philippine Islands, where his disability caused his second honorable discharge, in 1910. Nor did he apply for a pension, to which he was entitled, at that time; not until after he was honorably discharged August 10, 1911, for the third time, on surgeon's certificate of disability, incurred in line of duty in previous enlistment, character excellent. Four years after George Weaver was first discharged for disability incurred in service in line of duty he applied for and received a small pension, \$7 per month, which has since been increased to \$50 per month.

This man is not a quitter. In 1920 he passed a Civil Service examination for guard in the Zoological Park with a mark of 89.20 and, mind you, he did not claim the five points preferential rating to which he was entitled at that time. He claimed no preference as a disabled ex-service man. Under the present law that rating would be 99.20, and he would go to the top of the list. But, strictly upon his merit, his high rating placed him in the position which he

filled for 5 years, 1 month, and 13 days, until ill health again caused him to return home to Rushford, N. Y., in my Congressional District, in November, 1926.

After two years on the farm, Mr. Weaver's health improved. Fifty dollars a month was not enough to support his wife, two small children, and himself. He returned to Washington in the spring of 1929 and applied to the Smithsonian Institution for reinstatement to his old job as guard at the Zoological Park. He was going to make another "comeback." Was he met with encouragement, appreciation of his more than five years' service in the park?

From June 1 to December 31, 1929, and from January 5 to August 31, 1930, he was given temporary employment as a laborer, at \$3.50 per day, working seven days a week. The man was able to go to work again, anxious to make a decent living for his family, his wife and two small children. But instead of endeavoring to place him in his old job at the first opportunity, others, nonservice, able-bodied young men, were transferred and appointed outright to the comparatively easy employment as guard, and our disabled soldier was using the blacksmith's hammer, shoving wheelbarrows averaging 200 pounds of coal, to all of which the deep callouses on his hands give ample testimony.

I took this matter up with the Smithsonian Institution and urged that they give favorable consideration to Mr. Weaver's application, which had been pending since the spring of 1929, for reinstatement as a guard. I was informed on November 26, 1930, by Mr. C. G. Abbott, Secretary of the Smithsonian Institution, that—

He is quite hard of hearing and possesses other physical disability which render him unfit for the position of policeman. In the event of a rough-and-tumble encounter, as any policeman must be prepared for at all times, he would be unable to take proper care of himself.

For the information of the House, I wish to submit the medical certificate of his physical examination, which was performed by the United States Public Health Service on July 28, 1930:

UNITED STATES CIVIL SERVICE COMMISSION—CERTIFICATE OF MEDICAL EXAMINATION UNDER EXECUTIVE ORDER JUNE 18, 1923

(Applicant must fill in dotted lines below)

George R. Weaver, 636 Newton Place NW.; sex, male; date of birth, January 28, 1882.

What examination did you take? Mechanic. In what department and bureau are you to be employed? Zoo Park. In what city or town are you to be employed? District of Columbia.

Physician should fill in the following: Height, without shoes, 69 inches; weight, in clothing, 136½ pounds. Weight, without clothing, _____ pounds. Males, without clothing; females, clothed but without wrap or hat.

Items checked (✓) were examined and found normal. Deviations from normal are noted. (See instructions on back of sheet.)

1. Eyes: For distance; with glasses if worn: Right 20; left 20. Without glasses: Right 20/30; left 20/30. Evidence of disease or injury: Right _____ Left _____

2. Ears: Is conversational voice heard at 20 feet?
Right, 20 feet.
Left, 20 feet.

3. Nose: _____

4. Mouth: _____

5. Throat: _____

6. Thyroid (especially in women) _____

7. Heart _____

8. Lungs: _____

Right _____

Left _____

9. Inguinal rings (men only):

Right _____

Left _____

(Any hernia should be noted, inguinal, ventral, femoral, etc.)

10. Varicose veins _____

(If "Yes," state location and degree)

11. Flat foot _____

(If "Yes," state extent of impairment of function)

12. Deformities, atrophies, and other abnormalities, diseases, or defects not included above _____

13. Scars of serious injury or disease: Appendectomy _____

14. Urinalysis (see over) _____

15. Has applicant ever received pension, compensation, or training because of disability received while in military or naval service? Yes. If "Yes," describe disability and state whether present now: Dysentery (not present now) hard fecal masses.

¹ For males, to be taken only upon special written request of the official ordering examination.

16. Considering your findings in this examination, as well as the history and the duties of the position of under mechanic, what is the ability of the applicant to perform the duties? Physically qualified.

Place of examination: U. S. P. H. S. Relief Station, Room 323, Post Office Department, Twelfth and Pennsylvania Avenue, NW., Washington, D. C.

Date of examination: July 28, 1930.

The examining physician must be in the Federal service.

(Name of examining physician)

Acting Assistant Surgeon, United States Public Health Service.

(Title, and branch of medical service)

This report is to be returned to the official of the United States Civil Service Commission requesting the examination.

The aim of the Executive order of June 18, 1923, and of this examination thereunder is to obtain information as to the physical condition of appointees to the classified civil service with a view to promoting efficiency and minimizing accidents and claims under United States employees' compensation laws.

NOTES FOR EXAMINING PHYSICIAN

Weight: Males, without clothing, and also in ordinary clothing without overcoat or hat (weigh twice); females, clothed but without wrap or hat.

Height: Without boots or shoes; observe that no appliances are used to increase.

The examination should include the following observations, as to—
(1) Eyes: Ptosis; discharge; corneal scars; pterygium. In recording vision consider 20 feet as normal and report all vision as a fraction with 20 feet as numerator and the smallest type read at 20 feet as denominator. If glasses are used, record for each eye the finding with and without glasses.

(2) Ears: Evidence of middle ear or mastoid disease; condition of drums; discharge. In recording hearing, record 20 feet as normal distance for conversational voice and record deviation from normal as fraction with 20 as denominator and actual distance as numerator.

(3) Nose: Ability to blow through each nostril. If free, a speculum examination would not be indicated.

(4) Throat: Tonsils; hypertrophy.

(5) Mouth: Missing teeth; pyorrhea.

(6) Thyroid: Presence of tumor in neck and tremor; exophthalmos; nervous high-strung disposition; especially in women.

(7) Heart: Murmurs. If valvular disease exists, state whether or not it is fully compensated.

(8) Lungs: It is necessary that the auscultatory cough be used. Tuberculosis; if present, state whether active or arrested, and if arrested your opinion as to how long it has been quiescent. Sputum to be examined for tubercle bacilli in all suspected cases.
(9) Inguinal rings: Hernia; no hernia but impulse on coughing; no hernia or impulse but abnormally large rings. Any other hernia should be noted, and if present describe fully and state whether it is retained by well-fitting truss.

(10 to 13) Scars, deformities, atrophies, paralyses, or flat foot of such a nature as to incapacitate or become aggravated by work or be later alleged as caused by accident or occupation. By "flat foot," as used in this form, is meant a foot with impaired function, the term being equivalent to "fallen or misplaced arch," an abnormal condition. Impairment of function is the point to be noted. It is not intended that small, insignificant blemishes which might be referred to as marks of identification be recorded.

(14) Urinalysis to be made and blood pressure to be taken when especially indicated, particularly in persons over 40 when arteriosclerosis, nephritis, or diabetes is suspected.

Record, if taken: Urinalysis: Sp. gr. _____ Albumen _____ Sugar _____

Blood pressure: Mm. Hg. systolic _____ Mm. Hg. diastolic _____

REMARKS _____

(Name of examining physician)

(Title, and branch of medical service)

Examined for position in—

Department _____

Bureau _____

Title of position _____

Number of certificate upon which applicant's name appears _____

Contrary to the advice of Mr. Abbott that "he is quite hard of hearing," you will note the medical certificate reports his hearing as perfect—"20-20." His eyesight is reported as "20-30," and evidence of his disability incurred in service in line of duty "not present now."

The Civil Service Commission considers Mr. Weaver eligible for reinstatement as guard and, in fact, has so advised the Agricultural Department, where I have made another vain attempt to place him.

Upon my request, the Secretary of the Smithsonian Institution has furnished me with the following list of guards now employed at the National Zoological Park, and their military records:

MILITARY SERVICE RECORD OF POLICE, NATIONAL ZOOLOGICAL PARK

Richard Sebastian, sergeant, age 48 years. Appointed National Zoological Park July 1, 1916. No service.

Noble S. Cook, age 74 years. Appointed National Zoological Park December 1, 1888. No service.

Arthur L. Edwards, age 60 years. Appointed National Zoological Park November 1, 1890. No service.

John H. Ashby, age 40 years. Appointed National Zoological Park August 3, 1918. No service.

Robert E. Ewell, age 33 years. Appointed National Zoological Park April 28, 1913. Furloughed for military duty July 19, 1916. Returned from military duty November 8, 1916. Furloughed for military duty March 31, 1917. Returned from military duty April 21, 1919.

Ladislaus A. Tabinski, age 54 years. Appointed National Zoological Park, April 17, 1925. Enlisted October 3, 1907. Discharged October 2, 1910.

Charles B. Gooding, age 48 years. Appointed National Zoological Park November 1, 1920. No service. (Appointed policeman April 1, 1930.)

James M. Watson, age 45 years. Appointed National Zoological Park, December 10, 1918. Transferred to Post Office June 30, 1921. Transferred from Veterans' Bureau December 22, 1926. No service.

William R. James, age 31 years. Appointed National Zoological Park, July 12, 1922. Enlisted September 5, 1916. Discharged July 31, 1920.

Charles F. Loyd, age 34 years. Appointed National Zoological Park, October 1, 1930. Enlisted May 30, 1918. Discharged December 20, 1918.

Joseph C. Keene, age 29 years. Appointed National Zoological Park, March 1, 1919. No service (entered on duty as policeman December 1, 1930.)

John H. Mills, age 36 years. Appointed National Zoological Park, December 16, 1927. Enlisted September 30, 1918. Discharged December 5, 1918. (Entered on duty as policeman December 1, 1930.)

George D. McLeod, age 29 years. Appointed National Zoological Park, September 1, 1928. No service. (Appointed policeman effective January 1, 1931.)

Eight out of 11 have no service. One served 2 months, 5 days. One served 7 months.

I am submitting for the record a copy of my reply to the Secretary of the Smithsonian Institution:

DECEMBER 29, 1930.

C. G. ABBOTT,

Secretary Smithsonian Institution, Washington, D. C.

MY DEAR MR. ABBOTT: I regret that the pressure of business here has delayed this acknowledgment of your letter of November 26 with reference to Mr. George R. Weaver, an employee of the National Zoological Park.

I am very much interested in this statement contained in the third paragraph of your letter to the effect that "in the event of a rough-and-tumble encounter as any policeman must be prepared for at all times he would be unable to take proper care of himself."

I agree with you that Mr. Weaver is not in excellent physical condition which is verified by the fact that he receives a pension for disability incurred in line of duty as a soldier. I understand that his duties consist of handling eight or nine wheelbarrows of coal each day, averaging 200 pounds, also assisting the blacksmith, which seems rather heavy duty for a war veteran who would not be able to take care of himself in a rough-and-tumble encounter.

A number of us here in Congress feel that the departments treat our disabled veterans disgraceful where they have the slightest discretion in appointments, and when I look over the list inclosed with your letter I am very sure that you have not exerted the least effort to give Mr. Weaver the consideration to which he is entitled.

I shall endeavor to find another Government position for him. In the meantime, I expect that his duties will be made as difficult as possible.

Yours very truly,

DANIEL A. REED.

In glancing over the lists of guards, I notice that one of them is 74 years old; another who has, unfortunately, lost the sight of one eye, is 60 years old. While these men have been in the Government service for a long time and should by all means be cared for, it is my belief that they should be assigned to positions where they would not be subjected to "rough-and-tumble encounters."

I further seems to me that Mr. John Ashby, age 40 years; Mr. Charles B. Goodings, age 48; Mr. James M. Watson, age 45; Mr. Joseph C. Keene, age 29; or Mr. George D. McLeod, age 29, no one of whom has seen military service, might be assigned to a more difficult task and make way for Mr. Weaver.

The least that could have been done for this disabled veteran would have been to have given him preferential consideration over the following men, none of whom have seen

military service and all of whom have been appointed to positions as guards since Mr. Weaver applied for reinstatement:

Mr. Gooding, appointed April 1, 1930.

Mr. Keene, transferred to police force December 1, 1930.

Mr. McLeod, transferred to police force January 1, 1931.

Mr. Mills, age 36, who served from September 30 to December 5, 1918, in military service, was transferred to the police force effective December 1, 1930, and Mr. Lloyd, age 34, who served from May 30 to December 20, 1918, in military service, was appointed as a guard on October 1, 1930.

In view of the fact that Mr. Weaver has been put aside while these nonservice men have been appointed, it might occur to you that there might be some foundation for the statement of the secretary of the Smithsonian Institution that he is unfitted for the position of guard, but in this regard I call your attention not only to the medical examination made by the Public Health Service but to the fact that the Civil Service Commission will certify him for a position as guard upon the request of any department of the Government. But, as in all reinstatements, the appointment official of the department must request the Civil Service Commission to certify his name. This leaves all reinstatements in the hands of the Government departments.

As you know, when a man has resigned from a Government position he is never again placed on the eligible list and certified to the departments for a position. If he should apply to the Civil Service Commission, he would be advised that he must find a vacancy and have the department request his reinstatement.

This leaves the fate of our veterans, or anyone seeking reinstatement, entirely in the hands of the appointment officials in the various departments. You will at once realize what an impossible thing it is for a man to make the rounds to all of the appointment clerks of all the departments and find a job. If you have ever known a Government department to volunteer the information that a vacancy existed, you have been more fortunate than I have.

What is the answer? From my experience and the experience of a number of Members with whom I have talked, we can not expect to change the attitude of these appointment officials in the departments toward our disabled veterans. It may be that a reemployment register, such as we had immediately following the war in the Civil Service Commission, would solve the problem if our veterans, disabled and able-bodied, who are seeking reinstatement, were, upon application, placed upon a register of eligibles and certified to the departments in the same manner as those who are seeking their first appointment.

We must not permit our disabled ex-service men to be met with a cold reception and discouragement when they are making every effort to reestablish themselves.

The question of reinstatement no doubt affects our disabled veterans more than any other class of Government employees, and logically so, because these men, in trying to win their way back into steady employment, often find that their impaired health compels them to give up their work for a while and subsist on the compensation which we have provided. Then, after a period of rest, they are again ready and anxious to take up their work and endeavor to carry on. This is where the discretionary power of the Government departments enters very vitally into their lives, as in the case of Mr. Weaver.

As you know, President Hoover has recently named the following advisory committee to carry on the study authorized by Executive order of June 9, 1928:

Hon. Thomas B. Campbell, chairman, president Civil Service Commission.

Gen. Frank T. Hines, Administrator of Veterans' Affairs.

Hon. Royal Johnson, of South Dakota.

Hon. Seth Richardson, Assistant Attorney General.

Mr. John Thomas Taylor, American Legion.

I understand that this committee has held two preliminary meetings, one just before Christmas, for the purpose of organization, and the other on January 6, 1931.

The purpose of the committee is set forth in the following Executive order of June 9, 1928:

EXECUTIVE ORDER OF JUNE 9, 1928

There is hereby created an advisory committee whose duty will be to study, analyze, and report upon the civil-service rules relating to the veterans' preference. Its main purpose will be to ascertain ways and means for making Government positions available for the disabled veterans.

The committee is empowered to make a survey of the positions available in the executive branch of the Federal Government and to draft recommendations to be submitted to the President not later than December 1, 1928. The report of the committee should include advice as to what modification, if any, should be made in the present Executive order relating to such veterans' preference.

I hereby appoint as such advisory committee Hon. HAMILTON FISH, Jr., Member of the House of Representatives, chairman; Hon. William T. Deming, president Civil Service Commission; Brig. Gen. Frank T. Hines, Director Veterans' Bureau; Col. William J. Donovan, Assistant Attorney General; and Lieut. Col. John Thomas Taylor.

The respective members of the committee are empowered to designate alternates to act for them whenever necessary.

CALVIN COOLIDGE.

THE WHITE HOUSE, June 9, 1928.

I have every confidence that the members of the committee are most sympathetic toward our veterans, and I hope they may devise a plan such as the reemployment register which I have suggested, or some other method to insure the reinstatement of ex-service men.

This is not my first experience with the Government departments and bureaus where the employment of disabled veterans were concerned. Another recent case was that of a World War veteran who lost one leg overseas, a fine young man, a college graduate. This young man, after having been refused employment by a number of business concerns because of his greater liability to accident and, therefore, more of a risk on account of the State compensation laws, came to Washington. The Civil Service Commission, I wish to state, has shown him every possible courtesy and kindness within its power. Through the cooperation of Hon. George R. Wales, of that commission, a temporary appointment was arranged in the Census Bureau pending an examination.

It was, however, like drawing teeth in the Census Bureau to get them to request short extensions of the temporary appointment until an examination was called. He was discharged before he could qualify for regular appointment. He is now on the civil-service eligible list, at the top of the register for student finger-print classifier, which will enable him to be certified to any general clerical position, but preferably the Bureau of Investigation of the Department of Justice. The employment clerk of that bureau can find no place for him, nor does there seem to be any need for an additional clerk in any of the departments, except one temporary position in the Veterans' Bureau for a period of 88 days. Before that time has elapsed I hope the President's advisory committee on veterans' preference will have devised ways of carrying out "its main purpose," which is "to ascertain ways and means for making Government positions available for the disabled veterans."

Many Members of this House with whom I have talked have had experiences with the Government departments similar to these. It is my intention to call these cases to the attention of the President's Advisory Committee on Veterans' Preference, and my purpose in bringing these matters before the House is to suggest that those of you who have had like experiences do the same.

Mr. SHREVE. Mr. Chairman, I yield to the gentleman from Vermont [Mr. GIBSON].

Mr. GIBSON. Mr. Chairman, in the debate on the amendment to the War Department appropriation bill, proposed by the gentleman from New York [Mr. LA GUARDIA], reference was made to Norwich University, located at Northfield, Vt., as a strictly military institution. Inasmuch as the value of such training in schools and colleges was under challenge, it may not be inappropriate before we get too far away from the subject to draw a lesson from the experience of that institution, one of the foremost colleges of its class in the country. In fact, many authorities give it rank next to West Point in the efficiency of instruction, and because it has contributed so

much to the upbuilding of the Nation and to its defense at critical periods of our history.

Norwich University was founded in 1819 by Capt. Alden Partridge, who for 12 years was connected with West Point as a professor of mathematics and civil engineering and as superintendent for two years. He was an early advocate of the policy of establishing military schools similar to West Point, with doors open to the young men of the whole country for an education that would fit them to command in times of need and for faithful service to their country.

Captain Partridge was a man of broad vision. As early as 1818 he set forth views that the best means of national defense lay in preparation in times of peace. He saw that the chief reliance of national defense was in the great body of the American people organized into suitable military establishments, officered by men of the right capacity, scientific education, and military training. He set out to supply certain deficiencies in the educational training of American colleges. He believed that education in its perfect form should prepare our youth in the best possible manner for the correct discharge of duties in any station of life.

Following out his plan he was instrumental in the establishment of a military school at Portsmouth, Va., which was sponsored by the legislature of that State. This school, with a similar one at Lexington, Va., served as types for the establishment of many other institutions of a similar kind throughout the Southern States. At a later period of his life he established a school at Brandywine Springs near Wilmington, Del., and another at Bristol, Pa. Through these activities he came to be regarded as the father of the idea of military instruction in schools and colleges.

He took still another advanced step in the development of the American idea of national defense. In 1842 he called together at Reading, Pa., a group of officers and men of the volunteer militia of that State and proceeded to instruct them in the manual of arms and in company, regimental, and brigade movements during the day, and to further instruct them through the conduct of lecture courses at night. He was the originator of the idea of citizens' military training camps and reserve officers' training. His work in this connection had much to do with bringing the militia of the States into a uniform system that would give respectability and efficiency to that department of the public service.

In addition to these activities he was the moving spirit in calling a convention of military officers and persons interested in giving greater efficiency in the organization of militia of the several States. These conventions were continued for several years for the discussion of plans of organization. The proceedings were printed by order of Congress and formed the basis for the development of our National Guard system.

Norwich University, guided by the spirit of its founder, has directed its training along lines laid down by him. We may well consider the experience of 100 years and draw from it lessons to guide us in dealing with the question of military training in schools and colleges.

The institution has given to the Nation men who have been leaders in thought and action, not alone in war but in times of peace, in our great commercial development and in advancing the material welfare of the country.

In time of war, up to the World War, her sons to the number of nearly 500 served as officers with the troops of 33 of our States and Territories. In this list appear the names of 7 major generals, 8 brigadier generals, 1 surgeon general, 39 colonels, 34 lieutenant colonels, 24 majors, 155 captains, 1 admiral, 3 rear admirals, 6 commodores, and 3 captains of the Navy.

Norwich furnished 770 men for the World War. Eighty-six per cent of the graduates held commissions. Sixty-two per cent of these ranked above second lieutenants. Is there any other college in the country that can show a better record?

I will allude to only two outstanding military leaders who attended Norwich. President Truman B. Ransom resigned during the Mexican War to take command of the Ninth United States Infantry. He led that regiment in a gallant

charge up the heights of Chapultepec, but was mortally wounded at the moment of victory. His bravery in leadership was the deciding factor in the capture of that fortress. The other is Admiral George Dewey who, when he gave the command at Manila to Gridley to commence firing, opened the gates of the Orient to the civilizing and helpful influence of America. There are hundreds of others who received inspiration for military service from contact with the institution, and who have served their country with distinction and honor. Let us turn to its helpful influence in times of peace.

The graduates of Norwich have been the builders. In this class may I call your attention to Asa Howe the great railroad construction engineer of the Northeast and in the Central West; William H. Greenwood, builder of the Kansas Pacific railroad to Denver, the Pueblo & Arkansas, and chief engineer of the Mexican National; George H. Elliot, builder of the Aqueduct system of the National Capital; Alonzo F. Estabrook the railroad builder of the early days of Indiana; Marcus Robinson, who made such a record as a builder in Virginia that he was offered the position of chief engineer for the building of all the railroads for the Russian Empire; Gen. Grenville M. Dodge, one time a Member of Congress, who laid the bands of steel over the prairies, up over the Rocky Mountains and down into the valleys of the Pacific coast and gave us the Union Pacific system; Edwin McNeill, construction engineer of the Delaware, Lackawanna & Western; Newell Gleason, builder of the Pittsburgh, Fort Wayne & Chicago. There are hundreds of others who could be added to this roll. In fact I have a list of over 200 railroads in the building of which Norwich men had an important part.

Norwich men have been leaders in the political field. In the list of these we find Gov. Ryland Fletcher of Vermont; Jefferson P. Kidder, one time judge of the United States Court for the then Territory of Dakota; Calvin Lyon, Governor of the Territory of Idaho in the early days; Gilman Folson, for years one of the leading lawyers of the State of Iowa; Judge Burleigh Spaulding, of the Supreme Court of North Dakota; Gideon Welles, Secretary of the Navy in the Cabinet of President Lincoln; the distinguished lawyer of North Carolina, whose name escapes me for the moment but who was attorney general of the Confederacy in the cabinet of Jefferson Davis; Horatio Seymour, twice Governor of the Empire State and the Democratic candidate for President in 1868; John Phillips, Member of Congress from Alabama; Isaac S. Morse, Member of Congress from Louisiana and later in the Diplomatic Service; Luther S. Dixon, of Wisconsin, distinguished lawyer and judge; William P. Kellogg, one time chief justice of the Supreme Court of Nebraska, later United States Senator from Louisiana, governor, again United States Senator, and later a Member of the House of Representatives.

Norwich graduates have laid foundations for great enterprises in their day and generation. In that class we have Junius Spencer Morgan, founder of the house of Morgan in New York City, London, and Paris; James H. Ward, who conceived the idea of the establishment of the Naval Academy and one of its first instructors; Charles E. Tilton, head of a great banking concern in Oregon and organizer of the development of the Northwest; Edward Dean Adams, of New York City, business organizer and financier, chairman of the committee that reorganized the Northern Pacific Railroad, reorganizer of the West Shore & Buffalo, the Central Railroad of New Jersey, and many other great corporations, and one of the leading civil engineers of the world; Alvan Earl Bovay, the founder of the Republican Party at Ripon, Wis.

These are a few of the men Norwich has given to the world for lives of usefulness to their fellowmen, through military training combined with scientific academic work. The list is woefully incomplete, since I have included only names that occur to me without access to the records.

It is the consensus of opinion of educators that the success of Norwich men is due to the splendid qualities of leadership acquired through military training. This is the lesson the

institution gives to the Nation. It has met the demands of the day that educational institutions turn out graduates qualified for leadership in national development. I can say without fear of contradiction that Norwich has contributed more successful men than any other institution, taking into consideration the numbers of graduates.

The gentleman from Pennsylvania [Mr. SWICK] made inquiry of me during the progress of the debate of Thursday if Norwich had any trouble in enrolling students. The truth is we refuse admission to scores each year owing to lack of accommodations. The demand for the kind of an education Norwich offers has become so great that we are now seeking to raise \$1,500,000 with which to increase our facilities. This effort is proceeding to success under the able leadership of its president, Col. Charles A. Plumley, the son of a former distinguished Member of this House and one of my predecessors.

One of the enemies of our country to-day is the professional pacifist. He bores from within, and, given time without check, he will weaken the noble structure built by our forbears. Against all attacks on our country, its Constitution, and its institutions Norwich University and Norwich men stand as the staunchest of defenders. That has been its policy for a hundred years. We pledge the same steadfastness and loyalty for the years of the future.

Mr. SHREVE. Mr. Chairman, I yield 15 minutes to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Chairman, I propose to revert to the subject concerning which I made some remarks on Tuesday last, namely, the foreign and domestic trade of the United States.

During the past few days the press of the country has given extensive publicity to the report made by one of our prominent international bankers to his board of directors. I think it will be found that the general reaction to the proposals made by this gentleman is divided into two classes. Theorists and internationalists and probably political economists will doubtless agree with the suggestions and contend that they offer some opportunities for readjustments and improvements in business conditions. On the other hand, the practical business men and Government officials who do not regard successful foreign investments as being of the first importance will take material exception and directly oppose the suggestions offered.

Quite likely I would not again enter into a discussion of this subject were it not for a somewhat unprecedented incident which occurred when I spoke a few days ago. At the close of my brief remarks I asked permission to extend the same by including a brief statement made on the subject by Assistant Secretary of Commerce Julius Klein, who not only is recognized as a world-trade expert but who is one of the high officials of our Government. While it was, of course, within the rights of the Member, the gentleman from New York [Mr. KENNEDY], to interpose an objection, I consider that it was disrespectful to Doctor Klein and particularly to the office he holds.

In order that the remarks which I asked permission to insert may become a part of the RECORD I propose to read them at this time.

In a statement by Doctor Klein he said:

Speaking of export trade obstacles, we hear much these days from job-hunting demagogues and headline hungry publicists of the devastation to be visited upon trade by way of retaliatory tariff discriminations.

Doubtless there will be a few bona fide instances of this, but such problems are far from being a novelty in our commercial development.

Our traders have long been accustomed to encounter discriminatory devices in world markets everywhere, applied because of our war-debt policy, or our immigration policy, or our tariff policy, or any other handy alibi.

But in time these difficulties, no matter what their alleged cause, have been overcome. And the usual arbiter of their fate has been the determined foreign consumer, insisting upon the availability of American films or tractors or other wares which seem to meet his needs so completely.

In fact, consumers everywhere in these days of "the buyers' market" are pretty apt to have the last word.

For one thing, there are a good many more of them than there are of rival traders or ambitious politicians, and they are con-

siderably better placed than they ever before were to assert their wants and to see that something is done about it.

The special merits of American merchandise are thoroughly understood by buyers in every remote corner of the globe, thanks to our films, our advertising technique, the world-wide spread of our illustrated periodicals, and the universal growth of our branch factories.

Last month, following a two months' visit abroad, Doctor Klein made a radio address in which, among other things, he said:

In Europe and the Near East the alleged foreign enmity toward this country and its business efforts is largely mythical right now—a figment of superheated imaginations.

To be sure, you can find some local irritation or envy in certain spots, but any general, organized animosity or malevolence toward American commerce or the American people is virtually non-existent.

Here is a striking fact: In only one European country can bitterness against us on account of the tariff be said to prevail to-day with any real strength, and that is a country of distinctly minor importance in world economics, only 3 per cent of whose exports were adversely affected by our new tariff act.

In by far the greater number of European and eastern Mediterranean countries ill-feeling toward the United States is conspicuous by its absence.

And in one great region to which we give too little thought, the Balkans and the Near East, there is a genuine, deep regard for this country, a hearty friendliness that has arisen from a variety of causes, especially because of our obvious and utter lack of imperialistic motives in those quarters, in contrast with the aspirations of some of the great European powers.

That is the firm impression I got en route through the Balkans and the Near East, talking with men in most of the walks of life—economists, industrialists, labor leaders, financiers, statesmen, presidents, kings.

Let me now briefly return to the principal suggestions offered in the report of the chairman of the board to which I have just referred, namely, reduction in wages, reduction of duties, and reduction of foreign debts.

The wage feature has been very fully answered by representatives of the American Federation of Labor. I quote first from President William Green, of the American Federation of Labor, who, while in attendance upon the midwinter session of the federation at Miami, Fla., made the following comment:

Mr. Wiggin is illogical and at odds with our leading economists, also many of our great employers, in his advocacy of lower wages.

If, with our present production, we lower wages and thus decrease the buying power of consumers throughout the Nation, this depression may continue indefinitely. Having the materials and the production machinery, we can only restore normal business conditions by placing the Nation's buying power on a par with production.

Mr. Hugh Frayne, New York representative of the American Federation of Labor, made this statement:

I regret very much that Mr. Wiggin, head of the largest bank in the world, should say that wage reductions will help our unemployment situation. His statement in this regard will have not only a depressing effect generally but it will encourage those who may be inclined to reduce wages and limit their forces. Lower wages will lower consumption. Let him increase the pay of his employees and he will at once see that their consumption will increase. Wage reductions never created better times. If low wages will bring prosperity, China would be at the top and not at the bottom of the prosperity group.

Low wages mean dissatisfied workers, strife and trouble, and a lowering of the consumption of commodities. We want greater consumption of commodities, and the way to get that is to maintain prevailing wages and to raise wages.

Benjamin Schlesinger, president of the International Ladies' Garment Workers' Union, said:

Wage reductions would not result in lowering commodity prices. They would only benefit some selfish employing interests and would at the same time further break down the purchasing ability of millions of workers all over the United States.

The average annual wage of American workers being what they are, about \$1,250, we consider Mr. Wiggin's advice to labor to help bring about prosperity through wage reductions neither logical nor helpful. It is characteristic that not one of the big employers of labor in the United States has as yet come forward with such a suggestion.

With regard to the tariff, this has been so fully discussed, pro and con, that there is very little need of extended argument. The inference is drawn in the report that owing to the increased rates in the 1930 tariff act our foreign trade has been materially reduced. Official statistics do not bear out this claim.

During the period in which the Fordney-McCumber Tariff Act of 1922 was in force the value of our exports increased from \$4,167,000,000 to \$5,240,000,000, and the value of our imports increased from \$3,792,000,000 to \$4,399,000,000. In other words, in spite of the tariff increases provided in the act of 1922, our business with foreign countries showed a steady, healthy increase during the years that followed.

The present world-wide depression began several months before the tariff act of 1930 became law. It therefore can not be held that the rates contained therein are a factor in the present condition. While foreign trade has diminished in volume during the present depression, official statistics show that the United States has retained its percentage of trade with the countries of the world.

I stated in my previous remarks that the critics of the tariff dealt in generalities and did not specify particular items. While in theory it would appear that increased rates of duty should be followed by increased costs to consumers, this frequently does not work out in practice. No better illustration can be found than the case of sugar, the duty on which was increased by the 1930 tariff law. I admit I was one of the opponents of this increase. During the preparation of the bill figures were presented purporting to show the increased cost to the American home which an increase in the sugar duty would entail. It is true that figures do not lie, but sometimes they are susceptible to serious mistakes. The retail price of sugar a year ago was 6.6 cents a pound. In November last it was 5.8 cents. This is the average retail price throughout the United States, as furnished by the Department of Commerce. This decrease in price has occurred in spite of the added duty on sugar. It is much safer to say that prices follow supply and demand and competitive conditions than to say that they follow tariff rates.

Mr. SLOAN. Will the gentleman yield?

Mr. TREADWAY. Yes; for a brief question.

Mr. SLOAN. I would like to ask the gentleman, who is a member of the Ways and Means Committee, if he knows of a single instance where the adverse prophecies relative to the effect of the new tariff bill have been carried out or realized?

Mr. TREADWAY. I think the gentleman should, perhaps, ask that question of some one who was not favorable to the tariff bill when it was passed. I was strongly in favor of it and I know the way it has worked out since then has been extremely advantageous if normal conditions existed in this country to-day.

Mr. SLOAN. And the gentleman knows of no adverse prophecy that has been carried out?

Mr. TREADWAY. I know of no such instance and I do not think one exists.

In reference to the proposed reduction of war debts, this subject was gone into thoroughly by the American Debt Settlement Commission in consultation with the representatives of the countries whose obligations we hold. The one rule which our representatives adhered to above all others was ability to pay. In following this rule settlements were fixed on such a basis as would not cause any nation undue hardship in meeting its obligation to this country.

It may be that certain bankers interested in foreign securities are justified in finding fault with the settlements arrived at by the Foreign Debt Settlement Commission on practically all loans made by this country during and following the war. On the other hand, each one of these settlements was adopted on the floor of this House and the action of the commission was supported here.

The explanations which were presented on the floor were certainly convincing, and no man contributed more to the final result than our able colleague, the gentleman from Georgia [Mr. CRISP]. I have been intimately associated with him for years on the Ways and Means Committee, and those of us who have been fortunate enough to meet with him around the committee table have the same high opinion of his ability and his conscientious public service as have the Members of this House, regardless of their party affiliations.

So I say that when Judge CRISP, with his abundant knowledge of all the details of the debt settlements, tells us, as he did in his speeches, that we were dealing fairly and justly with our former allies, I for one prefer to accept his findings than those of a banker whose suggestions are naturally biased by his business interests.

Let me quote a very recent contribution by one of the keenest thinkers in this country, Calvin Coolidge, regarding our foreign trade and our living conditions. He says:

The better the trade of the (British) empire the better will be our trade. Over two-fifths of our exports go to the British Empire. Canada is our largest customer, with the British Isles a close second. We want them all prosperous. To maintain our living standards we have and shall retain some advantage in our home markets under the tariff, but imports of about \$3,000,000,000, free from duties, make us the second largest free market in the world. No nation can do all the export trade on earth. Unless it is properly distributed, it diminishes. We can take our chances with all other exporters and wish them well.

In conclusion, it seems to me that in view of the eminent authorities I have quoted on all three of the suggestions of the chairman of the board of the Chase National Bank, he fails to make his case in any one of them, and the American people to-day anticipate a speedy restoration of normal business conditions, both in our domestic markets and in our foreign markets, without resorting to reduction of wages, reduction of the tariff, or reduction of the debts owed us by foreign countries. [Applause.]

Mr. OLIVER of Alabama. Will the gentleman yield for a question?

Mr. TREADWAY. Yes.

Mr. OLIVER of Alabama. Does the gentleman feel that the tariff bill to which he has referred at length is better supported by assertions rather than by existing facts?

Mr. TREADWAY. Of course, the latter we will all admit.

Mr. OLIVER of Alabama. Does the gentleman think he can demonstrate the wisdom of the tariff by existing conditions?

Mr. TREADWAY. I certainly think so, provided one gives due allowance for world-wide conditions, over which neither the tariff nor any other single thing in this country can control. [Applause.]

Mr. OLIVER of Alabama. Mr. Chairman, when the conference report carrying appropriations for the year 1931 was before the House at the last session I made a speech in which attention was called to the tentative allocation by the State Department of funds carried in the bill for rent, fuel, and light.

Mr. BYRNS, of Tennessee, made a speech on the same subject; and Mr. BYRNS and I both made reference also to the item inserted by the Senate under the head of "Representation allowances."

It was very pleasing to find that the State Department later made an entirely different allocation from that which we called attention to, and which was in conformity to a limitation referred to in my speech as expressive of the wish of the House conferees.

Since it is my purpose to refer to these matters when the bill is read under the 5-minute rule, I now ask unanimous consent to insert my speech made on the conference report, and also to insert, as a part of my remarks, the order of the President relating to representation allowances and the allocation made during 1931 of such allowances as well as the proposed allocation of such allowances for the fiscal year 1932.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The papers to be inserted follow:

Mr. OLIVER of Alabama. Mr. Speaker, we will find, when Congress meets in December to consider another bill for the Department of State, that the gentleman from Tennessee [Mr. BYRNS] has rendered a distinct service to the country in calling attention to this item. I concur in the views expressed by him as to this item. The gentleman from Wisconsin [Mr. STAFFORD] asked what explanation had been offered as to why, for the first time, this item had been approved by the President. The only real explanation that I have heard at any time was a suggestion by some one that the Secretary of State, Mr. Stimson, took it up with the President while they were in Virginia on a recreational visit, and after the

matter was fully discussed the President gave his approval thereto. The House Appropriations Committee was so little impressed with this item that they disallowed it; and when the chairman of the committee was discussing this bill before the House some one inquired of him about this item, and he stated the committee had disallowed it, and the House passed the bill without anyone insisting on the inclusion of the item. The Senate inserted it, and I regret that a majority of the conferees favored its retention. The gentleman from New York [Mr. CLARKE] made a very important observation in connection with the remarks made by the gentleman from Tennessee [Mr. BYRNS], and those matters were adverted to by members of our committee and were partly responsible for our committee's refusal to recommend the same to the House.

Before the House disposes of the conference report on this bill carrying appropriations for the Department of State for the fiscal year ending June 30, 1931, I deem it important that some facts in reference to other items now fresh in the minds of the members of the committee be written into the record. I venture to predict that these facts will present the basis for an interesting study by the next Congress, and I am hopeful it may restrain the State Department from making an unreasonable and unwise expenditure of public funds.

The Budget estimate submitted this year to the Committee on Appropriations for the Department of State carried for the first time estimates for rent, heat, fuel, and light, and what is commonly called "representation allowances" for its Foreign Service officers. The committee disapproved the Budget recommendation for representation allowances, amounting to \$92,000, and also reduced the Budget estimate for rent, heat, fuel, and light \$100,000. The House approved the action of the committee as to these matters.

An item of \$200,000 to provide heat, light, and fuel for the Foreign Service in the Department of Commerce was stricken out on a point of order by the House.

The Senate restored the \$92,000 for representation allowances to the State Department and also increased for the State Department the amount carried for rent, fuel, and light by \$100,000, which was the amount the House deducted from the Budget estimate. The Senate also carried \$200,000 for the Foreign Service in the Department of Commerce, and this appropriation was inserted in the bill on a supplemental estimate submitted by the Bureau of the Budget, with the approval of the President, before any legislation was passed either in the House or Senate authorizing the same. Before this bill was taken up in conference, the bill reported by the Committee on Interstate and Foreign Commerce authorizing rent, fuel, and light allowances for the Foreign Service in the Department of Commerce had been approved by the President, thus making such item in order when the conferees met. The gentleman from Pennsylvania [Mr. SHREVE] understands why I call attention to the Budget estimate being sent to the Senate before there was legal authority therefor.

I wish to here submit a letter from Hon. W. L. Cooper, Director of the Bureau of Foreign and Domestic Commerce, showing that \$200,000 will care for the needs of the Foreign Service and further showing a reasonable and prudent allocation of such funds for the purposes appropriated.

The letter follows:

Hon. MILTON W. SHREVE,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: I understand that a question has arisen with reference to the proposed distribution of the appropriation of \$200,000 which we have requested in order to provide for quarters for our men abroad. The following is an estimate of the requirements of our men abroad under present conditions:

Class	Number of men	Annual rate (maximum)	Annual amount
I.....	8	\$1,800	\$14,400
II.....	29	1,500	43,500
III.....	76	1,200	91,200
IV.....	54	900	48,600
V.....	22	600	13,200
Total.....			210,900

It is anticipated, however, that, on account of our foreign field men who are now assigned to duty in the United States, and because of men returning home on leave, the required amount will be well below the \$200,000 limit. The above list also includes our field officers who are stationed in the Philippines and Porto Rico, who will not be eligible for quarters' allowance because it was decided that the regulations would apply only to those in foreign countries.

Trusting that this will give you the desired information, I am,
Yours very truly,

W. L. COOPER, Director.

This letter shows that the Bureau of Foreign and Domestic Commerce, of which Mr. Cooper is the director, appears to have made a very reasonable allocation of the \$200,000 provided for rent, heat, and light for foreign officials serving under the Bureau of Foreign and Domestic Commerce, and such an allocation as Mr. Cooper suggests in his letter can well be approved.

I felt that it was important that the House have this information, since it was this letter by Mr. Cooper that led the House conferees on this bill to make further inquiry of the State Department as to its allocation of funds carried in the bill for rent, heat, and light for its Foreign Service, and which amount the Senate had increased by \$100,000. In conference with a representative of the State Department the committee felt that the tentative allocation of this fund was not reasonable, prudent, or fair, and the House conferees then concluded to place a limitation on the amount carried in the Senate bill, so that the State Department could not allocate to its officials what, in the judgment of the House conferees, would have been unreasonable sums.

The Senate conferees were unwilling to consider any limitation, and announced they would not insist on the language inserted by the Senate and would concur in the action originally taken by the House, even though it carried a smaller appropriation. This action by the Senate conferees prevented the House conferees from further insisting on a limitation being imposed on this fund. The House conferees, however, are still of the opinion that some limitation should have been fixed on the expenditure of this fund by the State Department, but the refusal of the Senate conferees to agree thereto made it impossible to write any limitation in the bill.

The gentleman from Tennessee [Mr. BYRNS] was correct in stating that the fund carried under the head, "Representation allowances," had been tentatively allocated by the State Department in sums of \$2,000 and \$1,500 to ambassadors and ministers, respectively. Although we have some important consulates at foreign capitals, the tentative allocation of this fund did not include any in the Consular Service. On page 177 of the hearings before the House committee will be found a table showing the tentative allocation of the fund by the State Department. This table, you will find, has a column headed "rent," and the representative of the State Department, when his attention was called by the House conferees to the amount appearing in this column, stated that those amounts represented the tentative maximum allowance that would be made to the foreign representatives and that such amounts in the rent column included rent, heat, and light. It was further stated by this representative of the State Department that though it appears that separate allocations had been made for heat and light, yet the entire amount for heat, light, and rent appeared in the rent column. I will ask the chairman, Mr. SHREVE, if I am correct in my recollection as to this.

Mr. SHREVE. Yes.

Mr. OLIVER of Alabama. It was after we discovered this tentative allocation by the State Department that the House conferees proposed to the Senate conferees a limitation on the expenditure of this fund as previously stated.

This House has appointed a joint committee to make further study of the pay and allowance to the Army, the Navy, the Coast and Geodetic Survey, the Coast Guard, the Marine Corps, and the Public Health Service. To all of these there are allowances for rent, fuel, and light, but the maximum amount allowed to any officer in any of these services for rent, fuel, and light approximates \$1,500. You will understand that when the House conferees found that the State Department was considering making for this same purpose an allowance to a foreign official in the State Department as much as \$9,000, that they felt it important to place some limitation on the amount that could be expended for such purposes, and the limitation proposed would have allowed to some officials more than \$4,000 for rent, heat, and light at certain foreign posts. If the State Department is permitted to establish an unreasonable basis for rent, fuel, and light for officers in its services, it requires no stretch of imagination to see how other services will demand a like basis of allowances. When you allow for fuel, rent, and light a certain sum to any Government department for its officials, then other services which are entitled to rent, fuel, and light will insist that like treatment be accorded to them.

Congress has fixed as the maximum traveling allowance in continental America, which covers rent, heat, light, and subsistence, \$6 per day, yet if the proposal of the State Department should be approved, we would permit \$9,000 allocated to a single official for rent, heat, and light per annum.

Mr. LINTHICUM. Mr. Speaker, will the gentleman yield?

Mr. OLIVER of Alabama. Yes.

Mr. LINTHICUM. Where is the \$9,000?

Mr. OLIVER of Alabama. On page 177 of the hearings before the Committee on Appropriations you will find the allocation. Looking at the table, I find \$9,000 for Madrid, \$9,000 for Habana, \$9,000 for Berlin, and other places. In this case attention may be called to Berlin.

The SPEAKER. The time of the gentleman from Alabama has expired.

Mr. OLIVER of Alabama. May I have two minutes more?

Mr. SHREVE. I yield to the gentleman two minutes more.

Mr. OLIVER of Alabama. At Berlin, for instance, we find that ambassadors would be allowed \$9,000 for rent, fuel, and light. The solicitor, who is the next highest official at that post, with a salary of \$9,000, would be allowed \$1,500 for rent, heat, and light. A secretary, with a salary of \$4,000, under the tentative proposal, would be allowed for rent, heat, and light \$3,000. This difference between these officials being explained on the ground that the rent now paid by the ambassador was more than \$9,000, by the solicitor was \$1,500, and by the secretary was more than \$3,000.

My reason for calling the attention of the House to this tentative allocation by the State Department of this appropriation was prompted by the hope that it would serve to check the State Department in making unreasonable allocations for rent, heat, and light.

Mr. LINTHICUM. Mr. Speaker, will the gentleman yield?

Mr. OLIVER of Alabama. Yes.

Mr. LINTHICUM. The gentleman knows that through the authority of Congress we have built a number of embassies and other buildings abroad, and it was thought by the State Department that if you gave a man a new home and paid the expenses of that home you ought at least to give the other man the rent that his home is costing. Is not the purpose to give everybody the same treatment, fairly and alike?

Mr. OLIVER of Alabama. The gentleman from Maryland has been a Member of Congress even longer than I have. He was here when we revised the pay bill in 1922 for the Army, Navy, Public Health Service, Coast and Geodetic Survey, and Coast Guard, all of them important agencies of the Government, with a capable personnel assigned to important duties, yet Congress gave approval to a plan whereby many in these services occupied Government-owned quarters and allowed to others for rent, fuel, and light not exceeding \$1,500. In other words, there are not sufficient Government quarters for officers in the allied services to which I have referred, and those who are not so fortunate as to be assigned to Government quarters are given a fixed allowance for rent, fuel, and light in a reasonable sum. I think this presents a parallel case to that to which the gentleman calls attention. I recognize that rental allowance in some foreign posts should be larger than at others, but Congress must be careful in giving approval to any unreasonable allowance for rent, fuel, and light to the officials in any service, because it sets a dangerous precedent, which will arise to trouble us when we come to provide for other important services which, under the law, are entitled to such allowances.

REPRESENTATION ALLOWANCES

The following table shows the desired increases, as compared with the allowances granted for the current year:

Tentative table of proposed allowances for 1932 for expenses of representation

	1931, present rate	1932, proposed rate	1932, increase
London	\$5,000.00	\$5,000.00	-----
Paris	5,000.00	5,000.00	-----
Berlin	2,500.00	3,000.00	\$500.00
Rome	2,500.00	3,000.00	500.00
Tokyo	2,500.00	3,000.00	500.00
Buenos Aires	2,500.00	3,000.00	500.00
Habana	2,500.00	3,000.00	500.00
Istanbul and Ankara	2,500.00	3,000.00	500.00
Mexico	2,500.00	3,000.00	500.00
Rio de Janeiro	2,500.00	3,000.00	500.00
Santiago	2,500.00	3,000.00	500.00
Berne	2,000.00	2,500.00	500.00
Bogota	2,000.00	2,500.00	500.00
Lima	2,000.00	2,500.00	500.00
Madrid	2,000.00	2,500.00	500.00
Montevideo	2,000.00	2,500.00	500.00
Ottawa	2,000.00	2,500.00	500.00
Peiping	2,000.00	2,500.00	500.00
Warsaw	2,000.00	2,500.00	500.00
Brussels	1,500.00	2,000.00	500.00
Caracas	1,500.00	2,000.00	500.00
The Hague	1,500.00	2,000.00	500.00
Panama	1,500.00	2,000.00	500.00
Riga	1,500.00	2,000.00	500.00
Athens	1,000.00	1,500.00	500.00
Belgrade	1,000.00	1,500.00	500.00
Bucharest	1,000.00	1,500.00	500.00
Budapest	1,000.00	1,500.00	500.00
Cairo	1,000.00	1,500.00	500.00
Cape Town	1,000.00	1,500.00	500.00
Copenhagen	1,000.00	1,500.00	500.00
Dublin	1,000.00	1,500.00	500.00
Guatemala	1,000.00	1,500.00	500.00
Helsingfors	1,000.00	1,500.00	500.00
Lisbon	1,000.00	1,500.00	500.00
Oslo	1,000.00	1,500.00	500.00
Prague	1,000.00	1,500.00	500.00
Sofia	1,000.00	1,500.00	500.00
Stockholm	1,000.00	1,500.00	500.00
Vienna	1,000.00	1,500.00	500.00
Calcutta	1,000.00	1,500.00	500.00
Sydney	1,000.00	1,500.00	500.00
Tangier	1,000.00	1,500.00	500.00
Teheran	1,000.00	1,500.00	500.00
Addis Ababa	750.00	1,000.00	250.00
Asuncion	750.00	1,000.00	250.00
Baghdad	750.00	1,000.00	250.00
Bangkok	750.00	1,000.00	250.00
Jerusalem	750.00	1,000.00	250.00
Kyoto	750.00	1,000.00	250.00
La Paz	750.00	1,000.00	250.00
Managua	750.00	1,000.00	250.00
Monrovia	750.00	1,000.00	250.00
Port au Prince	750.00	1,000.00	250.00
Quito	750.00	1,000.00	250.00
San Jose	750.00	1,000.00	250.00
San Salvador	750.00	1,000.00	250.00

Tentative table of proposed allowances for 1932 for expenses of representation—Continued

	1931, present rate	1932, proposed rate	1932, increase
Santo Domingo.....	\$750.00	\$1,000.00	\$250.00
Tallinn.....	750.00	1,000.00	250.00
Tegucigalpa.....	750.00	1,000.00	250.00
Tirana.....	750.00	1,000.00	250.00
Wellington.....	750.00	1,000.00	250.00
Batavia.....	500.00	750.00	250.00
Beirut.....	500.00	750.00	250.00
Danzig.....	500.00	750.00	250.00
Hong Kong.....	500.00	750.00	250.00
St. Johns.....	500.00	750.00	250.00
Algiers.....	500.00	500.00	500.00
Colombo.....	500.00	500.00	500.00
Gibraltar.....	500.00	500.00	500.00
Hamilton, Bermuda.....	500.00	500.00	500.00
Nairobi.....	500.00	500.00	500.00
Nassau.....	500.00	500.00	500.00
Saigon.....	500.00	500.00	500.00
Seoul.....	500.00	500.00	500.00
Singapore.....	500.00	500.00	500.00
Tunis.....	500.00	500.00	500.00
Funchal.....	250.00	250.00	250.00
Lourenco Marques.....	250.00	250.00	250.00
Malta.....	250.00	250.00	250.00
St. Michaels.....	250.00	250.00	250.00
Tananarive.....	250.00	250.00	250.00
	92,000.00	125,000.00	33,000.00

EXECUTIVE ORDER RELATING TO REPRESENTATION ALLOWANCES

Mr. OLIVER of Alabama. At this point I will insert Executive Order No. 5400, which makes provision for the purposes, scope, uses, and so forth, relating to representation allowances:

EXECUTIVE ORDER—REGULATIONS GOVERNING REPRESENTATION ALLOWANCES

In pursuance of the authorization contained in section 12 of the act of May 4, 1924 (43 Stat. 142), which provides—

"That the President is hereby authorized to grant to diplomatic missions and to consular offices at capitals of countries where there is no diplomatic mission of the United States representation allowances out of any money which may be appropriated for such purpose from time to time by Congress, the expenditure of such representation allowance to be accounted for in detail to the Department of State quarterly under such rules and regulations as the President may prescribe."

the following regulations are hereby prescribed:

PURPOSES OF REPRESENTATION ALLOWANCES

The purposes for which representation allowances are granted are the assistance in the establishment and maintenance of official contacts, the upholding of the prestige of the United States in the communities in which its representatives are stationed, and the furthering of its interests abroad in the ways recognized as customary in various parts of the world.

SCOPE OF REPRESENTATION ALLOWANCES

Representation allowances are considered to include the following items:

1. Receptions on American national holidays.
2. Functions, formal or informal, such as receptions, dinners, and luncheons given upon special occasions such as the usual official receptions incident to visits of United States naval vessels, of special commissions, or upon some important happening, providing the means of reciprocating official courtesies received either at a representative's home or at public places.
3. Tips and gratuities in accordance with custom in the various countries where such gratuities are, in the opinion of the representative, necessary or desirable for the maintenance of the prestige of the United States.
4. Purchases of flowers, wreaths, etc., upon appropriate occasions such as weddings, births, and deaths of important personages.
5. Expenses for entertainment of other kinds than that provided for in paragraphs 1 and 2 when considered reasonable and desirable by the Secretary of State, provided that such expenses are shown to be for activities of representative importance.
6. Any other expenses which in the discretion of the Secretary of State are of a character to promote the representation of the United States abroad.

APPORTIONMENT OF ALLOWANCES

The Secretary of State is hereby authorized to make such allowances within the amount appropriated from year to year to any or all diplomatic offices and to any or all consular offices designated below, as he may deem desirable to accomplish the purposes for which representation allowances are granted.

The following places are hereby designated as capitals of countries, within the meaning of the act of May 24, 1924, where there are no diplomatic missions. Consular offices at these places may be granted representation allowances:

Capital	Country	Capital	Country
Aden.....	Aden.	Lourenco Marques.....	Mozambique.
Algiers.....	Algeria.	Luxemburg.....	Luxemburg.
Baghdad.....	Iraq.	Malta.....	Malta.
Barbados.....	British West Indies.	Martinique.....	French West Indies.
Batavia.....	Java.	Monaco.....	Monaco.
Beirut.....	Syria.	Nairobi.....	Kenya.
Belize.....	British Honduras.	Nassau.....	Bahamas.
Calcutta.....	India.	Saigon.....	French Indo-China.
Colombo.....	Ceylon.	St. John's.....	Newfoundland.
Curacao.....	Netherland West Indies.	St. Michael's.....	Azores.
Dakar.....	Senegal.	San Marino.....	San Marino.
Danzig.....	Free City of Danzig.	Seoul.....	Chosen.
Funchal.....	Madeira.	Singapore.....	Straits Settlements.
Georgetown.....	British Guiana.	Suva.....	Fiji Islands.
Gibraltar.....	Gibraltar.	Sydney.....	Australia.
Hamilton.....	Bermuda.	Tahiti.....	Society Islands.
Hong Kong.....	Hong Kong.	Taihoku.....	Taiwan.
Jerusalem.....	Palestine.	Tananarive.....	Madagascar.
Kingston.....	Jamaica.	Trinidad.....	Trinidad.
Lagos.....	Nigeria.	Tunis.....	Tunisia.
Leopoldville.....	Belgian Congo.	Wellington.....	New Zealand.

ACCOUNTING

Representation allowances are granted to offices determined by the Secretary of State, to be administered personally by the official in charge of such office. Detailed accounts shall be submitted monthly as to the expenditures made and the purposes for which they were made. Supporting vouchers shall be supplied in all cases for expenditures over \$5 made under paragraphs 1, 2, 4, and 5 of the section of this order entitled "Scope of representation allowances." A specific exception to this requirement is made under paragraph 2, where a function takes place at a representative's home. Vouchers need be submitted in this case only where a caterer or similar purveyor is called upon. In other cases an officer's certificate as to expenditures made in this connection will be sufficient. In all cases of receptions, dinners, and other entertainment sufficient information should be included in the account to show the total cost per capita, which shall constitute sufficient detail for accounting purposes.

With regard to expenditures under paragraphs 3 and 6 of the section mentioned above, the amounts expended shall be supported by certificates of the officer in charge, except that where any expenditure exceeds \$15 a supporting voucher must be obtained.

The amount granted to any one office should normally be divided into four equal parts, to be availed of to that extent every three months. This will permit an expenditure of more than one-twelfth of the fund in any one month, but will, nevertheless, prevent a too early exhaustion of the fund. If more than one-fourth is spent in any three months, an explanation should accompany the account for such excess expenditure.

Due to express provisions of law, representation allowances may not be used for expenses in connection with any of the following objects:

1. Hire, purchase, operation, maintenance, or repair of any motor-propelled passenger-carrying vehicles.
2. Club or association dues.
3. Printing or engraving expenses.
4. Purchase of alcoholic beverages.

According to law, competitive bids must be obtained for all expenditures in excess of \$100, except where it is manifestly impossible to obtain such bids, when the circumstances rendering the submission of such bids impossible must be completely set forth.

The utmost care shall be exercised in the submission of the accounts for this fund, under the provisions of this order. The character of the appropriation is such that it is incumbent upon each officer in the field who has charge of the expenditure of this appropriation to make certain that the items for which he spends the money are amply justified.

HERBERT HOOVER.

THE WHITE HOUSE, July 22, 1930.
[No. 5400.]

Mr. SHREVE. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to; accordingly the committee rose; and the Speaker having resumed the chair, Mr. RAMSEYER, 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. 16110 and had come to no resolution thereon.

INTERNATIONAL GEOLOGICAL CONGRESS (S. DOC. NO. 254)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and with accompanying papers ordered to be printed, and referred to the Committee on Foreign Affairs.

To the Congress of the United States:

I commend to the favorable consideration of the Congress the inclosed report from the Secretary of State to the end that legislation may be enacted to authorize an appropriation of \$110,000 for the expenses of the sixteenth session of the International Geological Congress to be held in the United States in 1932.

HERBERT HOOVER.

THE WHITE HOUSE, January 17, 1931.

LEAVE OF ABSENCE

By unanimous consent, the following leave of absence was granted:

To Mr. BURDICK, for four days, on account of important business in Rhode Island.

To Mr. MORGAN, for three days, on account of important business.

IRREPRESSIBLE CONFLICT BETWEEN AMERICANISM AND COMMUNISM

Mr. FISH. Mr. Speaker, I ask unanimous consent to print in the RECORD a speech made by me at Carnegie Hall on January 9.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FISH. Mr. Speaker, under the leave to extend my remarks in the RECORD I include the following speech made by me at a mass meeting at Carnegie Hall, New York City, Friday evening, January 9, 1931:

Fellow Americans, I had hoped that the committee report would have been filed before coming to speak at this patriotic mass meeting, as I must necessarily have to limit some of my remarks; but there is an abundance of material and issues, and time is virtually the only limitation set. The report, which will be submitted on January 17, will speak for itself and will go into many of the phases of communism in detail and present recommendations.

The report of the committee will be its answer to those individuals and newspapers that have criticized its creation, methods, and procedure. I am happy to state that it is my conviction that 95 per cent of the American people are behind the efforts of the committee to secure the facts in regard to communist propaganda and activities in the United States. This includes the American Legion and all war-veterans organizations, the American Federation of Labor, the New York State Chamber of Commerce, and practically all patriotic, fraternal, and religious groups in the country.

I am not here to defend my actions or those of the committee, because I know of no good reason why it is necessary to make apologies or to defend our actions. I consider the investigation by our committee the most important work of its kind done by any committee of Congress during the 10 years that I have served in that body. Our committee was directed to investigate communism, and we have done so. We made no attempt to investigate socialism, pacifism, anarchism, or radicalism.

At the outset of my remarks let me try to clear up two apparent misunderstandings in the minds of the American people in regard to Russian communism. First, I want to emphasize that there is no connection between liberalism and the brutal despotic Government of Soviet Russia; and, secondly, that the communists did not overthrow the Czar. The present Soviet Government is very far from liberalism as it is nothing more than a government of terror and by terror, through force and violence. Uninformed Americans often think of communism in the terms of liberalism, as they are under the mistaken impression that the communists overthrew the Czar or caused his abdication in March, 1917. Such is not the case. The Czar abdicated to the representative of the Duma, elected by the people, who established the provisional government which the United States was the first nation to recognize. At that time Lenin was still in Switzerland and Trotsky was living in the Bronx. It was later on that the German general staff sent Lenin and some of his followers, in a closed car, back to Russia to stir up revolution and break down the morale of the army by promising a separate peace and a division of the land among the peasants.

So many people, including judges of the supreme court in this State, have asked me this difference between communism and socialism that I shall attempt to answer it specifically. There is a vast difference between communism and socialism, although they are both offshoots of the same "Manifesto," by Karl Marx, and both seek the socialization of industry, production, transportation, and distribution of essential commodities by government agencies. The communist advocates violent revolutionary methods to overthrow existing governments, including democratic government, in order to establish a dictatorship by a minority of the proletariat to bring about socialization of industry. The socialist relies on the evolutionary methods of the ballot box and counts on enlightening public opinion and on persuasion instead of force and violence. More important still, the socialist believes in the democratic theory of popular government. Socialism ad-

vocates liberalism or the extension of democracy—the right of men to govern themselves.

The socialist has as much right as a Republican or a Democrat to urge his principles and reform measures under our laws and the Constitution. He does not seek the overthrow of our republican form of government, and he is opposed to arbitrary autocratic and absolute forms of government.

The worst enemy of the socialist is the communist, although they both are in accord on the fundamental principle that capitalism is a failure, and that socialization or nationalization of industry must replace it for the benefit of mankind.

There is nothing wrong with our republican form of Government or with our nonsocialist system of private industry, based on the time-honored American principle of individual initiative. American initiative and individualism is responsible for the tremendous development and growth of our country and for the fact that our wage earners have for years past been the best paid, the best housed, the best fed, and the most contented in the world. Just because we are in the midst of a world-wide depression is no reason for the American people losing faith in either our form of Government or in our business methods. We do not propose to alter our form of government and wipe out our cherished civil rights, gained after centuries of constant effort, to take orders from the politbureau at Moscow, the most absolute despotism the world has ever known.

Nor do we propose to substitute socialism or communism, both of which are of foreign growth, for our free, independent, American individualism that has led the world in the well-being, prosperity, high standards of wages, and of living of the working class, and has made the American worker a home and garage owner and a capitalist.

We are not looking for false remedies in the midst of our troubles; we have faith in our traditions and in the capacity of our own people to solve every problem and restore the country back on the highway to prosperity.

However, communism is in operation throughout the Soviet Union, covering far more territory and a larger population than the United States. We can not afford simply to laugh it off.

I stand for that individual independence and initiative that has been the guiding star to the astounding development and prosperity of our country and of our people. That is a true American principle; a fundamental American ideal. In spite of world wide depression, our wage earners enjoy the highest standard of living of any nation in the world. It is true we have unemployment and distress and suffering in our midst; let us hope that it is merely temporary, a set-back after many years of super-prosperity.

I would not stultify free American labor to compare them with the low paid forced labor of Russia, shackled and harnessed to their jobs whether they like it or not, like conscripted soldiers. I believe in capitalism, as opposed to communism, but capitalism shorn of its abuses and ugly greed to exploit labor and mankind for the almighty dollar.

There are some lessons we can afford to learn from the communist experiment in Russia, which, although a failure, has exposed glaring abuses in the armor of capitalism. If capitalism is to win out, it must win on its merits and for that reason it must clear its own house.

Grave abuses have crept into our industrial capitalism, such as child labor and long hours, and weighed it down so that it has difficulty in supporting itself.

Russia has adopted a 7-hour day and a 5-day week, and claims they have done away with child labor. Capitalism would do well to do away with some of man's inhumanities to man, and put into effect a maximum of eight hours a day in all industries, and a half day on Saturday, or a total of 44 hours a week.

The rack and shock of heavy industry is wearing on the nervous system and a man is thrown out on the scrap heap when he is 40 or 45 years of age. We should have a uniform Federal old-age pension law, to which the States should contribute two-thirds and the Federal Government one-third of the funds.

There is no reason why certain industries should be permitted to work its labor in industrial sections of the South far in excess of 54 hours a week, at an average pay of \$12 per week, and employ child labor.

It might be well for industrial capitalism to consider providing additional insurance protection to employees, such as sickness and partial unemployment benefits. Summer vacations might well be extended to two or three weeks for the benefit of American labor in our day and generation.

If these benefits are not sufficient, we may have to come to a 5-day week and a 7-hour day, particularly if our power of production is beyond our capacity for consumption.

I do not want anyone to feel that, because I have taken the lead by virtue of an extended official investigation, in exposing and combating the falsities and the attendant horrors of communism, that I believe that our own economic system is above reproach. Far from it; there is much that present-day industrial capitalism can learn and borrow to advantage from Russian communism.

If communism is on trial, so also is capitalism.

A house divided against itself can not stand, nor can the economic structure of the world long endure half communist and half capitalist. Either it must eventually become all socialized or all capitalized. For this reason I say that it is up to the capitalist system to clean its Augean stables and divest itself of some of its manifestations of greed, inhumanity, and reaction.

Lenin was not far from right when he said that our capitalist system would commit suicide for temporary profit. That is just what it has been doing in providing large credits to sell tractors, combines, sawmill machinery, and oil equipment to the soviets to ruin our exportable surplus in wheat, lumber, and oil, and to build up a government continually plotting, through the Communist International, to incite revolutionary activities in the United States for the sole object of overthrowing our republican form of government.

We are in the midst of a severe depression and much actual suffering and hunger in the United States, and in case of such emergency I believe the Federal Government has an obligation to see that no American family goes without food this winter when the breadwinner is willing to work but can not find employment due to circumstances beyond his control, either drought or business depression. The Congress sent \$20,000,000 worth of foodstuffs to starving Russia in 1921, and a year later the House of Representatives passed by a large vote the bill introduced by me, authorizing the expenditure of \$10,000,000 to provide food for the starving German women and children. Certainly in an emergency within the United States the Congress can do as much for our own citizens.

I introduced a bill to enable the Federal Farm Board give away through the American National Red Cross as much as 125,000,000 bushels of wheat it purchased to stabilize the American price as is necessary. I urge the immediate passage of such legislation. At any rate, the Government would not be losing much money as the wheat in storage can not be sold without depressing the price of American wheat, and there is every indication that Soviet Russia will take our foreign wheat markets away from us by next summer.

This is a subject that will be dealt with in detail in the House report, and I have not the time to discuss it here to-night, as it is an important issue in itself and requires considerable time. However, briefly, I would point out that the Russian wheat production increased in 1930 by 400,000,000 bushels through use of American tractors and combines, and bids fair to duplicate that increase in 1931 and destroy our entire wheat export trade which has averaged \$250,000,000 for the past 8 years, or three times the amount of annual purchases made in the United States by the Amtorg and all Russian agencies during the past 3 years.

A protest was recently sent to Police Commissioner Mulrooney, signed by 20 sterling patriots, including Harry Elmer Barnes, Harry E. Fosdick, and Oswald G. Villard, calling on the police commissioner to end repeated exhibitions of police lawlessness and brutality. I have much more respect for the real revolutionary communists than such types of "pink intellectuals" and sobbing socialists that have nothing better to do than to rush into print to denounce the loyal police force of New York City about alleged brutality toward communists.

What do these parlor-pink intellectuals know of communist mass tactics? Do they know when they stage a demonstration on the French or British consular office that rough-house tactics prevail, and that women and children insult and spit on the police and often scratch and bite them? The police are human beings and are carrying out orders to resist or break up these demonstrations. What would these pink intellectuals have them do? Return to their barracks and give the communist control of the city? I would like to see some of these pink denouncers of the police placed in police uniform at a communist demonstration and see what they would do if scratched and bitten by communist women in carrying out their orders. There has been too much denunciation of the police for alleged brutality by pink and metropolitan newspapers. We owe a debt of gratitude to the police in New York City. Withdraw the police force for 24 hours and let the communists loose on the city and see what a wreck they would make of it. Perhaps that would be the only means of waking some of these Kerenskies up as to the activities of the communists and to the necessity of police protection against them.

I have no personal animosity against any individual communists, but the life of one loyal policeman is more important than the lives of all the communists seeking to overthrow our republican form of government by force and violence.

The Communist Party of the United States of America is merely a section of the Communist International at Moscow and admits it obeys its orders immediately and implicitly. The program of the Communist International was fixed by a decision of the Sixth World Congress at Moscow on September 1, 1928, in which the following paragraph appears with reference to these instructions:

"The communists consider it unworthy to dissimulate their opinions or their plans. They proclaim openly that their designs can only be realized by the violent overthrow of the entire traditional social order."

As far as I am concerned, I believe there is ample justification and evidence to declare the Communist Party or any group advocating the overthrow of our republican form of government by force and violence to be illegal. In other words, I believe that the Communist Party should be outlawed, as seeking through revolutionary and military means to overthrow the Federal Government. There is no uncertainty about their revolutionary aims to replace the American flag by the red flag, and our Government by a government of soviets. It is proclaimed in all their newspapers and by all their well-known leaders.

Up to the present time history shows that all the revolts of the past have been spontaneous and native and without any apparent degree of external stimulus. The nations of the world are faced with a different and entirely new situation. The revolutionary and subversive movements of the present day are organized and

directed by the executive committee of the Communist International, or even by the smaller presidium composed of Stalin, Molotoff, Lozovsky, Katayama, and a dozen other world revolutionists at Moscow. It is all skillfully planned, timed, and executed. The propaganda is incessant and the activities relentless and insidious. There is no thought of fair dealing, justice, or humanity. The sole objective is a revolution by the proletariat. No other consideration enters into it, no mercy, no quarter, nothing but class hatred and the Soviet Union.

I am not an alarmist and do not anticipate an immediate revolutionary uprising from the communists, but I believe that the Federal Government should take precautionary measures and spend a few million dollars, if necessary, to guard against this alien revolutionary conspiracy in our midst, aimed at the heart of our government and at the life, liberty, and happiness of our people.

The Congress appropriates each year \$500,000,000 for the maintenance of the Army and the Navy. I have always voted for adequate national defense and expect to continue to do so, but I urge at the same time that we make some provision for adequate defense against our enemies from within, who are more fanatically hostile and more determined in their efforts to overthrow our republican form of government, guaranteed by the Constitution.

This seditious movement seeks to destroy every American principle, ideal, and tradition handed down to us by our fathers, and to displace the American flag with the red flag and our republican form of government by a workers' soviet government, otherwise known as a dictatorship of the proletariat.

It must be self-evident that an American citizen can not be a communist and be loyal to the United States. He can not give allegiance to the red flag and to the American flag at the same time.

I do not believe I am giving away any secrets when I state that it is very likely that the report of the committee created by the House to investigate communist activities in the United States, of which I have the honor to be chairman, will contain a definite recommendation for the strengthening of the immigration laws to deport alien communists who advocate the overthrow of our Government by force and violence.

There is an irrepressible conflict between Americanism and communism. It is estimated that two-thirds of all the communists in the United States are aliens. If they do not like our form of Government, let them go back to their native lands, more congenial to their doctrines. Let them cease to seek to overthrow our Government or be deported. We have tolerated their insidious activities and attacks against American institutions already too long.

Mr. Bebrits, an alien communist and editor of the revolutionary communist daily newspaper, Uj Elore, published in New York City, with a sworn circulation of 30,000, stated before the committee: "I am always fighting against capitalism and seeking to overthrow capitalism and to get a soviet government. I can not imagine a revolution without the same methods as the Russian workers and farmers used." This is a typical statement of an American communist. However, in the case of Mr. Bebrits it is worse, as he is an alien and is spreading such inflammatory doctrines every day to 30,000 Hungarians.

The communist Morning Freiheit, published in Yiddish in New York City, with a circulation of 64,000, and the Daily Worker, with 35,000 daily circulation, are just as revolutionary as the Uj Elore. These three papers have a daily circulation of 140,000, and two other communist dailies published in New York City, the Ukrainian Daily News, with a circulation of 15,225, and the Laisve, a Lithuanian paper, with 11,140, brings the total sworn daily circulation up to 156,000, of which at least 100,000 are distributed in New York City and vicinity.

Recently I put the number of communists at 100,000 in New York City, based on the vote of 17,000 cast last November for the State ticket, but in view of the sworn daily circulation of purely communist newspapers in the city of New York, I would, if anything, with all due apologies to Will Irwin and his puerile and fatuous efforts to minimize the strength of the communists, have to revise my figures upward.

The committee report, which will be submitted on January 17, I hope will contain a definite recommendation for enlarging the authority of the Bureau of Investigation of the Department of Justice and empower it to keep in constant touch with the revolutionary propaganda and activities of the communists throughout the United States.

The main reason for the creation of the House Investigating Committee was that the attention of the House of Representatives was called to the fact that since 1925 no department of the Federal Government has had any authority, power, or funds from Congress to investigate the activities of the communists, and had no knowledge or information regarding them.

It is obviously essential that some department of the Government, preferably the Department of Justice, should have ample authority to deal with communist activities.

In spite of the malicious falsehoods and appeals by communists to class hatred, the spirit of American democracy is marching on and is still the dream and the hope of the oppressed and the struggling masses the world over.

Here in our State, we have recently seen an American boy, born in poverty on the East Side, rise from the sidewalks of New York City to be elected four times by the people as Governor of the Empire State. Another example of our spirit of democracy was

the election of Herbert Hoover, left an orphan without funds in childhood, to the highest office in the gift of the American people.

Let us give thanks that we are American citizens, and live in a country that affords equal opportunity to all. Let us rededicate ourselves to the proposition that a government of the people, by the people, and for the people, shall not perish from the earth, because it is the fairest, safest, soundest, and most honorable government devised by the mind of man.

DROUGHT RELIEF

Mr. CARTWRIGHT. Mr. Speaker, I ask unanimous consent to print in the RECORD a letter typical of the drought situation in my district.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. CARTWRIGHT. Mr. Speaker, under the leave to extend my remarks in the RECORD I wish to insert a letter received from one of my constituents with reference to drought relief. This letter is typical of the many letters and telegrams I am receiving daily from my district.

The letter is as follows:

SOPER, OKLA., January 14, 1931.

HON. WILBURN CARTWRIGHT,
Member of Congress, Washington, D. C.

DEAR MR. CARTWRIGHT: In re drought relief for farmers.

I can not sit idly by further and not have something to say relative to drought relief for farmers, and I can not write my views like I could tell them to you; and I know that you are not the man who needs to know and realize the views like Mr. Hoover and some of the Republican leaders, because I know you are already well aware of the needs and conditions that exist in the drought-stricken areas.

As you are already well aware that it is not next summer that the farmer needs help but now. Take the seed loan for fall and winter pastures for example; it would have been worth three times as much if the fund had been available 30 days earlier. Right now thousands of farmers do not have a bite of feed for their work teams and consequently can not plow a furrow until feed is procured, and teams now without feed are getting poor and weak and, even after feed is secured, will require quite a while of good feeding before they will be able to perform a day's work, and, as you are well aware, plowing should be already done for best results in making a crop. It is not only against the farmers' interests to get a late start on their farming but is bad for us as a Nation and bad for the chances of the farmer producing enough to repay the loan. Multiplied thousands of farmers can not see far enough ahead to know whether they will possibly be able to make a crop or not. The condition is not only serious now but will be serious again this fall if relief is not forthcoming immediately.

Now, a few words as to the item for food for the farmer. I simply can not possibly conceive of the President of our Nation or any Senator or Congressman being so small as to think that a farmer can make a crop without something to eat himself. It would be like unto a farmer trying to make ties for his living and trying to farm at the same time. He would not succeed at either. You know well what I mean, because I know you have seen it demonstrated.

Now, as to the Red Cross being able to take care of the food item, they will have all they can possibly do to care for the day laborers who have no possible way of repaying a loan or ever hoping to repay a loan; and, furthermore, if the farmers are furnished with money to make a crop, that will go a long way to relieve other classes, as it will put money in circulation, and that is one of the biggest things the country needs now. No Red Cross or other charitable organization could hope to feed the farmer from now until another crop is gathered, and the farmer has no way of getting money until his crop is gathered. It is positively ridiculous to think about any charitable organization feeding the farmer that long. Farmers, as a class, are self-respecting people and are not asking for a donation but just simply a chance to borrow and repay, which everybody knows, it seems, but our Republican leaders.

I never was so disgusted in all my life with a bunch of national leaders. It seems to me that a 10-year-old boy would have better judgment than has been displayed by our President and a lot of his leaders, Mr. Barton Payne thrown in. Do you realize that their position is being resented to a woeful degree, and that if ideas do not change we are in for a state of insurrection, and then it would be no trouble for Mr. Hoover to get several million dollars appropriated to take care of a situation like that? I tell you Mr. Hoover and his Republican leaders are not seeing the condition as it exists. Farmers are not begging for food but for a chance to borrow the money with which to buy.

I am speaking the sentiments of millions in this letter, and am writing in the interest of humanity and good government. I am here in a drought-stricken area and know whereof I speak. We have untold numbers of good, self-respecting farmer citizens that have gone to the entire end of their substance and who do not want a donation, and I believe some would actually starve before accepting a donation, but they are anxious to borrow.

Mr. CARTWRIGHT, I know where you stand, and that you are doing all you possibly can, but I feel like that you are entitled to encouragement, and I hope that you can use this letter in some way to further a righteous cause.

Most sincerely yours,

E. J. NORWOOD.

ELECTION OF CHAIRMAN OF THE COMMITTEE ON LABOR

Mr. TILSON. Mr. Speaker, I send to the Clerk's desk a privileged resolution.

The Clerk read as follows:

House Resolution 342

Resolved, That RICHARD J. WELCH, of California, be, and he is hereby, elected chairman of the Committee on Labor.

The resolution was agreed to.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and under the rule referred as follows:

S. 5688. An act granting the consent of Congress to the State of New Hampshire to construct, maintain, and operate a toll bridge or dike across Little Bay at or near Fox Point; to the Committee on Interstate and Foreign Commerce.

BILL PRESENTED TO THE PRESIDENT

Mr. CAMPBELL of Pennsylvania, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President for his approval a bill of the House of the following title:

H. R. 9991. An act to fix the salary of the minister to Liberia.

ADJOURNMENT

And then, on motion of Mr. SHREVE (at 5 o'clock and 8 minutes p. m.) the House adjourned until Monday, January 19, 1931, at 12 o'clock noon.

COMMITTEE HEARINGS

Mr. TILSON submitted the following tentative list of committee hearings scheduled for Monday, January 19, 1931, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON APPROPRIATIONS

(10.30 a. m.)

Navy Department appropriation bill.
District of Columbia appropriation bill.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

784. A letter from the Department of State, transmitting copy of a circular furnishing information with regard to proposals of candidates for the Nobel peace prize for the year 1931; to the Committee on Foreign Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. FISH: Special committee on communist activities. A report on communist activities in the United States pursuant to an investigation under authority of House Resolution 220, together with recommendations of legislation (Rept. No. 2290). Referred to the Committee of the Whole House on the state of the Union.

Mr. BRITTEN: Committee on Naval Affairs. H. R. 14688. A bill to authorize the construction of certain naval vessels, and for other purposes; without amendment (Rept. No. 2291). Referred to the Committee of the Whole House on the state of the Union.

Mr. YON: Committee on the Public Lands. H. R. 12381. A bill to provide for the establishment of the Everglades National Park in the State of Florida, and for other purposes; with amendment (Rept. No. 2300). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. JOHNSTON of Missouri: Committee on Claims. H. R. 1820. A bill for the relief of John Z. Lowe, former collector of internal revenue for the second district of New York; with amendment (Rept. No. 2292). Referred to the Committee of the Whole House.

Mr. JOHNSTON of Missouri: Committee on Claims. H. R. 13932. A bill for the relief of John S. Shaw; without amendment (Rept. No. 2293). Referred to the Committee of the Whole House.

Mr. JOHNSON of Nebraska: Committee on Claims. H. R. 14948. A bill for the relief of Emma Shelly; with amendment (Rept. No. 2294). Referred to the Committee of the Whole House.

Mr. CHRISTGAU: Committee on Claims. H. R. 15080. A bill for the relief of C. H. Price; with amendment (Rept. No. 2295). Referred to the Committee of the Whole House.

Mr. IRWIN: Committee on Claims. H. R. 16234. A bill for the relief of the Charles LeRoy estate; without amendment (Rept. No. 2296). Referred to the Committee of the Whole House.

Mr. CHRISTGAU: Committee on Claims. S. 182. An act for the relief of Daisy O. Davis; without amendment (Rept. No. 2297). Referred to the Committee of the Whole House.

Mr. JOHNSTON of Missouri: Committee on Claims. S. 4274. An act for the relief of Dr. Cooper Nicholson; without amendment (Rept. No. 2298). Referred to the Committee of the Whole House.

Mr. SANDERS of Texas: Committee on Naval Affairs. H. R. 7208. A bill for the relief of Ralph McAlpin; with amendment (Rept. No. 2299). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BACHMANN: A bill (H. R. 16296) to provide for exclusion and expulsion of alien communists; to the Committee on Immigration and Naturalization.

By Mr. ELLIOTT: A bill (H. R. 16297) to amend the act entitled "An act to provide for the construction of certain public buildings, and for other purposes," approved May 25, 1926 (44 Stat. 630), and acts amendatory thereof; to the Committee on Public Buildings and Grounds.

By Mrs. KAHN: A bill (H. R. 16298) granting the consent of Congress to the State of California to construct, maintain, and operate a toll bridge across the Bay of San Francisco from the Rincon Hill district in San Francisco by way of Goat Island to Oakland over the Key Route Mole; to the Committee on Interstate and Foreign Commerce.

By Mr. CELLER: A bill (H. R. 16299) for the acquisition of land in the township of New Windsor, Orange County, N. Y., which was occupied as a camp ground by the American Army during 1782 and 1783, and the creation there of a national park, in which shall be erected a perpetual memorial to George Washington on the site of the original camp building; to the Committee on Military Affairs.

By Mr. HARE: A bill (H. R. 16300) to authorize payment of farm-loan mortgages with bonds issued by the mortgagee bank, and for other purposes; to the Committee on Banking and Currency.

By Mr. THURSTON: A bill (H. R. 16301) for the apportionment of Representatives in Congress among the several States under the Fifteenth Census; to the Committee on the Census.

By Mr. ARENTZ: A bill (H. R. 16302) to authorize an investigation with respect to the construction of a dam across the Owyhee River within the Duck Valley Indian Reservation, Nev., and for other purposes; to the Committee on Indian Affairs.

By Mr. CABLE: A bill (H. R. 16303) to amend the law relating to citizenship and naturalization, and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. GAMBRILL: A bill (H. R. 16304) authorizing an appropriation for the erection of a memorial to the officers and men of the United States Navy who lost their lives as the result of a boiler explosion that totally destroyed the U. S. S. *Tulip* near St. Inigoes Bay, Md., on November 11, 1864, and for other purposes; to the Committee on the Library.

By Mr. GARBER of Oklahoma: A bill (H. R. 16305) providing 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. McCORMACK of Massachusetts: A bill (H. R. 16306) to amend the World War veterans' act, 1924, by providing for allowance for widows, children, and other dependents of veterans of the World War; to the Committee on World War Veterans' Legislation.

By Mr. HOGG of West Virginia: A bill (H. R. 16307) granting relief to persons held in bondage on January 1, 1863; to the Committee on Pensions.

By Mr. GARNER: Resolution (H. Res. 340) to discharge and reappoint different conferees on S. J. Res. No. 49 entitled "Joint resolution to provide for the national defense by the creation of a corporation for the operation of the Government properties at and near Muscle Shoals in the State of Alabama, and for other purposes"; to the Committee on Rules.

By Mr. HOCH: Resolution (H. Res. 341) providing for the appointment of a select committee to investigate facts in connection with the oil and gas industry; to the Committee on Rules.

By Mr. GARBER of Oklahoma: Joint resolution (H. J. Res. 470) authorizing and directing the President of the United States to lay an embargo against the importation of crude and refined oil for sale in the United States for such period or periods as he may deem necessary for the adequate protection of our domestic-oil industry; to the Committee on Ways and Means.

By Mr. TEMPLE: Joint resolution (H. J. Res. 471) to authorize participation by the United States in the Interparliamentary Union; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 3 of Rule XXII, memorials were presented and referred as follows:

By Mr. JOHNSON of Washington: Memorial of the State Legislature of the State of Washington, praying the allocation to the Puget Sound Navy Yard, Bremerton, Wash., part of the construction work contemplated on certain battle-ships; to the Committee on Naval Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREW: A bill (H. R. 16308) granting a pension to Susie Fiedler; to the Committee on Pensions.

By Mr. CABLE: A bill (H. R. 16309) granting a pension to Lillie J. Goens; to the Committee on Pensions.

By Mr. EVANS of California: A bill (H. R. 16310) granting a pension to Mandel Halpern; to the Committee on Pensions.

By Mr. GREENWOOD: A bill (H. R. 16311) granting a pension to Sallie Brown; to the Committee on Invalid Pensions.

By Mr. GREGORY: A bill (H. R. 16312) granting a pension to Emma Vallandingham; to the Committee on Invalid Pensions.

By Mr. HANCOCK of New York: A bill (H. R. 16313) granting an increase of pension to Elizabeth Canfield; to the Committee on Invalid Pensions.

By Mr. HARE: A bill (H. R. 16314) for the relief of John M. Tatum; to the Committee on Military Affairs.

By Mr. HOGG of Indiana: A bill (H. R. 16315) granting an increase of pension to Elizabeth Jones; to the Committee on Invalid Pensions.

By Mr. HOGG of West Virginia: A bill (H. R. 16316) granting an increase of pension to Hester A. DeVaughn; to the Committee on Invalid Pensions.

By Mr. HUDDLESTON: A bill (H. R. 16317) granting a pension to Jack Page; to the Committee on Pensions.

By Mr. WILLIAM E. HULL: A bill (H. R. 16318) granting an increase of pension to Margaret E. Maxwell; to the Committee on Invalid Pensions.

By Mr. IGOE: A bill (H. R. 16319) granting a pension to Lucretia Libby; to the Committee on Invalid Pensions.

By Mr. JOHNSON of Oklahoma: A bill (H. R. 16320) granting a pension to Charles W. Crippen; to the Committee on Invalid Pensions.

By Mr. JOHNSTON of Missouri: A bill (H. R. 16321) for the relief of John Pierce; to the Committee on Military Affairs.

By Mr. KEARNS: A bill (H. R. 16322) granting an increase of pension to Margaret E. Reed; to the Committee on Invalid Pensions.

Also, a bill (H. R. 16323) granting an increase of pension to Harriett E. Trickler; to the Committee on Invalid Pensions.

By Mr. KEMP: A bill (H. R. 16324) for the relief of W. O. McDaniel; to the Committee on Claims.

By Mr. MOREHEAD: A bill (H. R. 16325) for the relief of Nettie B. Rush; to the Committee on Claims.

By Mr. MANLOVE: A bill (H. R. 16326) granting an increase of pension to Alfareta S. Bond; to the Committee on Invalid Pensions.

By Mr. MOONEY: A bill (H. R. 16327) for the relief of Upson-Walton Co.; to the Committee on Claims.

Also, a bill (H. R. 16328) for the relief of Jacob P. Molter; to the Committee on Military Affairs.

By Mr. MURPHY: A bill (H. R. 16329) granting a pension to Bessie Humphrey; to the Committee on Pensions.

By Mr. PARKER: A bill (H. R. 16330) granting an increase of pension to Margaret McQueen; to the Committee on Invalid Pensions.

By Mr. TABER: A bill (H. R. 16331) granting an increase of pension to Hannah Bowlby; to the Committee on Invalid Pensions.

By Mr. TILSON: A bill (H. R. 16332) for the relief of Lulu M. Peiper; to the Committee on Claims.

PETITIONS, ETC.

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

8634. Petition of citizens of Murrietta, Calif., opposing House bill No. 13547; to the Committee on the Public Lands.

8635. Petition of American gold-star mother, of the World War, recommending the designation of Dr. Walter J. O'Connell for Congressman of the ninth district of New York when the special election is ordered by the governor; to the Committee on Election of President, Vice President, and Representatives in Congress.

8636. By Mr. BACON: Petition of sundry residents of Long Island, urging the enactment of legislation prohibiting vivisection of dogs in District of Columbia; to the Committee on the District of Columbia.

8637. By Mr. BLANTON: Petition of Walter Jackson, Mrs. E. T. Brooks, and James F. Cox, constituting the censor board of Abilene, Tex., favoring a national censor board and protesting against permitting moving pictures depicting scenes of drinking, drunkenness, and forms of lawlessness; to the Committee on Interstate and Foreign Commerce.

8638. Also, petition of the Nolan County Federation of Women's Clubs, representing 425 women of Nolan County, sent by its committee—Mrs. C. H. Bolin, president, of Blackwell, Tex.; and Mrs. L. C. Vinson, secretary, of box 272, Sweetwater, Tex.—advocating the passage by Congress of the Cooper-Robsion bill; to the Committee on Interstate and Foreign Commerce.

8639. Also, petition of the Aloha Club, of the city of Abilene, Tex., sent by its committee—Mrs. Morgan Jones, Mrs. C. S. Bass, and Annie May Rankin—favoring a national censor board for moving pictures and protesting against

scenes depicting drinking, drunkenness, and forms of lawlessness; to the Committee on Interstate and Foreign Commerce.

8640. Also, petition of the Moran Parent Teacher Association, sent by its committee—Mrs. Floyd C. Pool, president, and Mrs. W. O. Hunt, secretary, Moran, Tex.—advocating the passage by Congress of the Cooper-Robsion bill; to the Committee on Interstate and Foreign Commerce.

8641. Also, petition of Mrs. T. Wade Hedrick, Mrs. J. Soule McDaniel, and Mrs. Dee C. Coffman, committee of the Central Parent Teacher Association, of the city of Abilene, Tex., favoring a national censor board for moving pictures and protesting against showing of scenes depicting drinking, drunkenness, vulgarity, and other forms of lawlessness; to the Committee on Interstate and Foreign Commerce.

8642. Also, petition of the Moran Study Club, sent by its committee—Mrs. M. H. Ward, president, and Mrs. C. Loudner, secretary—advocating the passage by Congress of the Cooper-Robsion bill; to the Committee on Interstate and Foreign Commerce.

8643. Also, petition of the Business and Professional Women's Club, of Sweetwater, Tex., sent by its committee—Emma Lee Hemby, president, Evelyn Hudspeth, secretary, and M. Lorine Williams, chairman of resolutions committee—advocating the passage by Congress of the Cooper-Robsion bill; to the Committee on Interstate and Foreign Commerce.

8644. Also, petition of the John H. Regan Junior High School Parent Teacher Association, of Sweetwater, Tex., sent by its committee—Mrs. Monroe Rule, president, Mrs. G. J. Diehlmann, secretary, and Miss S. Glenn Elliott, chairman of resolutions committee—advocating the passage of the Cooper-Robsion bill; to the Committee on Interstate and Foreign Commerce.

8645. Also, petition of the La-Kee-Kon Club, of Sweetwater, Tex., sent by its committee—Mrs. Gus Farrar, president, Mrs. C. L. Monk, secretary, and Mrs. C. A. Rosebrough, chairman of the resolutions committee—advocating the passage by Congress of the Cooper-Robsion bill; to the Committee on Interstate and Foreign Commerce.

8646. Also, petition of the sixth district, Texas Congress of Mothers and Parent Teacher Associations, sent by its committee—Mrs. Sidney T. Gilmore and Mrs. Joe Simmons, president, and Mrs. T. A. Crockett, secretary, of Ballinger, Tex.—advocating the passage by Congress of the Cooper-Robsion bill; to the Committee on Interstate and Foreign Commerce.

8647. Also, petition of the Methodist Auxiliary of the Parent Teacher Association, of Blackwell, Tex., advocating the passage by Congress of the Cooper-Robsion bill; to the Committee on Interstate and Foreign Commerce.

8648. Also, petition of the city council of parent-teachers, of Sweetwater, Tex., sent by Mrs. John W. Pepper, box 486, advocating the passage by Congress of the Cooper-Robsion bill; to the Committee on Interstate and Foreign Commerce.

8649. Also, petition of the Moran Delphian Chapter, by its committee—Mrs. Aubrey Fite, president, and Ida Leftwich, secretary, Moran, Tex.—advocating the passage by Congress of the Cooper-Robsion bill; to the Committee on Interstate and Foreign Commerce.

8650. Also, petition of the Woman's Missionary Society, of the St. Paul Methodist Episcopal Church South, of Abilene, Tex., sent by Mrs. Henry A. Allen, superintendent of social service, favoring the passage of House bill 9986 and Senate bill 1003, and protesting against permitting moving pictures to be shown depicting scenes of drunkenness, vice, vulgarity, and forms of lawlessness; to the Committee on Interstate and Foreign Commerce.

8651. By Mr. CLARKE of New York: Petition of the members of the Woman's Christian Temperance Union, Merrickville, N. Y., urging Congress to enact a law for the Federal supervision of motion pictures, establishing higher standards before production for films that are to be licensed for interstate and international commerce; to the Committee on Interstate and Foreign Commerce.

8652. By Mr. CULLEN: Petition of the board of trustees of the Federation for the Support of Jewish Philanthropic Societies of New York City, urging the passage of Senate bills 3059 and 3060 to alleviate the present unemployment situation; to the Committee on the Judiciary.

8653. By Mr. HALE: Petition of Joseph T. O'Neill and 26 additional veterans of foreign wars of the United States, Department of New Hampshire, Laconia Post, No. 1670, Laconia, N. H., urging passage of House bill 3493 entitled "A bill to provide for the immediate payment to veterans of the face value of their adjusted-compensation certificates"; to the Committee on Ways and Means.

8654. By Mr. KVALE: Petition of Saturday Lunch Club, of Minneapolis, Minn., disapproving of the recent appointment of George Otis Smith, Marcel Garsaud, and Claude L. Draper to the Federal Power Commission; to the Committee on Interstate and Foreign Commerce.

8655. Also, petition of Robert A. Lee Post, No. 175, American Legion, Villard, Minn., signed by Frank A. Traxler, commander; Francis Hanson, vice commander; G. L. Hopkins, adjutant; Fred C. Taylor, finance officer; and Glenn D. Scott, chaplain, urging legislation providing for full cash payment of adjusted-service certificates; to the Committee on Ways and Means.

8656. Also, petition of members of Finstad-Week Post, No. 1639, Veterans of Foreign Wars, at Willmar, Minn., demanding immediate favorable action on House bill 3494 in its entirety; to the Committee on Ways and Means.

8657. Also, petition of Minnesota legislative representatives of the Brotherhood of Railroad Trainmen, protesting against Mexican labor; to the Committee on Immigration and Naturalization.

8658. By Mr. MEAD: Petition of National Guard Association of the State of New York, favoring passage of House bill 12918; to the Committee on Military Affairs.

8659. By Mr. MOORE of Ohio: Petition of the New Concord (Ohio) Ministerial Association, for a careful and searching investigation of the newspaper monopoly; to the Committee on the Judiciary.

8660. By Mr. PATMAN: Resolution of the American Legion Post, No. 54, at Princeton, W. Va., presented through Ralph Shrewsbury, post commander, and B. E. Smith, adjutant, urging the immediate payment of adjusted-service certificates as proposed in House bill 3493; to the Committee on Ways and Means.

8661. Also, resolution of the American Legion Post, No. 139, at Sullivan, Ind., presented through Norval K. Harris, post service officer, urging immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

8662. Also, telegram of American Legion Post, No. 115, of Greer, S. C., presented by W. W. Fant, jr., adjutant, heartily indorsing plan proposed in House bill 3493 for immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

8663. Also, resolution of the American Legion Post, No. 3, at Fayetteville, N. C., sent by George T. Bostic, adjutant, favoring the immediate payment of adjusted-compensation certificates; to the Committee on Ways and Means.

8664. Also, statement of the American Legion Post, No. 5, at Rome, Ga., sent by C. G. Kirkland, commander, showing indorsement of the immediate payment of adjusted-service certificates as proposed in House bill 3493; to the Committee on Ways and Means.

8665. Also, statement of Ralph P. Cochran, adjutant of the American Legion Post, No. 88, at Derby, Vt., setting out reasons for need of immediate payment of the adjusted-service certificates as proposed in House bill 3493; to the Committee on Ways and Means.

8666. Also, statement of the American Legion Post, No. 11, at Blakely, Ga., expressed by O. R. Brooks, adjutant, indorsing immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

8667. Also, resolution of the American Legion Post, at Socorro, N. Mex., conveyed by W. E. West, post commander,

approving the immediate payment of adjusted-service certificates; to the Committee on Ways and Means.

8668. Also, statement of the American Legion Post, No. 533, at Cuba, Ill., conveyed through C. R. Murphy, post service officer, favoring immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

8669. Also, resolution of the American Legion Post, No. 30, at Goshen, Ind., conveyed by E. R. Hanson, post adjutant, indorsing immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

8670. Also, resolution of the American Legion Post, No. 33, at North Bergen, N. J., presented through John E. Casey, post commander, and John F. Dietrich, post adjutant, favoring immediate payment of the adjusted-service certificates as proposed in House bill 3493; to the Committee on Ways and Means.

8671. Also, resolution of the American Legion Post, No. 144, at San Marcos, Tex., conveyed through Herbert Piper, post adjutant, indorsing immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

8672. Also, resolution of the American Legion Post, No. 32, at Dillon, S. C., conveyed through Jesse Evans, commander, and O. J. Hayes, adjutant, indorsing immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

8673. Also, resolution of the American Legion Allied Post, No. 226, at Chicago, Ill., conveyed by Daniel D. Brindisi, post commander, of 1224 West Ohio Street, Chicago, indorsing immediate payment of the adjusted-compensation certificates; to the Committee on Ways and Means.

8674. Also, resolution of the American Legion Post, No. 35, at Brockton, Mass., conveyed through Forrest R. Roulstone, adjutant, indorsing immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

8675. Also, memorial of Lieut. Cicil H. Connolly Post, No. 75, Veterans of Foreign Wars, at San Diego, Calif., conveyed through Thomas C. Ryan, commander, post-office box 63, Pacific Beach, Calif., indorsing immediate payment of the adjusted-compensation certificates; to the Committee on Ways and Means.

8676. Also, resolution of the American Legion Post, No. 510, at Lake Bluff, Ill., conveyed through George M. Illich, post adjutant, favoring the immediate payment of adjusted-service certificates; to the Committee on Ways and Means.

8677. Also, resolution of the American Legion Post, No. 50, at Sisseton, S. Dak., conveyed through Dr. G. B. Reid, post commander, indorsing immediate payment of the full face value of adjusted-compensation certificates; to the Committee on Ways and Means.

8678. Also, resolution of the Veterans of Foreign Wars, Post, No. 1287, Winona, Minn., conveyed through J. B. Logelin, commander, and L. K. Dudley, adjutant, indorsing immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

8679. Also, resolution of the American Legion Post, at Olin, Iowa, conveyed through Oscar J. Houstman, post adjutant, indorsing immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

8680. Also, resolution of the American Legion Post, No. 213, at Vicksburg, Mich., conveyed by Ernest B. Brinkman, post adjutant, indorsing immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

8681. Also, resolution of Veterans of Foreign Wars, Post No. 1373, at Cle Elum, Wash., conveyed by Charles R. Samples, post adjutant, indorsing immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

8682. Also, resolution of the Disabled American Veterans of the World War, Chapter No. 7, at Bath, N. Y., presented by Marcus Lifshutz, treasurer, indorsing immediate payment of the adjusted-service certificates as proposed in House bill 3493; to the Committee on Ways and Means.

8683. Also, resolution of the American Legion Post, No. 31, at Lancaster, S. C., conveyed through Quay D. Hood, adju-

tant, indorsing immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

8684. Also, resolution of the American Legion Post, No. 92, North Judson, Ind., conveyed through L. C. Speerg, commander, and A. J. Luster, adjutant, indorsing immediate payment of the adjusted-service certificates as proposed in House bill 3493; to the Committee on Ways and Means.

8685. Also, resolution of the American Legion Post, No. 595, at Ohiopyle, Pa., conveyed through E. F. Creegan, post adjutant, urging immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

8686. Also, resolution of Veterans of Foreign Wars, Post No. 864, at Brookline, Mass., conveyed by Peter W. Pate, post commander, indorsing the immediate payment of adjusted-service certificates as proposed in House bill 3493; to the Committee on Ways and Means.

8687. By Mr. FRANK M. RAMEY: Petition of Local Union No. 1475, United Mine Workers of America, Panama, Ill., urging 6-hour workday and 5-day work week; to the Committee on the Judiciary.

8688. By Mr. SANDERS of Texas: Petition from the Trades and Labor Council of Wichita Falls, Tex., Carpenters' Local Union No. 977, Painters' Local Union No. 393; Retail Merchants' Association, and other like organizations, indorsing the move of the independent oil operators for an embargo on crude oil and its by-products from foreign countries; to the Committee on Ways and Means.

8689. By Mr. SELVIG: Petition of Aitkin County (Minn.) Tax Reduction League, urging the enactment of Senate bill 4123, to provide drainage bonds and thereby relieving the tax burden on many counties in Minnesota; to the Committee on Irrigation and Reclamation.

8690. By Mr. WOLVERTON of West Virginia: Petition of Council of Jewish Women of West Virginia, by Mrs. Frances L. Moses, of Charleston, W. Va., urging Congress to provide for family integrity and admission of relatives of citizens and resident aliens in any immigration legislation; to the Committee on Immigration and Naturalization.

SENATE

MONDAY, JANUARY 19, 1931

(Legislative day of Monday, January 5, 1931)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

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

The VICE PRESIDENT. The clerk will call the roll.

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

Ashurst	Fletcher	La Follette	Shipstead
Barkley	Frazier	McGill	Shortridge
Bingham	George	McKellar	Simmons
Black	Gillett	McMaster	Smith
Blaine	Glass	McNary	Smoot
Borah	Glenn	Metcalf	Steiwer
Bratton	Goff	Morrison	Stephens
Brock	Goldsborough	Morrow	Swanson
Brookhart	Gould	Moses	Thomas, Idaho
Broussard	Hale	Norbeck	Thomas, Okla.
Bulkeley	Harris	Norris	Townsend
Capper	Harrison	Nye	Trammell
Caraway	Hastings	Oddie	Tydings
Carey	Hatfield	Partridge	Vandenberg
Connally	Hawes	Patterson	Wagner
Copeland	Hayden	Phipps	Walcott
Couzens	Hebert	Pine	Walsh, Mass.
Cutting	Heflin	Pittman	Walsh, Mont.
Dale	Howell	Ransdell	Waterman
Davis	Jones	Reed	Watson
Deneen	Kean	Robinson, Ark.	Wheeler
Dill	Kendrick	Schall	Williamson
Fess	Keyes	Sheppard	

Mr. WATSON. I desire to announce that my colleague the junior Senator from Indiana [Mr. ROBINSON] is absent on account of illness in his family. I will let this announcement stand for the day.

The VICE PRESIDENT. Ninety-one Senators have answered to their names. A quorum is present.

RADIO BROADCASTING AS RELATED TO LABOR

Mr. BROOKHART. Mr. President, there are 12 channels of radio given to corporations formed for the specific purpose of broadcasting, 7 channels to corporations manufacturing radio equipment and supplies, 10 channels to corporations dealing in merchandise of various kinds, 11 channels to corporations publishing newspapers, 3 channels to public-utility corporations, 5 channels to insurance corporations, and no channel to the great body of American labor. I present a resolution of the American Federation of Labor upon that subject, and ask that it may be printed in the RECORD and appropriately referred.

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

PROPOSING RADIO BROADCASTING RIGHTS FOR DEPARTMENTS OF AGRICULTURE, LABOR, AND INTERIOR

During the convention of the American Federation of Labor, held in Boston, October 6-17, resolutions were adopted urging Congress to adopt House Joint Resolution 334, which provides that the Federal Radio Commission shall assign three cleared-channel broadcasting frequencies to the Departments of Agriculture, Labor, and Interior. The resolutions are sent to you for your consideration, and I hope for favorable action. They are as follows:

"Whereas WCFL, the 'voice of labor' radio broadcast station, operating on 970 kilocycles, and W9XAA, its recently installed short-wave relay broadcast station, operating on 6,080 kilocycles, is the only radio station in the world which is owned, controlled, and operated by the labor movement; and

"Whereas WCFL-W9XAA, indorsed by the American Federation of Labor, and its affiliated national, international, and State organizations, is justly entitled to one of the national, cleared, unlimited-time channels out of the 90 available; and

"Whereas radio takes its place alongside of the development of the printing press and the establishment of the public school; it is the supermeans of entertainment, education, and propaganda. Whoever controls radio broadcasting in the years to come will control the Nation. For good or ill, radio will pour into the homes of the land, into the minds and hearts of the people, a constant stream of song and story, of history, science, economics, politics, and propaganda. Overshadowing and outreaching all other means of communication, radio has become the unrivaled master of human destiny; and

"Whereas radio broadcasting is the most effective means known to man for influencing public opinion. More people listen to the radio than read all the daily newspapers in the land. The mind can not conceive of the influence which radio is destined to exert upon the thinking, the habits, the character, and the progress of mankind; and

"Whereas the 'public interest, necessity, and convenience' require that this marvelous new means of communication should not be placed within the control of a few great monopolistic corporations or handed out as a free gift to a few hundred private business concerns for commercial exploitation; and

"Whereas the 'public interest, necessity, and convenience' require that radio broadcasting provide not only for entertainment but information, not only music but science, history, economics, and all other things that make for human welfare. It requires that the serious problems of life shall be presented, not from one group or one viewpoint only but from many groups and many points of view; and

"Whereas the 'public interest, necessity, and convenience' is nation-wide, it is age long; it has to do with the physical, mental, moral, social, and economic welfare of all of the people; and

"Whereas the 'public interest, necessity, and convenience' which the law fixes as the sole test for granting radio licenses is the same as the 'public welfare,' being that which contributes to the health, comfort, and happiness of the people, which provides wholesome entertainment, increases knowledge, arouses individual thinking, inspires noble impulses, strengthens human ties, breaks down hatreds, encourages respect for law, aids employment, improves the standard of living, and adds to the peace and contentment of mankind; and

"Whereas like the air we breath or the sunlight that gives us life, radio must be charged with a public trust—the heritage of mankind—and no man or corporation must be permitted to appropriate it any more than they should be permitted to appropriate the air or the ocean; and

"Whereas organized labor has contributed immeasurable service to the Nation; it has vastly improved working conditions, raised the standard of living, infused hope and courage and patriotism into millions of hearts; it has battled for needed reforms, sane and useful legislation, and social and economic justice for all who toil; it has established principles, policies, and ideals which are as essential to the welfare of our country as is sunlight to the growing fields; it has a message for all mankind; it asks no monopoly, no special privilege, no right to exploit the air for commercial profit, but asks only that it be allowed to use 1 of the 90 available radio channels in order that it may freely promulgate the principles and ideals and thereby protect and serve the entire public; and